

# **Ministry of Social Solidarity**

## **Egypt Strengthening Social Safety Net Additional Financing**

### **Environmental and Social Management Framework (FINAL)**

NOVEMBER 5<sup>th</sup>, 2018

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## I. Abbreviations and Acronyms

|       |                                                       |
|-------|-------------------------------------------------------|
| CDA   | Community Development Association                     |
| CDC   | Community Development Committee                       |
| CUSP  | Central Unit for Social Pension                       |
| CPF   | Country Partnership Framework                         |
| CT    | Cash Transfer                                         |
| CCT   | Conditional Cash Transfer                             |
| ESMF  | Environmental and Social Management Framework         |
| ESMP  | Environmental and Social Management Plan              |
| FM    | Financial Management                                  |
| GDP   | Gross Domestic Product                                |
| GoE   | Government of Egypt                                   |
| IBRD  | International Bank for Reconstruction and Development |
| M&E   | Monitoring and Evaluation                             |
| MoE   | Ministry of Education                                 |
| MoF   | Ministry of Finance                                   |
| MoH   | Ministry of Health                                    |
| MoPAR | Ministry of Planning and Administrative Reform        |
| MoIC  | Ministry of International Cooperation                 |
| MoSS  | Ministry of Social Solidarity                         |
| MSMEs | Micro, Small and Medium Enterprises                   |
| NGO   | Nongovernmental Organization                          |
| PAD   | Project Appraisal Document                            |
| PDO   | Project Development Objective                         |
| PIU   | Project Implementation Unit                           |
| PST   | Project Support Team                                  |
| PTF   | Program Task Force                                    |
| SFD   | Social Fund for Development                           |
| SSN   | Social Safety Net                                     |
| SSP   | Social Solidarity Pension                             |
| TOR   | Terms of Reference                                    |
| UNR   | Unified National Registry                             |

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|       |                                                       |
|-------|-------------------------------------------------------|
| CDC   | Community Development Committee                       |
| CUSP  | Central Unit for Social Pension                       |
| CPF   | Country Partnership Framework                         |
| CT    | Cash Transfer                                         |
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| ESMF  | Environmental and Social Management Framework         |
| ESMP  | Environmental and Social Management Plan              |
| FM    | Financial Management                                  |
| GBV   | Gender Based Violence                                 |
| GDP   | Gross Domestic Product                                |
| GoE   | Government of Egypt                                   |
| IBRD  | International Bank for Reconstruction and Development |
| M&E   | Monitoring and Evaluation                             |
| MoE   | Ministry of Education                                 |
| MoF   | Ministry of Finance                                   |
| MoH   | Ministry of Health                                    |
| MoPAR | Ministry of Planning and Administrative Reform        |
| MoIC  | Ministry of International Cooperation                 |
| MoSS  | Ministry of Social Solidarity                         |
| NGO   | Nongovernmental Organization                          |
| PAD   | Project Appraisal Document                            |
| PDO   | Project Development Objective                         |
| PIU   | Project Implementation Unit                           |
| PST   | Project Support Team                                  |
| PTF   | Program Task Force                                    |
| SFD   | Social Fund for Development                           |
| SSN   | Social Safety Net                                     |
| SSP   | Social Solidarity Pension                             |
| TOR   | Terms of Reference                                    |
| UNR   | Unified National Registry                             |

# EXECUTIVE SUMMARY

## E\ INTRODUCTION

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### E\.\ Background and Project Description

Egypt's social protection programs have long been regarded as highly fragmented and as insufficient for providing adequate protection to the poor. Well-designed, non-subsidy Social Safety Nets (SSNs) directed to the extremely poor and that can be scaled up to protect against shocks have been lacking and are characterized by low coverage rates, poor targeting, fragmentation, and poor coordination and therefore, low impact on poverty.

The Government, through the Ministry of Social Solidarity (MoSS) has also implemented Egypt Strengthening Social Safety Net project where it made the commitment to establish a well targeted and evidence-based Cash Transfer program —Takaful and Karama—targeted at poor families with children and the poor elderly and severely disabled. Takaful and Karama implement a wide communication and outreach program to ensure targeting of the eligible poor, with the support of nongovernmental organizations (NGOs); Community Development Associations (CDAs); community leaders; and the media.

On this basis, additional financing is requested by the GoE to the World Bank to scale up and restructure the original Egypt Strengthening Social Safety Net project with a total additional IBRD loan amount of US\$<sup>٥٠٠</sup> million. The restructuring of the original project entails an expansion and scale up of the original three components of the project namely;

- Component \: Provision of Conditional and Unconditional Cash Transfers
- Component ٢: Support SSN Targeting and Operational Systems
- Component ٣: Project Management and Monitoring and Evaluation

In addition to that, the AF will also finance a new fourth component titled “Economic Inclusion/Empowerment Services Pilot” to support economic inclusion/empowerment activities. The project development objective (PDO) of the parent project will be revised as follows: “to support the Borrower to establish an efficient and effective Takaful and Karama Cash Transfer Program *and improve access to economic opportunities through linkages to productive inclusion activities.*

Component ٤ is introduced to finance a range of activities to complement the CT program with improved access to economic opportunities. Various inclusion models will be piloted by linking beneficiaries to employment services, employability trainings, asset transfers as well as promoting financial inclusion and savings

The target beneficiaries of the Economic Inclusion Pilot Component will include:

- a) Takaful and Karama beneficiaries who are able to work but currently unemployed/underemployed or inactive. These beneficiaries are likely to be close to the border poverty line and are able to exit the program if provided with economic empowerment services while keeping cash for a precise period of time;
- b) Takaful and Karama applicants who were rejected and ineligible to receive cash transfer, but they are just above the poverty threshold or they are poor households whose children graduated from secondary education or do not have children. These groups are highly vulnerable to fall below the poverty line though they are not eligible for the Takaful and Karama Program.

Building on a recent initiative by MoSS, FORSA (opportunity)<sup>١</sup>, the new component (also referred to as FORSA in the rest of the document) will deliver key services to the targeted households through a ‘one-stop shop’ as follows:

- **Orientation and Outreach:** This service will include holding orientation sessions to disseminate information about the economic inclusion activities among the target group around potential livelihood opportunities and different pathways explained to beneficiaries. MOSS will also create community space to identify the needs of each local community, discuss the activities and explore whether some activities could be implemented at the community-level. The current active Social Accountability Committees can play a vital role in this community discussion.
- **Profiling:** Social and community workers assist beneficiaries at this stage in filling out applications and collecting information related to their background, demographic characteristics, employability skills and job preferences to develop and implement a statistically assisted jobs profiling system. This profiling activity will include a typology/assessment of heterogeneity across groups to determine which economic inclusion

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<sup>١</sup> FORSA is an employment initiative launched by MOSS in ٢٠١٧ in eight governorates. The program is currently delivering job matching services and public works.



packages will be tailored for homogeneous groups according to their characteristics and labor market barriers.

- **Career Counseling and Preparation:** Depending on the specific profiles of applicants, beneficiaries are guided to decide whether they should follow a wage-employment track or be enrolled in the self-employment track (asset/grant transfer) as described below:
  - ١. **Supporting wage employment:** This track aims to improve the labor participation and employability skills of beneficiaries and help them access jobs through: (a) job matching and job placement in existing vacancies for wage employment or internships; (b) offering incentives for employers and employees to increase take-up rate and support developing the technical, business and soft skills of beneficiaries through on-the-job training (incentives might include temporary wage subsidies, transportation allowance and partial coverage of social security).; and (c) linking beneficiaries with partner organizations and NGOs that offer vocational and technical training needed before job placement.
  - ٢. **Supporting self-employment:** This track will support beneficiaries who have the potential to be economically active in self-employment and potentially create economically viable projects by: (a) providing asset transfer, through grants or assets delivered by specialized NGOs selected according to criteria set by MOSS and offering training on the efficient use of the asset across various sectors i.e. handicrafts, agribusiness, trade and services; b) improving entrepreneurial capacities of beneficiaries through non-financial services to allow beneficiaries to be later linked with microfinance institutions. Evidence shows that low-income producers/microbusinesses need to first learn how to produce, market and maximize profits before taking on credit, which can be costly. There are also ways to use productive assets and working capital grants to generate the kind of financial records and assets that banks would rely on in the future to make credit allocation decisions.
- **Fostering Financial Inclusion and Promoting Saving:** This subcomponent will promote digital payments as well as access to savings accounts in the post office to support beneficiaries manage risks, build resilience, and reduce their likelihood of having to sell assets when faced with a shock. Although many poor people save informally, saving regularly in a formal way helps program participants build financial discipline and

familiarizes them with financial service providers.

### **E١.٢ Project Location**

Program interventions are to be implemented all over Egypt guided by poverty indexes and specific social stress locations, which will likely lead to a larger focus on project implementation in Upper Egypt, subject to site-specific poverty and feasibility assessments.

### **E١.٣ Objective of the ESMF**

Different to the first three components, the activities of the new fourth component of the project trigger safeguards policies as some activities might cause some minor negative environmental impacts. This has led to revising the **safeguard category of the project from C to B**, which has entailed the development of an Environmental and Social Management Framework (ESMF). The objective of the ESMF is to provide an environmental and social management process for the design and implementation of the program and to provide a practical tool during project formulation, design, planning, implementation and monitoring to ensure that environmental and social aspects are duly considered and properly managed in the process. The ESMF describes the steps involved in identifying and mitigating the potential environmental and social impacts of the Project and ensures that all relevant institutional capacity building and training needs are established for effective implementation of mitigation measures outlined in the ESMF.

## **E٢. LEGAL AND INSTITUTIONAL FRAMEWORK**

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### **E٢.١ World Bank Safeguard Requirements**

Safeguard policies triggered for this project.

The ESMF and subsequent ESIAs/ESMPs should comply with the safeguards policies and procedures of the World Bank (WB). Given the nature of the proposed sub-projects, the WB Operational Policy ٤.٠١ (Environmental Assessment) is the only safeguards policy that is triggered for this project.

### **E٢.٢ National Legislations and Regulations**

The project is subject to the following Egyptian laws and regulations:

- Law No. ٤/١٩٩٤ and its amendments: Environmental Law

- Law No. ٢٨/١٩٦٧: Solid Waste Management Law
- Law No. ١٢/٢٠٠٣: Labor Law
- Law No. ١٠٢/١٩٨٤: Natural Habitats Law
- Law No. ١١٧/١٩٨٣: Cultural Heritage Law
- Law No. ١٠/٢٠١٨: Law on People with Disabilities

## **E٣. BASELINE CONDITIONS**

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### **E٣.١ Social/Socio-economic Baseline**

Egypt has witnessed significant political and economic changes since ٢٠١١. Through this transition, which includes periods of political unrest, the main income sources of the economy have been negatively impacted, particularly in the tourism sector, as well as revenues from the Suez Canal, oil and remittances from Egyptians working abroad, affected by the global economy. Although Egypt has made visible efforts to achieve the Millennium Development Goals (MDGs), it not reached the anticipated targets for poverty reduction, environment protection and gender equity. Women in Egypt continue to endure multiple forms of social, cultural, economic and political exclusion. Egypt ranks low in gender equity compared to other countries worldwide.

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. However, despite the Government's current efforts, social conditions remain difficult due to the episode of high inflation and the erosion of real incomes. 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. Although, the unemployment rate has declined to ١١.٣٪ in ٢٠١٨, reaching its lowest level since ٢٠١٠, still, unemployment remains high especially among youth and women (World Bank ٢٠١٨).

Although the rights of persons with disabilities are guaranteed in the constitution, and Law No ١٠ of ٢٠١٨ 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.

## **E۳.۲ Environmental Baseline**

### 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.

### Topography

Topography in potential project areas is expected to be flat as the mountainous areas of Egypt exhibit extremely low population densities. Geomorphology and Geology vary greatly across Egypt but are generally irrelevant to Forsa activities.

### Flora and Fauna

Flora & Fauna to be encountered in project areas and during project activities is generally expected to be limited to agricultural crops and livestock & domesticated animals, respectively.

Across Egypt, total area of agricultural land is about ۸.۴ million feddan (۳.۵% of total area of Egypt). About ۹۲% of the agricultural land is located in Nile valley and the Delta.

### Energy and sanitation utilities

The National Electricity Network has generally covered all residential areas in Egypt. However, many locations in Egypt experience power outages during summer months due to peak loads on the national and local grids. 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.

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.

## E. ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK

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### E.1 Environmental and Social Impact Identification

#### Environmental Impacts

Most of the sub-projects under Component 4 Pilot Economic Inclusion 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 or physical components.

As part of the **self-support services** under Component 4 Pilot Economic Inclusion, some subproject activities will be based on asset transfer, and those may have **minor, and localized environmental impacts**. They may include blending and production of dyes, metal plating, foundries, textiles, brick making, automobile repairing, carpeting, metal formation, among others. Typical key impacts for such activities are associated with:

- Improper disposal of solid waste and wastewater
- Improper disposal of chemicals and hazardous waste
- Soil and groundwater pollution
- Surface water pollution
- Air quality impacts resulting from fuel combustion, spraying activities and/or asbestos handling.
- Noise and foul odors
- Consumption of natural resources and/or causing pressure on existing infrastructure

#### 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, fire fighting 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. On the other hand, supporting beneficiaries will lead to positive impacts with regards to health and safety awareness.

Table E4-1 below illustrates examples of typical environmental and OHS impacts associated with asset transfer and self-support activities (non-exhaustive list)

E4-1 Key environmental impacts commonly associated with asset transfer and self-support activities

| Component activities                                                                         | Potential Impacts                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Food Processing                                                                              | <ul style="list-style-type: none"> <li>- Less water availability</li> <li>- Health impacts associated with risk of food poisoning</li> <li>- Improper solid waste disposal</li> </ul>                                                                                                                               |
| Textiles, leather, footwear                                                                  | <ul style="list-style-type: none"> <li>- Noise impacts</li> <li>- Air quality and odor impacts</li> <li>- Indoor air quality impacts (i.e. VOC emissions)</li> <li>- Improper solid waste and wastewater disposal</li> </ul>                                                                                        |
| Paper articles, printing, and photography                                                    | <ul style="list-style-type: none"> <li>- Chemical and lead contamination associated with handling and waste disposal</li> </ul>                                                                                                                                                                                     |
| Manufacture of jewelry and glass                                                             | <ul style="list-style-type: none"> <li>- Chemical contamination associated with handling and waste disposal</li> <li>- OHS risks for operators and surrounding community</li> </ul>                                                                                                                                 |
| Manufacture and repair of household appliances and agricultural implements, except batteries | <ul style="list-style-type: none"> <li>- Noise impacts</li> <li>- Contamination from metal particles and substances, such as oils, solvents, and coolants</li> <li>- Improper solid waste disposal</li> </ul>                                                                                                       |
| Livestock farming and slaughter                                                              | <ul style="list-style-type: none"> <li>- Odor impacts and biological contamination by insects and rodents</li> <li>- Improper solid waste and wastewater disposal</li> <li>- Soil pollution</li> </ul>                                                                                                              |
| Tanning and dyeing leather                                                                   | <ul style="list-style-type: none"> <li>- Exposure to hazardous substances such as chrome, mercury, and sulfides</li> <li>- Improper solid waste and wastewater disposal</li> <li>- Odor impacts</li> </ul>                                                                                                          |
| Manufacture of carpets and rugs, textile dyeing, and printing                                | <ul style="list-style-type: none"> <li>- Exposure to hazardous substances such as acids and heavy metals</li> <li>- Fire hazards</li> <li>- Soil pollution</li> </ul>                                                                                                                                               |
| Sawmills, manufacture of furniture and other wood products                                   | <ul style="list-style-type: none"> <li>- Noise impacts</li> <li>- Indoor air quality impacts such as exposure to high noise &amp; Particulate matter (PM) levels</li> <li>- Exposure to hazardous substances such as solvents, sealants, lacquers, among others</li> <li>- Improper solid waste disposal</li> </ul> |

|                                                             |                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Automobile and motorcycle repair                            | <ul style="list-style-type: none"> <li>- Exposure to hazardous substances such as oil, fuel, and lubricants</li> <li>- Noise impacts from operating vehicles, hammering, and polishing</li> <li>- Traffic congestion due to obstruction of public space by improperly parked vehicles</li> <li>- Improper solid waste and wastewater disposal</li> <li>- Fire hazards</li> <li>- Soil pollution</li> </ul> |
| Engineering and electric industries (ACs, electronics etc.) | <ul style="list-style-type: none"> <li>- Indoor air quality impacts</li> <li>- Improper solid waste and wastewater disposal</li> <li>- Noise impacts</li> </ul>                                                                                                                                                                                                                                            |

### **Social Impacts**

In order to guarantee social benefits of Component ٤ there is a requirement to ensure that sub-projects are planned and operated in a manner that maximizes benefits. 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 ٤ Pilot Economic Inclusion:

- 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;
- Support development of micro and small businesses;
- 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;
- Enhance the productivity of the local economy.

Some negative social impacts and risks could present themselves under component ٤ on economic inclusion implementation:

- Discrimination based on gender and/or physical 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.
- Child Labor
- Beneficiary Dissatisfaction

## **E4.2 Framework ESMP Implementation Arrangements**

### **Overall project institutional and implementation arrangements**

The MoSS will be the institutional home for the Takaful and Karama program and in turn for the Economic Inclusion Pilot Component (Component 4). The project will be implemented through the MoSS' existing structure, supported by a Project Implementation Unit (PIU) which together with MoSS permanent staff, forms the Program Task Force (PTF). The PIU will also be responsible for documentation, procurement of goods, overall fiduciary activities, monitoring & evaluation and reporting to the MoSS and the WB on all aspects of project implementation.

The Central Unit for Social Pension (CUSP) under the Social Protection Department (SPD) will be responsible for day-to-day management of the project, reporting to the Minister of Social Solidarity and supported by the PIU team. The PIU is headed by an experienced project director and includes specialists in Financial Management, procurement, Management Information System, field operations support, communications, research and program coordination, monitoring and evaluation, and payment control. To ensure that adequate institutional arrangements for managing environmental and social risks are in place, an environmental and social unit will be established at the PIU which will include a senior environmental and social expert supported by an environmental officer and a social officer. The senior expert will monitor the implementation of the Environmental and Social Management Framework (ESMF) and will oversee the two officers. Together, the unit will monitor the projects' activities all over Egypt. The staff at the central unit will follow up with environmental and social focal points at local level (governorate/unit level) to monitor safeguards and ensure that the project is in compliance with World Bank safeguard policies and regulations. It is envisaged that if additional capacity is required, the PIU may recruit external consultants who have sufficient expertise to support PIU focal points.



At the regional level, the project is supported by directorate social units of the MoSS. At the district and village level, MoSS' social units, village social units and NGOs which exist in each large village or a group of villages will be responsible for receiving applications and conducting regular field supervision (where applicable) to ensure compliance of the sub projects, their workers and practices, to the ESMPs under the supervision of the PIU.

### **E 4.3 Sub-project Environmental and Social Screening and Approval Framework**

A framework methodology is proposed in this section for the screening, categorization, review, approval, safeguarding, and monitoring of Component 4 sub-projects. Sub-projects which will need to be screened will be those associated with building the capacity of beneficiaries through offering asset transfer in sectors related to handicrafts, agribusiness, trade and services

Each sub-project will be screened for potential ES impacts using the screening checklists included as **Annex 5** in order to determine the suitable safeguard instruments to use concurrent with the level of significance for the expected impacts.

The Bank will then review the screening results and accordingly the safeguards relevant instruments shall be prepared, consulted with stakeholders and disclosed. Following clearance of the safeguards instruments by the Bank and/or government, the ESMPs shall be implemented, supervised and monitored. Figure 4-1 outlines the proposed methodology.

### **E 4.4 Capacity building and training needs**

Upon ESMF and ESMP approval by the WB and adoption by MoSS, the following stakeholders should undergo training on ESMF application:

- Environmental/Safeguards Focal Points at MoSS as well as other relevant project staff
- Relevant staff of the concerned governorates and ministries
- Institutions affiliated with MoSS.
- NGOs, CBAs and local groups involved in project activities
- Other project stakeholders - interested/potential partners

A comprehensive training plan will be designed by the PIU aiming at enhancing capacity of relevant stakeholder agencies and with the following objectives.

- Identify, prepare, implement & manage environmental aspects of sub-projects;
- Ensure that the institutions have the capacity to assist in preparing sub-project screening, reports, and monitor implementation of mitigation plans; and
- Ensure that the implementing agencies have the capacity to appraise, approve and supervise the implementation of subprojects

ESMF Training will be customized to the roles of the various stakeholders to include:

- Sub-project screening, categorization, ES instrument preparation, and disclosure, including 'negative list.'
- Overview of the Economic Inclusion Pilot ESMF structure, including positive list of potential subprojects
- Mitigation measures implementation
- Monitoring measures implementation
- Templates, archiving, and reporting
- Project data analysis and project improvements

In addition, beneficiary training is needed to minimize incident risk and ensure compliance with ESMF/ESMP provisions. Relevant training topics to be delivered include:

- Customized Occupational Health and Safety
- First aid & Emergency response
- Training on sub-project ESMP preparation and implementation
- Prevention and response to all forms of gender based violence and gender discrimination, such as sexual harassment, domestic and partner violence, bullying and stalking.

## CHAPTER ONE: INTRODUCTION

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### ١.١ Background and Project Description

Egypt's social protection programs have long been regarded as highly fragmented and as insufficient for providing adequate protection to the poor. Well-designed, non-subsidy Social Safety Nets (SSNs) directed to the extremely poor and that can be scaled up to protect against shocks have been lacking and are characterized by low coverage rates, poor targeting, fragmentation, and poor coordination and therefore, low impact on poverty. The Government is committed to reforming its SSN. Recognizing the current deficiencies in the existing system and within the framework of the post-٢٠١١ revolution social and economic reform program, the government of Egypt (GoE) has made a commitment to reform its SSN system with emphasis on improving targeting and delivery systems before further expansion in coverage and launching significant reforms to legacy (but inefficient) programs.

The Government, through the Ministry of Social Solidarity (MoSS) has also implemented Egypt Strengthening Social Safety Net project where it made the commitment to establish a well targeted and evidence-based Cash Transfer program —Takaful and Karama—targeted at poor families with children and the poor elderly and severely disabled. Takaful and Karama implement a wide communication and outreach program to ensure targeting of the eligible poor, with the support of nongovernmental organizations (NGOs); Community Development Associations (CDAs); community leaders; and the media. MoSS has launched a communication program and is using diverse communication channels ranging from TV interviews and social media to printed material with illustrations, targeting the less-educated population.

To improve targeting of the poor and delivering targeted safety net, the Government has taken concrete steps. In ٢٠١٢, the Government established a Labor-Intensive Works Program, implemented by the Social Fund for Development (SFD) supported by the World Bank and the European Union, targeted at the able-to-work poor and unemployed youth, with focus on lagging regions.

### **Project Description**

On this basis, additional financing is requested by the GoE to the World Bank to scale up and restructure the original Egypt Strengthening Social Safety Net project with a total additional IBRD

loan amount of US\$ 0.0 million. The restructuring of the original project entails an expansion and scale up of the original three components of the project namely;

- Component 1: Provision of Conditional and Unconditional Cash Transfers
- Component 2: Support SSN Targeting and Operational Systems
- Component 3: Project Management and Monitoring and Evaluation

In addition to that, the AF will also finance a new fourth component titled “Economic Inclusion/Empowerment Services Pilot” to support economic inclusion/empowerment activities. The project development objective (PDO) of the parent project will be revised as follows: “to support the Borrower to establish an efficient and effective Takaful and Karama Cash Transfer Program *and improve access to economic opportunities through linkages to productive inclusion activities.*”

Component 4 is introduced to finance a range of activities to complement the CT program with improved access to economic opportunities. Various inclusion models will be piloted by linking beneficiaries to employment services, employability trainings, asset transfers as well as promoting financial inclusion and savings

The component will finance piloting of economic inclusion packages to determine which models perform better than others and identify sources of success and bottlenecks. . Given the expected variations in labor market opportunities and constraints, about 70 percent of the budget allocated is expected to cover self-employment activities in poor regions (mostly rural/lagging regions) where there are no wage employment opportunities, while around 30 percent will cover beneficiaries in economically active regions (mainly urban) namely through wage employment. The duration of the economic inclusion package ranges between 12-18 months, depending on the specific package to be delivered.

The target beneficiaries of the Economic Inclusion Pilot Component will include:

- a) Takaful and Karama beneficiaries who are able to work but currently unemployed/underemployed or inactive. These beneficiaries are likely to be close to the border poverty line and are able to exit the program if provided with economic empowerment services while keeping cash for a precise period of time;
- b) Takaful and Karama applicants who were rejected and ineligible to receive cash transfer, but they are just above the poverty threshold or they are poor households whose children graduated from

secondary education or do not have children. These groups are highly vulnerable to fall below the poverty line though they are not eligible for the Takaful and Karama Program.

Building on a recent initiative by MoSS, FORSA (opportunity)<sup>٧</sup>, the new component (also referred to as FORSA in the rest of the document) will deliver key services to the targeted households through a ‘one-stop shop’ as follows:

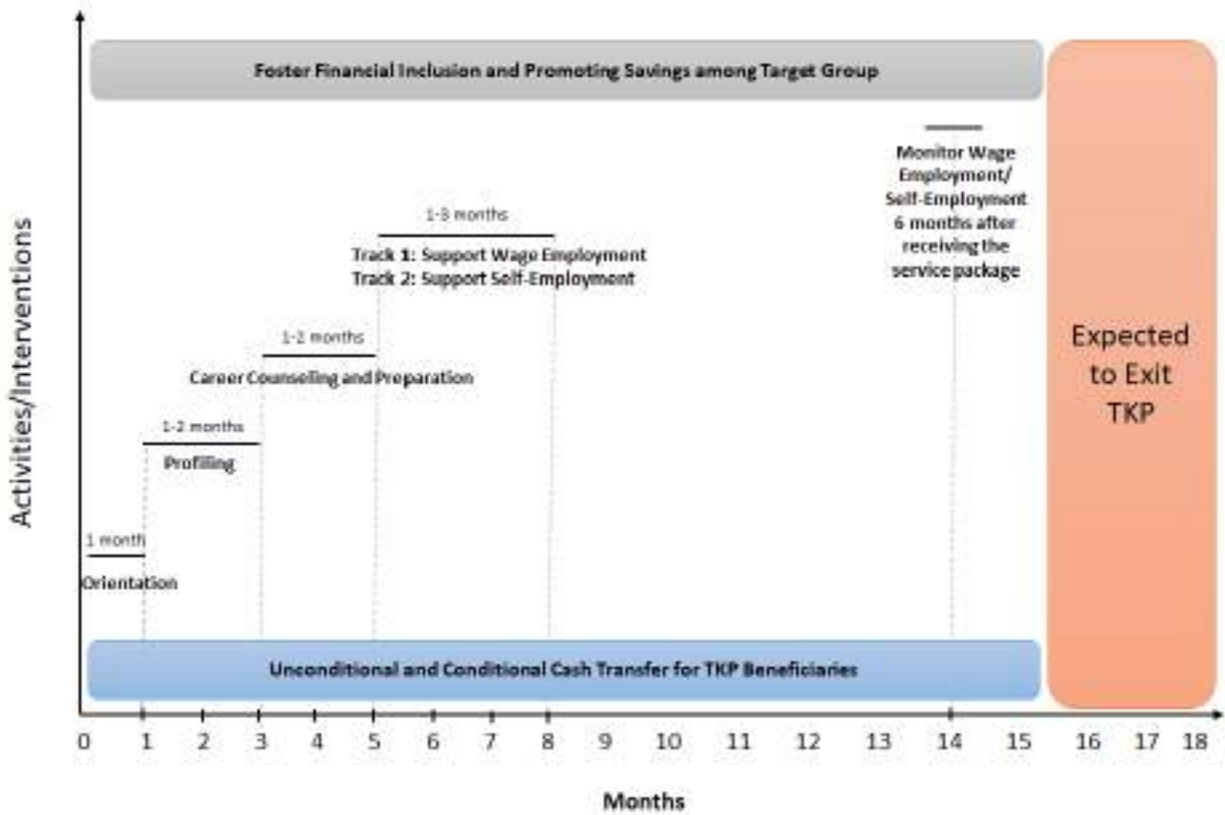
- **Orientation and Outreach:** This service will include holding orientation sessions to disseminate information about the economic inclusion activities among the target group around potential livelihood opportunities and different pathways explained to beneficiaries. MOSS will also create community space to identify the needs of each local community, discuss the activities and explore whether some activities could be implemented at the community-level. The current active Social Accountability Committees can play a vital role in this community discussion.
- **Profiling:** Social and community workers assist beneficiaries at this stage in filling out applications and collecting information related to their background, demographic characteristics, employability skills and job preferences to develop and implement a statistically assisted jobs profiling system. This profiling activity will include a typology/assessment of heterogeneity across groups to determine which economic inclusion packages will be tailored for homogeneous groups according to their characteristics and labor market barriers.
- **Career Counseling and Preparation:** Depending on the specific profiles of applicants, beneficiaries are guided to decide whether they should follow a wage-employment track or be enrolled in the self-employment track (asset/grant transfer) as described below:
  - ١. **Supporting wage employment:** This track aims to improve the labor participation and employability skills of beneficiaries and help them access jobs through: (a) job matching and job placement in existing vacancies for wage employment or internships; (b) offering incentives for employers and employees to increase take-up rate and support developing the technical, business and soft skills of beneficiaries through on-the-job training (incentives might include temporary wage subsidies,

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<sup>٧</sup> FORSA is an employment initiative launched by MOSS in ٢٠١٧ in eight governorates. The program is currently delivering job matching services and public works.

transportation allowance and partial coverage of social security).; and (c) linking beneficiaries with partner organizations and NGOs that offer vocational and technical training needed before job placement.

۲. ***Supporting self-employment:*** This track will support beneficiaries who have the potential to be economically active in self-employment and potentially create economically viable projects by: (a) providing asset transfer, through grants or assets delivered by specialized NGOs selected according to criteria set by MOSS and offering training on the efficient use of the asset across various sectors i.e. handicrafts, agribusiness, trade and services; b) improving entrepreneurial capacities of beneficiaries through non-financial services to allow beneficiaries to be later linked with microfinance institutions. Evidence shows that low-income producers/microbusinesses need to first learn how to produce, market and maximize profits before taking on credit, which can be costly. There are also ways to use productive assets and working capital grants to generate the kind of financial records and assets that banks would rely on in the future to make credit allocation decisions.
- ***Fostering Financial Inclusion and Promoting Saving:*** This subcomponent will promote digital payments as well as access to savings accounts in the post office to support beneficiaries manage risks, build resilience, and reduce their likelihood of having to sell assets when faced with a shock. Although many poor people save informally, saving regularly in a formal way helps program participants build financial discipline and familiarizes them with financial service providers.



To ensure that services delivered to beneficiaries respond to the existing market demand, MOSS will carry out a rapid stocktaking exercise prior to implementation to define the demand side constraints and opportunities for various geographical areas including expanding existing value chains/organic clusters/one village- one product models, to promote local economic development. MOSS will also assess existing service providers i.e. training institutions, NGOs, job matching platforms to deliver the required services under this component.

MOSS has partnered with government and private sector institutions and NGOS as depicted in the table below:

| Government Sector              | Private Sector                            | Local Sectors and NGOs             |
|--------------------------------|-------------------------------------------|------------------------------------|
| Local Government               | Large companies, industries and investors | NGOs                               |
| Ministry of Trade and Industry | SMEs                                      | Business Associations              |
| Ministry of Manpower           | Banks and Financial Institutions          | Community Development Associations |
| Ministry of Finance            | Chambers of Commerce                      | Zakat Committees                   |

|                                    |                                            |                   |
|------------------------------------|--------------------------------------------|-------------------|
| Economic and Research Institutions | Federation of Egyptian Industries          | Religious Leaders |
|                                    | Professional Institutions and Trade Unions | Local Leaders     |
|                                    | Experts                                    | Volunteers        |

## ١.٢ Project Location

Project interventions are to be implemented all over Egypt guided by poverty indexes and specific social stress locations. This is likely to lead to a larger focus on project implementation in Upper Egypt, subject to site-specific poverty and feasibility assessments. Forsa sub-projects are to be tailored for respective implementation in both urban and rural areas, with a higher focus on rural areas.

## ١.٣ Objective of the ESMF

Different to the first three components, the activities of the new fourth component of the project trigger safeguards policies as some activities might cause some minor negative environmental impacts. This has led to revising the safeguard category of the project from **C to B**, which has entailed the development of an Environmental and Social Management Framework (ESMF). The objective of the ESMF is to provide an environmental and social management process for the design and implementation of the program and to provide a practical tool during project formulation, design, planning, implementation and monitoring to ensure that environmental and social aspects are duly considered and properly managed in the process. The ESMF describes the steps involved in identifying and mitigating the potential environmental and social impacts of the Project and ensures that all relevant institutional capacity building and training needs are established for effective implementation of mitigation measures outlined in the ESMF.

The ESMF proposes high-level principles, guidelines and procedures to screen, assess, approve, manage and monitor the mitigation measures of environmental and social impacts of the project activities/subprojects. The output of this ESMF is intended to ensure that the proposed project will be environmentally and socially sound and sustainable.



## **CHAPTER TWO: LEGAL AND INSTITUTIONAL FRAMEWORK**

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This section highlights the key national requirements likely to be relevant to the pilot Component 4 on Economic Inclusion sub-projects. Applicability of the various World Bank and national requirements to specific sub-project activities should be assessed upon detailing designs of sub-projects and their activities. Furthermore, the Egyptian Government has signed and ratified a number of international conventions related to environmental protection and human rights. These conventions are, therefore, considered an integral part of the environmental legislative framework of Egypt.

### **2.1 World Bank Operational Policies**

The World Bank (WB) has identified 10 environmental and social safeguard policies that should be taken into consideration in its financed projects. The objective of these policies is to prevent and mitigate undue harm to people and their environment during the development process. The ESMF was prepared guided by the following WB Operational Policies:

- Given the nature of the proposed sub-projects, the WB Operational Policy 4.01 (Environmental Assessment) is the only safeguards policy that is triggered for this project.
- Sub-projects will be screened, categorized, and managed in accordance with OP 4.01.
- Component 4 supports only category “B” or “C” sub-projects as per the World Bank OP 4.01 classifications. Sub-projects classified as category “A” as per OP 4.01 will not be eligible for funding by this component.
- Sub-projects which trigger World Bank OPs other than 4.01- specifically 4.02 (Involuntary Resettlement), OP 9.00 (Projects on International Waterways), OP 4.04 (Natural Habitats), or OP 4.09 (Pest Management) will not be eligible for funding by the pilot component on economic inclusion (component 4).

### **2.2 Screening categories and Environmental Assessment procedures**

Environmental Screening is a mandatory procedure under OP/BP 4.01 Environmental Assessment. The Bank undertakes an environmental screening of each proposed project for which it will provide funding in order to determine the appropriate extent and type of the Environmental Assessment to be conducted. The Bank classifies a proposed project into one of three categories, depending on the

type, location, sensitivity and scale of the project and the nature and magnitude and scale of the project and the nature and magnitude of its potential environmental impacts.<sup>۳</sup>

**Category A** projects are likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented. For a Category A project, the beneficiary is responsible for preparing a report, normally a full ESIA. No Category A sub-projects will be financed under the pilot component on economic inclusion (component ۴).

**Category B** projects have potential adverse environmental impacts on human populations or environmentally important areas - including wetlands, forests, grasslands, and other natural habitats - which are less adverse than those of Category A projects. Like Category A, Category B environmental assessment examines the project's potential negative and positive environmental impacts and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance.

**Category C** projects mainly include activities, which are expected to have minor or no impacts on the environment and therefore, do not need to be passed through the formal procedures of an ESIA.

**Public consultation and Disclosure.** For Category C sub-projects, there will be no need for a special public hearing, but the borrower should provide information to all interested parties about the project activities by publishing posters, leaflets and brochures and posting on the website relevant information. For Category B sub-projects, the borrower shall consult project-affected groups and other interested groups about the project's environmental and social aspects as early as possible and takes their views into account. The borrower shall provide prior to the consultation event/sessions relevant material in a timely manner, and in local language. All sub-projects environmental assessment reports shall be made available to public.

**EHS Guidelines,** the WB Group Environmental, Health, and Safety Guidelines referred to as the EHS 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

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<sup>۳</sup> See: Environmental Assessment Update Sourcebook, Environmental Department, April ۱۹۹۳. The World Bank

are normally acceptable to the WB Group. When preparing the EA reports and implementing the ESMPs, the borrower shall apply the relevant levels or measures of the EHS Guidelines.

## **۲.۳ National Legislations and Regulations**

National legislation and guidelines sufficiently address the potential environmental and social issues associated with the project. An analysis of relevant national legal framework and identification of possible gaps with WB Operational Policies is discussed below.

### **۲.۳.۱ Environmental Laws and regulations**

#### Environmental Assessment

Environmental assessment for projects is included in the environmental legislation in Republic of Egypt: Law ۴/۱۹۹۴ modified by Law ۹/۲۰۰۹ and by Law ۱۰۵/۲۰۱۵. 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 ۲۰ years including the latest decrees in ۲۰۱۶, concerning the placement of specific review fees based on the environmental category of the project. According to Law ۴/۱۹۹۴ 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 (equivalent to WB Category A) requiring full-fledged EIA.
- Scoped B 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 ٢٠٠٩ Egyptian EIA Guidelines include EIA requirements, including social assessment and consultation, and is highly compatible with environmental assessment requirements of the WB.

A few gaps have been identified, mainly in the procedural and compliance side:

- A large number of governmental projects do not prepare EIAs (unless required by an International Finance Institution).
- 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.

#### 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.

#### Air quality

Ambient air quality and emission standards of Law ٤/١٩٩٤ generally meet the interim targets of the WHO ambient air guidelines, with few exceptions that have little significance in the program's context. The main gaps identified with relevance to the current program are:

- Engines, burners and furnaces are rarely checked for efficiency.

- Ambient air quality monitoring stations are limited in number. Monitoring data is not disclosed to the public and is not used in the EIA and licensing procedures
- Selected air emission limits are different from WBG limits. A brief comparison is presented in the table below

Table 3-1: Ambient air quality emission limits ( $\mu\text{g}/\text{m}^3$ )

|                   | <i>NO</i> | <i>NO<sub>2</sub></i> | <i>NO<sub>x</sub></i> | <i>SO<sub>2</sub></i> | <i>CO</i>                               | <i>PM<sub>10</sub></i> | <i>T.S.P</i> |
|-------------------|-----------|-----------------------|-----------------------|-----------------------|-----------------------------------------|------------------------|--------------|
| National (24 hrs) | 100       | 100                   | 100                   | 100                   | 10<br>( $\text{mg}/\text{m}^3$ , 1 hrs) | 100                    | 230          |
| WB (24 hrs)       | -         | -                     | 200<br>(1 hr)         | 120                   | N/A                                     | 100                    | 230          |

### Water Quality

Law 40/1982 regulates the quality of freshwater resources. It includes standards for ambient water quality as well as limits for discharging wastewaters in different water bodies. Industrial facilities and workshops discharging to sewers are required to comply with Law 93/1962 and its modified executive regulations (Decree 44/2000). The identified gaps are presented below:

- Unserved/weakly served areas with sanitation services are not provided with adequate septage management system.
- WWTPs do not have a plan for de-sludging and safe disposal/management of sludge.
- Water balance in tree forests is weakly managed.
- Environmental registers for operating WWTPs are not regularly checked and water quality in the receiving drains is not methodologically inspected.
- Selected national water quality and discharge limits are different from WBG limits.

However, these are not presented here in details, as they are not expected to be a major impact of the Forsa sub-projects.

### Noise

Law 4/1994 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 3 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 ٧-٧: Comparison of National and WBG Noise limits

|       | Egyptian Law ٤ Requirements                                                |                                     |                               | WB Requirements <sup>٤</sup>                  |                                 |                           |
|-------|----------------------------------------------------------------------------|-------------------------------------|-------------------------------|-----------------------------------------------|---------------------------------|---------------------------|
|       | TYPE OF AREA                                                               | Permissible noise intensity decibel |                               | Receptor                                      | One hour L <sub>Aeq</sub> (dBA) |                           |
|       |                                                                            | DAY<br>٧ a.m.<br>to ١٠ p.m.         | NIGHT<br>١٠ p.m.<br>to ٧ a.m. |                                               | Day<br>٠٧:٠٠ –<br>٢٢:٠٠         | Night<br>٢٢:٠٠ –<br>٠٧:٠٠ |
| Noise | Sensitive Areas (Schools- hospitals- rural areas)                          | ٥٠                                  | ٤٠                            | Residential;<br>Institutional;<br>educational | ٥٥                              | ٤٥                        |
|       | Residential with limited traffic                                           | ٥٥                                  | ٤٥                            | Industrial;<br>commercial                     | ٧٠                              | ٧٠                        |
|       | Urban residential areas with commercial activities                         | ٦٠                                  | ٥٠                            |                                               |                                 |                           |
|       | Residential adjacent to roads less than ١٢m wide                           | ٦٥                                  | ٥٥                            |                                               |                                 |                           |
|       | Residential adjacent to roads ١٢m wide or more, or light industrial areas. | ٧٠                                  | ٦٠                            |                                               |                                 |                           |
|       | Industrial areas (heavy industries)                                        | ٧٠                                  | ٧٠                            |                                               |                                 |                           |
|       |                                                                            |                                     |                               |                                               |                                 |                           |
|       |                                                                            |                                     |                               |                                               |                                 |                           |

The maximum occupational noise allowed by Law ٤/١٩٩٤ for establishments that have been licensed before ٢٠١١ is ٩٠ 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.

<sup>٤</sup> World Bank Group EHS Guidelines

### Solid Waste Management

General cleanliness and solid waste management, are regulated by Law ٣٨/١٩٦٧. Solid waste collection and disposal services are usually performed by the Local Authority on a governmental level, and they lack sufficient financial resources to deliver the desired quality service. The main gaps identified are:

- The service covers cities only, in most of the areas.
- Insufficient manpower and equipment.
- The service providers are not and sometimes cannot be accountable to ineffective services or random disposals.
- Besides the use of engineered landfills, disposal is still being done in open dumpsites with low environmental and health standards, sometimes close to urban settlements.

### Occupational Health and Safety

The Labor Law ١٢/٢٠٠٣ is the main legislation for health and safety issues. The main gaps identified are (mainly during implementation):

- Lack of awareness to adhere to safe working measures among employers and workers.
- Contractors do not implement proper and complete occupational health and safety measures in order to reduce construction costs.
- There is limited capacity to monitor health and safety issues in some industrial sites
- Construction activities are usually not inspected for health and safety issues.

### 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.

### 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 program's sub-projects. Registered sites are closely inspected by the Antiquity Authority.

### ٢.٣.٢ Egyptian Labor Law

- 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).
- Collective negotiation is allowed between trade union organizations and private sector employers or their organizations. Agreements reached through negotiations are recorded in collective agreements regulated by the Unified Labor law and usually registered at MOMM.
- 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.



- Egyptian labor laws allow employers to close or downsize for economic reasons. The unemployment insurance law (Emergency Subsidy Fund Law ١٥٦/٢٠٠٢) sets a fund to compensate employees whose wages are suspended due to the partial or complete closure of their firm or due to its downsizing.
- 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.
- In the case of difficult economic conditions, Labor Law ١٢/٢٠٠٣ enables termination of an employment contract. The Law allows an employer to close his establishment totally or partially or to reduce its size of activity for economic reasons, following approval from a committee designated by the Prime Minister. In addition, the employer must pay former employees a sum equal to one month of the employee's total salary for each of his first five years of service and one and a half months of salary for each year of service over and above the first five years. Workers that have been dismissed have the right to appeal. This is not applicable to workers in the public sector.

### **٢.٣.٣ Legal and regulatory system affecting the economic empowerment of women**

A regulatory and legal environment significantly affects women's ability to gain access to economic rights. Moreover, it guarantees that specific laws and regulations are clearly enforced, and thereby plays a role in preventing women to be subject to customary practices that contradict their legal rights. Women are economically empowered if they have the freedom to choose to work, or to decide to start their own businesses, combined with access to employment and entrepreneurial opportunities and control over their own resources and profits. On this basis, Labour laws and regulations, property rights and business registration and licensing of the legal and regulatory system and laws and regulations on violence against women are discussed below (Egypt, ILO, ٢٠١٦):

#### **a) Labor laws and regulations**

##### The Egyptian Constitution

Article ٩ emphasizes equal opportunities for all citizens, without discrimination.

Article ١١ stresses the equality between women and men in terms of economic rights, the protection of women against any forms of violence, women empowerment by ensuring the balance between family duties and work requirements and providing protection to motherhood and women-headed households.

#### Labor Law No. ١٢/٢٠٠٣

Article ٨٨ prevents any discrimination against women and emphasizes the equal application of the labor law for both women and men.

Article ٣٥ prohibits gender wage discrimination to ensure that women and men receive equal pay for similar work.

Articles No. ٩١, ٩٢, ٩٣, ٩٤ and ٩٥ of the labor law relate to women's maternity leave whereas pregnant women who have worked in an organization for ١٠ months have the right to take maternity leave for ٩٠ days, 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 child care 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.

Article ٩٠ prohibits women from working in specific jobs, which have been defined by the minister of Manpower Decree No ١٥٥/٢٠٠٣. It lists jobs considered immoral, such as working in bars, gambling clubs, furnished apartments, boarding houses that are not subject to supervision by the Ministry of Tourism. Other restrictions prevent women from working in jobs potentially harmful to their health, such as working underground in mines and quarries, working in furnaces of melting mineral materials, making explosives, glass melting, leather tanning and fertilizers manufacturing. Moreover, 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 (OECD, ٢٠١٥, pp. ٤٧-٤٨).

#### 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:

#### 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. Egypt also recognizes the UN Declaration on the Elimination of Violence Against Women of ١٩٩٣ and 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.

#### 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, color, 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.

### **b) 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.

### **c) 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.

### **d) 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 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<sup>٥</sup> 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.<sup>٦</sup>

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.

### **٢.٣.٤ 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

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<sup>٥</sup> See Criminal Chamber of the Court of Cassation in Ruling No. ٢٨٩ of April ٢٤ in ١٩٥٠.

<sup>٦</sup> See Criminal Chamber of the Court of Cassation Ruling No. ٤٧٩٤ of February ١٤ in ١٩٨٥.

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 ၂၀၁၆ 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 ၁၀ of ၂၀၁၈ provides a wide range of legal rights and protections for disabled people. 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 disabled people, and that they provide equal opportunities in education. It prohibits institutions from rejecting applications from students on grounds of disability.

## CHAPTER THREE: BASELINE DESCRIPTION

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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.

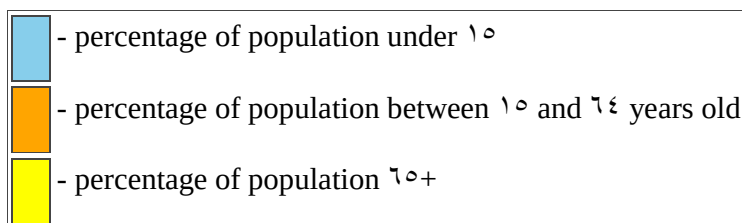
### ٣.١ Baseline Overview

Egypt is a transcontinental country, which spans the southwest corner of Asia and the northeast corner of Africa. This is made possible through a land bridge formed by the Sinai Peninsula. Most of Egypt is located in North Africa and is bordered by both land and sea. Egypt is one of the most populous countries in Africa and the Middle East. With a ٢٠١٨ estimated population of ٩٩.٣٨ million, Egypt ranks ١٥th in the world, compared to the last official census figure of ٧٢.٧ million in ٢٠٠٦.

The population density of Egypt as a whole is ٨٤ people per square kilometer (٢١٨/square mile), with Cairo having the heaviest density. Overall, Egypt ranks ١٢٦th in the world in terms of population density. In general, the Nile Valley and the Nile Delta host the highest population and activity densities in Egypt. Around ٨ million acres of agricultural land-use and the majority of rural and urban clusters are located in the Nile Valley and Delta.



As of the beginning of ٢٠١٨ according to the latest demographic and social statistics by United Nations Statistics Division Egypt had the following population age distribution:



## Project affected Governorates Overview

### I. Beni Suef (also Bani Suwayf, Beni Swaif)

The Governorate lies along the Nile River in northern Upper Egypt, with an extension into the Libyan (Western) Desert at its southern end, and with Al- Fayum governorate to its west and Al-Minya to its south. Its cultivated, settled area consists mainly of a strip of the Nile River valley floodplain, extending about 80 km north-south and 24 km in width at its widest point, near Beni Suef city. Because the river throughout history has eroded away the eastern bank, it now embraces only a narrow gravelly plain terminating abruptly below the hills of the Eastern Desert.

The governorate's capital is the city of Beni Suef, located about 120 km south of Cairo on the west bank of the Nile River. The city is famous for its cement factories. The nearby Meidum pyramid is the only prominent tourist attraction in the area.

According to population estimates from 2010 the majority of residents in the governorate live in rural areas, with an urbanization rate of only 23.2%. Out of an estimated 2,806,812 people residing in the governorate, 2,193,871 people live in rural areas as opposed to only 662,941 in urban areas. According to the Egyptian Governing Authority for Investment and Free Zones (GAFI), in affiliation with the Ministry of Investment (MOI), the following industrial zones are located in this governorate:

- Kom Abu Radi
- Baiad Al Arab
- The industrial zone 1/31
- The industrial zone 2/31
- The industrial zone 3/31
- The industrial zone 4/31
- Heavy industrial zone Gabal Ghareb
- New Beni Suef (New urban community industrial zone)

### II. Al-Minya

Al-Minya is located in Upper Egypt, between the Beni Suef governorate to the north and the Asyut governorate to the south. It occupies the floodplain of the Nile River and extends for about ١٢٠ km along the river and also includes a section of the Western Desert, extending out toward the oases. To the west and east it merges into desert terrain, and the cultivated floodplain on the eastern bank is very narrow. Iron ore is found in the desert west of the river valley, and limestone is quarried on the eastern bank, north of Al-Minya city. The area is heavily agricultural, the main crops are cotton, corn (maize), wheat, dates, sugarcane, millet, potatoes, beans, soybeans, garlic, tomatoes, grapes and onions. Industrial activities include cotton ginning and flour milling, quarrying, weaving of perfumes, oils and fats. Al-Minya city, Abu Qurgas, and Shaykh Faḍl have sugar mills.

According to population estimates from ٢٠١٥ the majority of residents in the governorate live in rural areas, with an urbanization rate of only ١٨.٩%. Out of an estimated ٥,٥٦٦,٧٠٢ people residing in the governorate, ٤,٦٨٣,٢٨٤ people live in rural areas as opposed to only ٩٧٩,٤١٨ in urban areas.

The governorate is one of the most highly populated governorates of Upper Egypt. It contains nine cities; ٣,٣٧٥ villages; and ١٠,٨٧٥ hamlets, within the following nine boroughs, from north to south: The capital of Minya governorate is the city of Minya. The following cities are located in this governorate:

- Abu Qurqas
- El Idwa
- Minya (Men'at Khufu)
- Beni Mazar
- Deir Mawas
- Maghagha
- Mallawi
- Matai
- Samalut

According to the Egyptian Governing Authority for Investment and Free Zones (GAFI), in affiliation with the Ministry of Investment (MOI), the following industrial zones are located in this governorate:

- Al Matahra, east of the Nile
- Heavy industrial zone - Wadi el Sararyah
- New Minya

### III. Asyut (also Assiut, or Assiout)



Asyut, is located in Upper Egypt. It lies along the Nile River, between Al-Minya governorate to the north and Sawhaj governorate to the south. Its settled area, which is limited to the river valley, extends approximately ١٦٠ km along the river. The governorate is famous for production of cotton, wheat, maize, corn, fava beans, citrus, pomegranate, mangoes, grapes, and banana. Asyut also hosts big industries such as: fertilizers, pharmaceuticals, cement, and petrol, as well as small industries such as carpets, and wood embellished with shells besides ivory products. Furthermore, ٧ industrial zones in the governorate's Markaz (conglomeration of villages) were also established.

Ancient quarries are an important feature of Asyut. There are about ٥٠٠ rock-cut tombs and limestone quarries all around Asyut. The governorate of Asyut includes the Ancient Egyptian tombs of Meir, and the town of Durunka, which is a pilgrimage site for many Copts who come to visit a monastery dedicated to the Virgin Mary.

Asyut governorate has a population of over ٤ million people, with a significant Coptic presence. According to population estimates from ٢٠١٥ the majority of residents in the governorate live in rural areas, with an urbanization rate of only ٢٦.٥%. Out of an estimated ٤,٢٤٥,٢١٥ people residing in the governorate, ٣,١١٩,١١٢ people live in rural areas as opposed to only ١,١٢٦,١٠٣ in urban areas.

According to the Egyptian Governing Authority for Investment and Free Zones (GAFI), in affiliation with the Ministry of Investment (MOI), the following industrial zones are located in the governorate:

- Al Awamer Abnoub
- Al Zarabi in Abu Tig
- Al Safa (Beni Ghaleb)
- Sahel Selim
- Dairout
- Badari
- New Asyut

#### IV. Beheira (also *Buḥayrah*, or *Beheira*)

The Beheira governorate is located on the Nile River delta in Lower Egypt. It encompasses the entire of the delta west of the Rosetta Branch, with a substantial desert region to the south. Agriculture is the principal occupation of the delta portion of the governorate and the main crop is long-staple cotton. Rice, other cereals, potatoes, sugar beets, onions, peanuts (groundnuts), tomatoes, and sesame are also harvested, and there are vineyards near Alexandria. The barrage on the Rosetta Branch ٢٠ km southeast of Rosetta, supplies irrigation water during the low (winter) season and also prevents seawater from entering the irrigation channels. Along the Al-Nubariyyah Canal, in the western part of the governorate, a large reclamation project has converted unproductive land to vegetable-

producing farmland. The Tahrir Authority has also undertaken an extensive agricultural reclamation project in the far western part of the governorate, which includes housing projects and health clinics. Natron (hydrated sodium carbonate) is obtained from the lake-dotted depression of Gharraquat al-Barnuji, ١٩ km south of Damanhur, and from the Al-Natrun Wadi, in the southwestern desert area. At Kafr al-Dawwar southeast of Alexandria there are cellophane and textile mills. In the mid-١٩٧٠s a major natural-gas deposit was discovered offshore in Abu Qir Bay, and it has since been developed to power industries in the northern part of Al-Buḥayrah governorate and in Alexandria. The governorate is crossed by two Suez-Mediterranean oil pipelines. Sadat City, ٩٢ km northwest of Cairo, was built in the late ١٩٧٠s on the Fu'ad al-Auwa desert highway to house new industries and also to relieve the overpopulation of Cairo.

Beheira Governorate enjoys an important strategical place, west of the Rosetta branch of the Nile. It comprises four important highways, namely the Cairo-Alexandria desert road, the Cairo agricultural road, the international road and the circular road. Beheira Governorate is also home to a number of the most important Coptic monasteries in Wadi El Natrun.

Beheira consists of ١٣ centers and ١٤ cities, and contains important industries such as cotton, chemicals. The capital and largest city is Damanhur. Other cities include:

- Abu Hummus
- Abu El Matamir
- Damanhur
- Edku
- El Delengat
- El Mahmoudia
- El Rahmaniya
- Itay El Barud
- Hosh Issa
- Kafr El Dawwar
- Koum Hamada
- Rosetta
- Shubrakhit
- Wadi El Natrun
- Badr

According to population estimates from ٢٠١٥ the majority of residents in the governorate live in rural areas, with an urbanization rate of only ١٩.٥%. Out of an estimated ٥,٨٠٤,٢٦٢ people residing in the governorate, ٤,٦٧٤,٣٤٦ people live in rural areas as opposed to only ١,١٢٩,٩١٦ in urban areas.

According to the Egyptian Governing Authority for Investment and Free Zones (GAFI), in affiliation with the Ministry of Investment (MOI), the following industrial zones are located in the governorate.

- Natron Valley
- Boseili Desert
- (New urban community industrial zone) Nubaria

## V. Kafr El Sheikh

Kafr El Sheikh is a governorate that lies in the northern part of the country, along the western branch of the Nile in the Nile Delta with the Rosetta Branch of the river to the west and Al-Daqahliyyah governorate to the east. In the north lake Burullus, a large saltwater coastal lagoon (56 km long) separated from the sea by a narrow sandbar, is at the north. The lagoon is bordered by extensive salt marshes from which large tracts have been reclaimed for rice cropping; the fishing village of Baltim is on the eastern shore. The region's principal crops, which are irrigated by the Zifta barrage on the Damietta Branch of the Nile, are cotton, rice, corn (maize), and wheat. Other activities include Sugar beets and fish farming. Important market towns having industries linked with agriculture (cotton ginning, rice milling, and sugar beet processing) are Disuq and Biyala. Other industries are carried on in the capital, Kafr al-Shaykh.

According to population estimates from 2010 the majority of residents in the governorate live in rural areas, with an urbanization rate of only 23.1%. Out of an estimated 3,172,703 people residing in the governorate, 2,441,246 people live in rural areas as opposed to only 731,007 in urban areas. The governorate has 11 cities:

- |             |                  |
|-------------|------------------|
| • El Hamool | • Kafr El Sheikh |
| • Baltim    | • Metoubes       |
| • Biyala    | • Qallin         |
| • Desouk    | • El Reyad       |
| • Fuwwah    | • Sidi Salem     |

According to the Egyptian Governing Authority for Investment and Free Zones (GAFI), in affiliation with the Ministry of Investment (MOI), the following industrial zones are located in the governorate:

- Balteem
- Metobas
- Industrial Zone in "mlaha of Moneisi"

## VI. Cairo

Cairo Governorate is the most populated of the governorates of Egypt. Its capital, the city of Cairo, is the national capital of Egypt, and is part of the Greater Cairo metropolitan area. Because it is completely urbanized, the governorate is considered a city proper, and functions as a municipality. However, there are uninhabited desert areas. Metropolitan Cairo is made up of the Cairo (governorate), as well as other districts, some of which belong to neighboring governorates such as Al-Gīzah and Qalūbiyyah. ٦٠٪ of all informal houses in Egypt are located in the Greater Cairo area

The Cairo Governorate is divided into ٤٧ administrative divisions (*Qism*).

- El Marg
- El Salam
- Ain Shams
- El Matareya
- Zeitoun
- Haddaiq El Qubbah
- El Nuzhah (Airport)
- Heliopolis
- El Waili
- El Zawiyah El Hamra
- El Sharabeya
- El Sahel
- Shubra
- Rud El Farag
- Bulaq
- Azbakeya
- Manshiyat Naser (incl. Garbage City, Mokattam, and City of the Dead)
- Nasr City ١
- Nasr City ٢
- Qasr El Nil
- Zamalek
- Abdeen
- El Muski
- Bab El Shariyah
- El Zahir
- El Gamaliyah
- El Darb El Ahmar
- El Sayidah Zaynab
- Masr El Qadimah (includes Old Cairo, El-Manial, and Garden City)
- El Khalifa
- El Basatin
- Turah
- ١٥ Mayu
- Helwan
- El Tabin
- New Cairo ١ (includes Madinaty)
- New Cairo ٢
- New Cairo ٣
- El Shorouk City
- Badr City (includes New Heliopolis City)

According to the Egyptian Governing Authority for Investment and Free Zones (GAFI), in affiliation with the Ministry of Investment (MOI), the following industrial zones are located in the governorate:

- Torah and Shaq Al Tho'ban
- South Helwan
- Katamia
- Shaq Al Tho'ban
- Al Robeiky
- Al Maasara
- Division Maadi Company for Development and Reconstruction
- Egypt-Ismailia. Road - Al Nozha District
- El Salam City
- El Marg District
- El Sharabya District
- (New urban community industrial zone) Badr City
- (New urban community industrial zone) 1<sup>st</sup> of May
- (New urban community industrial zone) New Cairo
- (New urban community industrial zone) Al Shrouk

## **VII. Dakahlia Governorate**

Dakahlia Governorate is bounded by the Sharkia governorate on the east, Gharbia and Kafr el-Sheikh governorates on the west, the Mediterranean on the north, Damietta on the north-east and Qalyobia on the south. Dakahlia Governorate is known for its cultivation of traditional crops such as cotton, rice, wheat and maize and is an area rich in water potentialities, and fish wealth. It is also famous for the production of red and white meat, and dairy products. Different industries exist in the governorate including fertilizers; chemical industries; spinning, weaving and ready-made clothes; hydrogenation of oils and soap; particleboard and resins; hulling rice; mills; cotton ginning; dairy; and printing and publishing. This is in addition to small-scale and environmental industries that spread in all villages across the governorate.

The population of the governorate is estimated by about ٥,٨٧٦,٥٨٣ million (January ٢٠١٥), representing about ٦.٨٠% of the total population of the Republic. According to population estimates from ٢٠١٥, the majority of residents in the governorate live in rural areas, with an urbanization rate

of ٢٨.٢%. Out of an estimated ٥,٩٤٩,٠٠١ people residing in the governorate, ٤,٢٧١,٤٢٨ people live in rural areas as opposed to ١,٦٧٧,٥٧٣ in urban areas.

The Capital of Dakhalia is the city of Mansoura. Other Cities are:

- |                   |                 |
|-------------------|-----------------|
| • Aga             | • Mansoura      |
| • Bilqas          | • Manzala       |
| • Damas           | • Mit Elkorama  |
| • Dikrnis         | • Mit Ghamr     |
| • El Gamaliya     | • Mit Salsil    |
| • El Kurdi        | • Nabaroh       |
| • El Matareya     | • Sherbin       |
| • El Senbellawein | • Temay Alamded |
| • Gamasa          | • Talkha        |
| • Gogar           |                 |

According to the Egyptian Governing Authority for Investment and Free Zones (GAFI), in affiliation with the Ministry of Investment (MOI), the following industrial zones are located in this governorate:

- Southwest Gamasa
- Asafra

## **VIII. Aswan**

Aswan is the most southerly governorate along the Nile and borders Qena to the north, Red Sea Governorate to the east, New Valley Governorate to the west, and Sudan's Northern state to the south. According to population estimates from ٢٠١٥ the majority of residents in the governorate live in rural areas, with an urbanization rate of only ٤٢.٣%. Out of an estimated ١,٤٣١,٤٨٨ people residing in the governorate, ٨٢٦,٥٤٣ people live in rural areas as opposed to only ٦٠٤,٩٤٥ in urban areas.

The Capital of the governorate is the city of Aswan. Other cities are:

- Aswan
- Idfu
- Kom Ombo
- Sebaiya

According to the Egyptian Governing Authority for Investment and Free Zones (GAFI), in affiliation with the Ministry of Investment (MOI), the main industrial zone located in the governorate is Al Shalalat. The area of the governorate covers ٦٢.٧ thousand km<sup>٢</sup>, representing ٦.٢% of Egypt's total area. It encompasses ٥ Marakz, ١٠ cities, ٣٣ rural local units annexed by ١٠٦ villages, and ٤٦٢ hamlets. According to the preliminary results of the ٢٠٠٦ census, the population is about ١.٢ million people; ٤٢.٥ % of them live in urban areas, and ٥٧.٥% in rural areas.

Agriculture is the main activity in the governorate, which is famous for growing sugar-cane, hibiscus, wheat, henna, and dates. Total cultivated lands cover ١٧٥.٧ thousand feddans. Sugar-cane cultivation covers ٥٠% of this area, followed by palm trees, then hibiscus. The governorate contributes as well in industry through many industries such as: sugar, chemicals fertilizers, phosphate, and fish preparing and packing. The industrial zone in El Shalal was also completed over an area of ٢٢٢.٦ feddans, and is supplied with water, electricity, and modern roads networks (Aswan Governorate ٢٠٠٦)

Aswan is one of the most important tourist sites in Egypt, including monuments from Pharaonic, Roman, Coptic, and Islamic dynasties. In addition, the governorate hosts natural protectorates namely: Wadi El Alaky, Salwga and Gazal Islands that have a wealth of birds, animals and natural resources.

## **IX. Luxor**

Luxor Governorate is situated in Southern Egypt and is ٦٧٠ km south of Cairo and ٢٢٠ km north of Aswan. It is situated in southern Upper Egypt region, which includes Luxor and the Red Sea governorates, Suhag, Qena, and Aswan. Luxor is a prized location of valued human heritage and also a UNESCO World Heritage Site. The economy of Luxor, is heavily dependent upon tourism. Large numbers of people also work in agriculture, particularly sugarcane cultivation, and pottery.

According to a ٢٠١٢ CAPMAS census, the population of the area which in ٢٠٠٩ was formed into the new Luxor Governorate was ١,٠٦٤,٠٠٠ people, ٤٧.٤% of them lived in urban areas, while ٥٢.٦% lived in rural areas. The annual population growth rate is ١٨.٢ per thousand. Population estimates from ٢٠١٥ puts the same figure at ١,١٤٧,٠٥٨ with an urbanization rate of ٣٧.٨%.

According to the Egyptian Governing Authority for Investment and Free Zones (GAFI), in affiliation with the Ministry of Investment (MOI), the following industrial zones are located in the governorate:

- El Boghdadi
- New Tiba

## ٣.٢ Environmental Baseline

### 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.

Table ٣-١ below provides an overview of temperature and precipitation in Egypt (Weather Base ٢٠١٧).

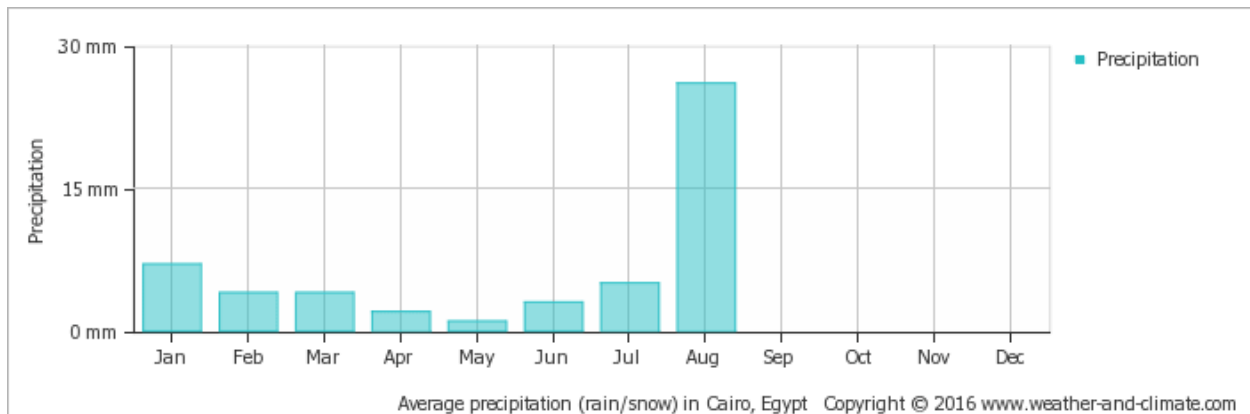
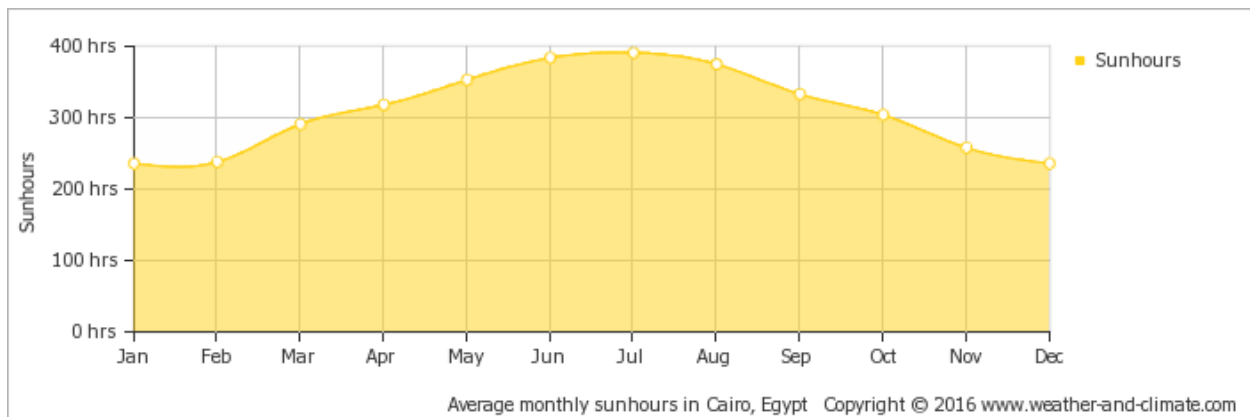
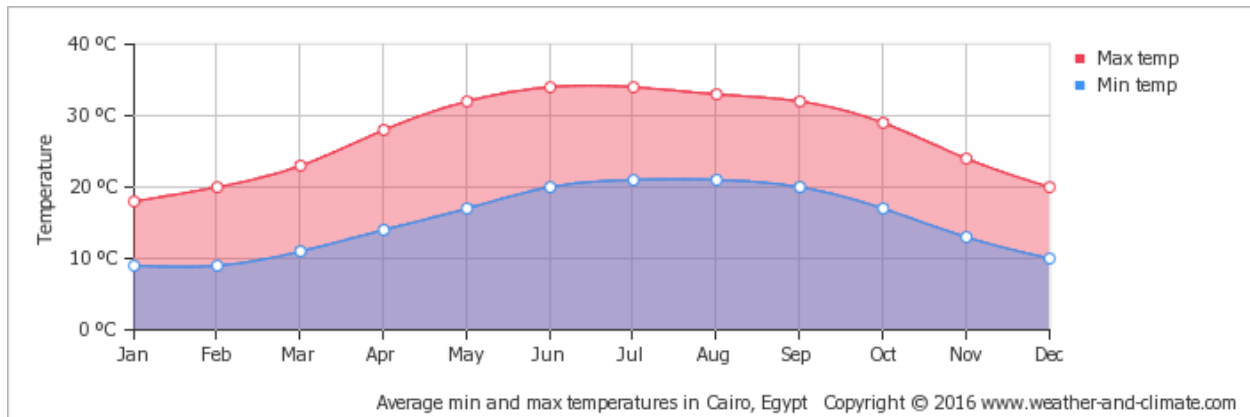
Table ٣-١: Overview of temperature and precipitation in Egypt

|                                             | ANN<br>UAL | JAN  | FEB  | MAR  | APR  | MAY  | JUN  | JUL  | AUG  | SEP  | OCT  | NOV  | DEC  |
|---------------------------------------------|------------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>Average<br/>Temperature<br/>(C)</b>      | ٢١.٧       | ١٣.٥ | ١٤.٧ | ١٧.٣ | ٢١.٣ | ٢٤.٨ | ٢٧.٥ | ٢٨.٤ | ٢٨.٣ | ٢٦.٦ | ٢٣.٨ | ١٩.٣ | ١٥.٢ |
| <b>Average High<br/>Temperature<br/>(C)</b> | ٢٧.٨       | ١٩.٤ | ٢٠.٨ | ٢٣.٦ | ٢٧.٨ | ٣١.٥ | ٣٣.٩ | ٣٤.٤ | ٣٤.٣ | ٣٢.٥ | ٢٩.٨ | ٢٥.٤ | ٢١.١ |
| <b>Average Low<br/>Temperature<br/>(C)</b>  | ١٦.١       | ٨.٤  | ٩.٢  | ١١.٦ | ١٥   | ١٨.٥ | ٢١.٣ | ٢٢.٦ | ٢٢.٩ | ٢١.٢ | ١٨.٦ | ١٤.٣ | ١٠.٢ |
| <b>Average<br/>Precipitation<br/>(mm)</b>   | ٤٩.٥       | ١١.٢ | ٦.٨  | ٤.٨  | ٢.٢  | ١.٥  | ٠.٣  | ٠.٢  | ٠.٣  | ٠.٣  | ٢.٩  | ٦.١  | ١٠.٣ |

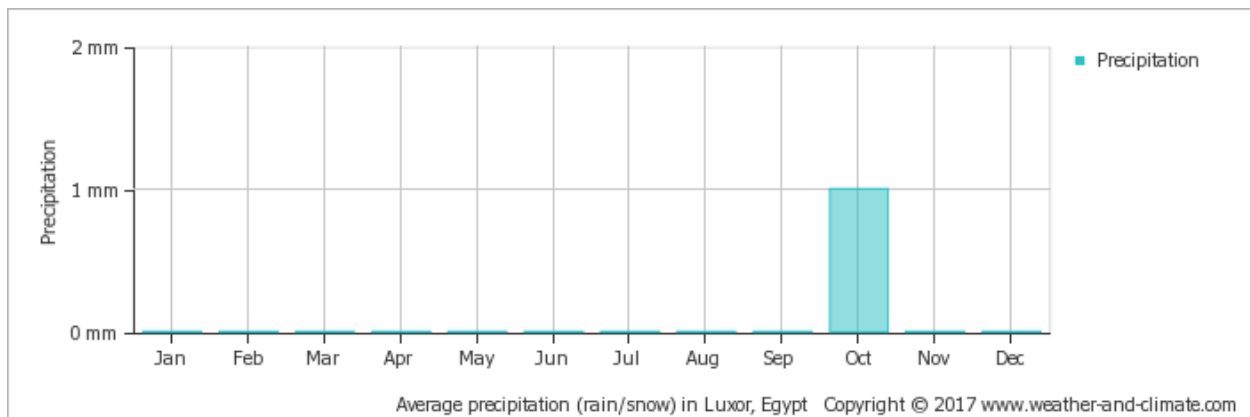
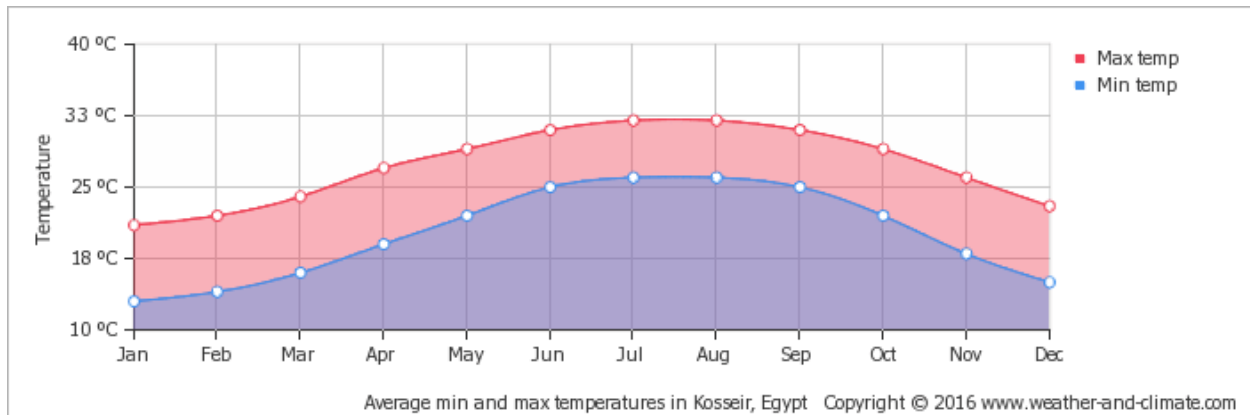
The graphs below show the max and min temperatures, and average precipitation for both Delta (represented by Cairo) and Upper Egypt (represented by Kosseir)

Delta:





Upper Egypt:



## Topography

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

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

## 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.

The unique location of Ismailia offered it a rich environment with fertility soil and good climate, all this helped crops to grow with quality, the most famous plantings in the governorate is vegetables. Soil also varies in Ismailia, some is clay soil (total area ٦٠,٠٠٠ acres east of Suez Canal). Sand soil (total area ٣٤٠,٠٠٠ acres) at East of Suez Canal, which is decided to be planted and watered by water drops method or spray according to each area. Ismailia is very specialized by the presence of Ismailia water Canal as a source for water.

Most of the Suez soil is classified as red desert characterized by salinity of the soil. Soil with such characteristics is not suitable for the cultivation of traditional crops known in the Nile Valley and Delta, especially in the absence of fresh water, and rain fed agriculture cannot be sustained due to the lack of continuity of the rainy season, as in the northern coast. The only source of fresh water in Suez Governorate is the Suez Canal, ٤٥ km long. The canal starts at Ismailia with fresh water from north Cairo and passes through the provinces of Al-Qaliubia and Al-Sharqeya and Ismailia, where it branches to two fresh water wells, the fresh water canal in Port Said and the water canal in Suez.

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. In the Wadi El Bruk area, a broad area of “fair” land occurs, extending from El Mineidra-El Soghaiyare northward to Bir El Thamada. In South Sinai, the largest area of “fair” agricultural land lies in the El Qaa Plain. This area runs north-south, encompassing most of the central stretch of the El Qaa Plain. Its broadest point is around El Tur, where it widens to about ١٠ to ١٥ kilometers, where ٢,٠٠٠ feddans are planned to be reclaimed during the period ٢٠٠٥-٢٠١٧, on underground water using modern irrigation systems for vegetable and fruit crops cultivation (GARPAD). Another area of “fair” agricultural land can be found at Abu Rudeis. The area occupies the alluvial fans developed by Wadi Baba and Wadi Sidri. Long narrow strips of “fair” agricultural land are also located in most of the major wadis of the region.

#### Flora and Fauna

Flora & Fauna to be encountered in project areas and during project activities is generally expected to be limited to agricultural crops and livestock & domesticated animals, respectively.

Across Egypt, total area of agricultural land is about ٨.٤ million feddan (٣.٥% of total area of Egypt). About ٩٢% of the agricultural land is located in Nile valley and the Delta. Typical crops in Upper (Southern) Egypt include cotton, wheat, and sugar cane; while rice, citrus, maize, and cotton are more typically located in Lower (Northern Egypt). Alfalfa and various fodders are also commonly planted with these crops as livestock feed. Typical livestock includes: cattle, camels, buffalos, sheep, horses, goats, donkeys, and poultry.

Marine and coastal resources in the Gulf of Suez and the Red Sea are among the top four distinguished environments in Egypt. Each has its own habitat for plant and animal life; there are a lot of places that classified as marine and protected areas. In the plant life there are ٤٤ strains of viruses, ٢٣٨ species of bacteria, ١٢٦٠ species of fungus, ١١٤٨ species of Algae, ٣٦٩ species of non-flowering plants, in addition to ٢٠٧٢ breed of plants in flowering, in animal life, there are ١٠,٠٠٠ strains of insects, ١,٤٢٢ breeds of vertebrates, ٧٥٥ strain of fish, ١٠٥ breed of reptiles and amphibians, ٤٧٠ breed of birds, in addition to ١٢٦ species of mammals.

North Sinai is considered one of the important plant areas in Egypt because it contains plants of nutritional value suitable for grazing as plants of medicinal and aromatic interest. The diversity of topography of the earth, soil nature and the extension of the valleys between the high mountains made a great importance to the plants in north Sinai.

Forming a land bridge between Africa and Asia, Sinai is host to a unique assemblage of species from African, European and Asian biogeographic provinces. At the same time, the gulfs of Suez and Aqaba present dispersal barriers between South Sinai and the Egyptian mainland and Arabia, whilst convoluted topography and vertical climatic zonation create dispersal barriers within South Sinai, particularly within the southern mountain region. These joint factors have resulted in a large number of relict and endemic species in Sinai, especially in the southern mountain zone. Biodiversity assessments for the region vary, and there is a need for further inventories and studies, particularly for flora and insects in the southern mountain region.

Due to Egypt's dry climate, few indigenous wild animals are present across Egypt. For instance, gazelles which are found in the deserts, as well as desert fox, hyena, jackal, boar, jerboa, and ichneumon which inhabit the areas of delta and the mountains along the Red Sea. In addition,

reptiles of Egypt are lizards and several kinds of poisonous snakes including the horned viper and the asp. As well as, the hippopotamus and crocodile which were common in the lower Nile and Nile delta in antiquity, which are now restricted to the upper Nile. Regarding Egypt's avifauna, Egypt is considered one of the significant transit locations of migrating birds; approximately 300 species of migrating birds come to Egypt across the Red Sea to find a resort in its islands. Thus, around 480 species of birds, including the sunbird, golden oriole, egret, hoopoe, plover, pelican, flamingo, heron, stork, quail, and snipe are present in Egypt. Furthermore, birds of prey are also found in Egypt such as eagles, falcons, hawks, vultures, owls and kites. Several species of insects are present in Egypt, such as; beetles, mosquitoes, flies, and fleas being especially numerous, nevertheless; scorpions are found in desert areas.

Although South Sinai Governorate has relatively low faunal biodiversity the region supports several nationally or internationally endangered species. 42 reptile species (43% of Egyptian reptile fauna) are known from the area, 04 common resident breeding bird species (10% of Egyptian avifauna), and 39 mammal species in South Sinai (20% of Egyptian mammal fauna), with no amphibian species yet recorded. Insects have not been well studied in the region, with the exception of the Lepidoptera. 44 species of butterfly are known from the peninsula, 34 being confirmed residents.

### Energy and Sanitation Utilities

The National Electricity Network has generally covered all residential areas in Egypt. However, many locations in Egypt experience power outages during summer months due to peak loads on the national and local grids. 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.

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. The sewerage infrastructure of some areas and cities in Egypt is described below:

**Qena:** Apart from Qena city there is no sewerage infrastructure in any settlement in the Governorate of Qena. The network of gravity sewerage systems in Qena City covers about 200 km with approximately 1600 manholes, covering approximately 80% of the city's area, with approximately 10,000 connections.

The types of sanitation systems available include traditional gravity sewers, untraditional or pumped sewers or on-site sanitation systems. Traditional sewers account for 8% of sanitation coverage in the Governorate, untraditional sewers approximately 10% and on-site sanitation systems account respectively for approximately 40%. Accordingly, about 30% of the population is not provided with any sanitation services. The only operational wastewater treatment plant is in the city of Qena. The rural areas of Qena accommodate over 60 % of the total population, yet there are no formal wastewater services in these areas, which lead to adverse effects on health, particularly for women and children.

**North Sinai:** According to 2006 statistics of sanitation facilities, there is a sewage network in El Arish and Bir El Abed only. Other centers are connected to a drainage manhole with an open bottom. The percentage of homes connected to sanitation network in the governorate is about 36% and the percentage of homes without any sanitation services are about 64%, equivalent to 222,423 people, while the countryside does not receive any sanitation services.

**South Sinai:** a range of sanitation facilities currently exists in both rural and urban areas; however, many of the rural settlements remain un-served. The type and availability of sanitation facilities are in direct correlation to the level of satisfaction people have with the services. In urban areas, the sanitation issue was often linked to a lack of secure tenure and therefore an inability to gain access to the city sanitation network through official channels. The absence of sanitation facilities was quite common in rural settlements.

**Alexandria:** According to the 2000 Human Development Report, 99.9% of households are connected to the sanitation network, but 6.7 thousand people remain without sanitation. The amount of sewage generated is 1.2 million m<sup>3</sup>/day. According to the Ministry of Housing, Utilities and Urban Development, the total capacity of sanitation is 1398 thousand cubic meters / day, which translates 372 liters/day per capita. The sewerage system covers the planned areas of Alexandria and most of the informal settlements.

**Matrouh:** Sewerage systems exist only in Marsa Matrouh while other provinces rely on septic tanks, which are periodically emptied by the local municipal. These practices do not present any environmental risks at the present time due to the low population density. The capacity of the sanitation plant is 20000 m<sup>3</sup>/day, which serves the city of Matrouh, and is yet to be expanded to a larger production capacity. An integrated sewage project is also under way in Siwa, but even with the larger expansions, those projects will only serve the urban areas, as the production capacity of 68000

m<sup>3</sup>/day would not be able to accommodate the needs of entire governorate (76600 m<sup>3</sup>/day). The percentage of households connected to the sanitation service is 20.4% and the per capita generation of sewage is 6.77 liters/day.

**Luxor:** Electricity reaches about 99 % of the household in their homes in the supreme council of Luxor compared to 90% for the Upper Egypt and 98.7 % for the republic of Egypt. According to Information Center of the Supreme Council of Luxor, Total sewage capacity in Luxor reaches 42 thousand cubic meters / day. Per capita sewage is 11 liters / day / person. This area is limited to the urban areas of Luxor by 70% while the countryside is still connected permanently to any sewage network.

**Aswan:** The quantity of wastewater discharged from homes in Aswan Governorate is estimated at approximately 130,000 m<sup>3</sup> / day. About one-third of this amount is processed while two-thirds are discharged others as untreated wastewater. At present, there are eight sewage treatment plants in the province: 3 conventional treatment plants (Kema 1 & 2) in Aswan city and 5 oxidation ponds (Balana, Nasr Nubia, Hager, Atawani, and the mountain, and al-Busayliya). Most homes in Aswan do not have a sewerage system or treatment system and discharge unprocessed wastewater in banks.

### Waste Management

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.

## **3.3 Social/Socio-economic Baseline**

### Overview

Egypt has witnessed significant political and economic changes since 2011. Through this transition, which includes periods of political unrest, the main income sources of the economy have been

negatively impacted, particularly in the tourism sector, as well as revenues from the Suez Canal, oil and remittances from Egyptians working abroad, affected by the global economy.

Although Egypt has made visible efforts to achieve the Millennium Development Goals (MDGs), it not reached the anticipated targets for poverty reduction, environment protection and gender equity. Egypt ranks ١٣١ on the Gender Inequality Index out of ١٥٥ countries.

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.

### Economy

In 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. As a result of the floatation of the local currency, the exchange rate has initially displayed instability, but has subsequently started to strengthen, notably with the strong foreign investor demand for local debt instruments.

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



However, despite the Government's current efforts, social conditions remain difficult due to the episode of high inflation and the erosion of real incomes. 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. Although, the unemployment rate has declined to ١١.٣% in ٢٠١٨, reaching its lowest level since ٢٠١٠, still, unemployment remains high especially among youth and women (World Bank ٢٠١٨).

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.

### Poverty

Poverty in Egypt, as measured in monetary terms through the National Poverty Line, has been increasing over the past ١٥ years, reaching ٢٧.٨ percent of the population in ٢٠١٦. Notably, throughout this period, the prevalence of poverty has been higher amongst children. Furthermore, with an increase in national fertility rates from ٣.١ children per woman in ٢٠٠٥ to ٣.٥ in ٢٠١٤, children represent the growing majority among Egypt's poor. 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 affects not only many children, but also populations living in rural areas.<sup>٧</sup> When compared to urban areas in Egypt, the poverty rate in rural areas was ٣٧ percent higher as of July ٢٠١٦. The poverty rate is highest in Upper Egypt and specifically rural Upper Egypt (٥١.٥ %), followed by urban Upper Egypt (٢٩.٤ %) and it is the least prevalent in Urban Governorates (٩.٦ %); the same applies to the poverty gap and the squared poverty gap<sup>٨</sup>.

Women constitute half of the population of Egypt and face different challenges from men for their economic development. 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

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<sup>٧</sup> Geographically, Egypt is divided into seven regions: Metropolitan including Cairo, Alexandria, Port Said and Suez governorates which are fully Lower Urban and Lower Rural which include urban and rural areas of Damietta, Dakahlia, Sharkia, Qualiobia, Kafr el Sheikh, Garbeyya, Menoufia, Beheira, Ismailia governorates, Upper Urban and Upper Rural which include urban and rural areas of Giza, Bani Suef, Fayoum, Menia, Assiut, Sohag, Qena, Aswan and luxor governorates, and Border Urban and Border Rural which include urban and rural areas of Red Sea.

<sup>٨</sup> The poverty gap index amounted to ٣٥.٣% compared to ٥.٩% at the level of total rural Egypt.

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.**

Figure ٣-١ Income Poverty in Egypt



Source: CAPMAS and World Food Programme (WFP) (٢٠١٣), The Status of Poverty and Food Insecurity in Egypt: Analysis and Policy Recommendations, Preliminary Summary Report, May ٢٠١٣

Poverty in Upper Egypt is mainly structural/chronic poverty that is driven by lack of adequate public infrastructure, private capital accumulation, and low investment in human capital and the absence of pro-poor program-based fiscal policy, which collectively lead to deterioration in living standards in Upper Egypt, compared to other regions. (CAPMAS, Population Department)

Table ٢ below showcases that of the ١٠٠٠ poorest villages in Egypt, ٩٤١ are located in Upper Egypt and the remaining ٥٩ villages are scattered across the North in addition to the population densities in

these governorates. In addition to the group of poverty indicators in Egypt's poverty map and which illustrate that ٩٤٪ of the poorest villages in rural Egypt are in the South, it is important to shed light on the most serious indicators of deprivation.

**Table ٣-٧: Egypt's ١٠٠٠ Poorest Villages in Poverty within Governorates (Egypt's Poverty Map Report ٢٠٠٧)**

| Upper Egypt Governorate | No. of Poorest Villages | Total number of Families in the Poorest Villages | Number of Poor Families | Total Population in the Poorest Villages | Number of Poor People | Population Density / km <sup>٢</sup> |
|-------------------------|-------------------------|--------------------------------------------------|-------------------------|------------------------------------------|-----------------------|--------------------------------------|
| Giza                    | ١٨                      | ٢٨,٣٧٧                                           | ١٠,٣٥٧                  | ١٣٣,٦٠١                                  | ٤٨,٨١١                | ٥,٩٥١                                |
| Beni Suef               | ١٣                      | ١٥,٥٤٢                                           | ٥,٥٨٤                   | ٨٦,٨٠٧                                   | ٣١,١٦٢                | ١,٩٣٣                                |
| Al Minia                | ٣١٠                     | ٦٥٤,١٤٨                                          | ٢٧٢,٠٨٣                 | ٣,٠٤٩,٠٣٩                                | ١,٢٧٠,٣٢٤             | ١,٩٨٧                                |
| Assiout                 | ٢٣٤                     | ٥٢٧,٠٢٧                                          | ٢٩٨,٥٦٩                 | ٢,٥٣٠,٣٠٢                                | ١,٤٣٦,٧٩٥             | ٢,٣٣٧                                |
| Souhag                  | ٢٥٠                     | ٥٩٣,١٥١                                          | ٢٧٤,٠١٧                 | ٢,٧٣٣,١٠١                                | ١,٢٦٨,٦٠٨             | ٢,٤٧٣                                |
| Qena                    | ١١٢                     | ٣٠٥,٤٧٠                                          | ١١٩,١٦٧                 | ١,٤٩٧,٠٢١                                | ٥٨٧,٧٤٣               | ٢,٢٧٦                                |
| Aswan                   | ٤                       | ١,٨٠٣                                            | ٦٥٦                     | ٦,٥١٨                                    | ٢,٣٩١                 | ١,٣١٦                                |
| <b>Total</b>            | <b>٩٤١</b>              | <b>٢,١٢٥,٥١٨</b>                                 | <b>٩٨٠,٤٣٣</b>          | <b>١٠,٠٣٦,٣٨٩</b>                        | <b>٤,٦٤٥,٨٣٤</b>      |                                      |

CAPMAS analysis espoused an analysis of income and expenditure that was based on a representative sample of ١٤١ villages out of ١٠٠٠ households with the poorest villages. From the results that were obtained from the analysis, spending less than LE ١٩٧ per month in the year ٢٠١٥ or approximately ٢٣٦٤ LE per year led to the classification of a person as poor in Egypt. The data findings also indicated that an average of ١٣١ LE per month or ١٥٧٢ LE per year also made a person to spend less than what was necessary or the minimum threshold to shun away the extreme poverty. In that regard, the amount fell short of the LE ١٤٨ per month/ LE ١٧٧٦ per year that should be the lowest required. In the sample villages, the findings also deviated from the overall shallow nature of poverty. That is because the poverty is deep and thus not exhibits a situation where the poor cluster around the poverty line. Furthermore, unlike the overall shallow nature of poverty in Egypt (where most of the poor cluster around the poverty line), poverty in these particular villages is deep (Figure ٢-١, ٢-٢, ٢-٣).

**Figure ٣-٧: National Poverty Line**

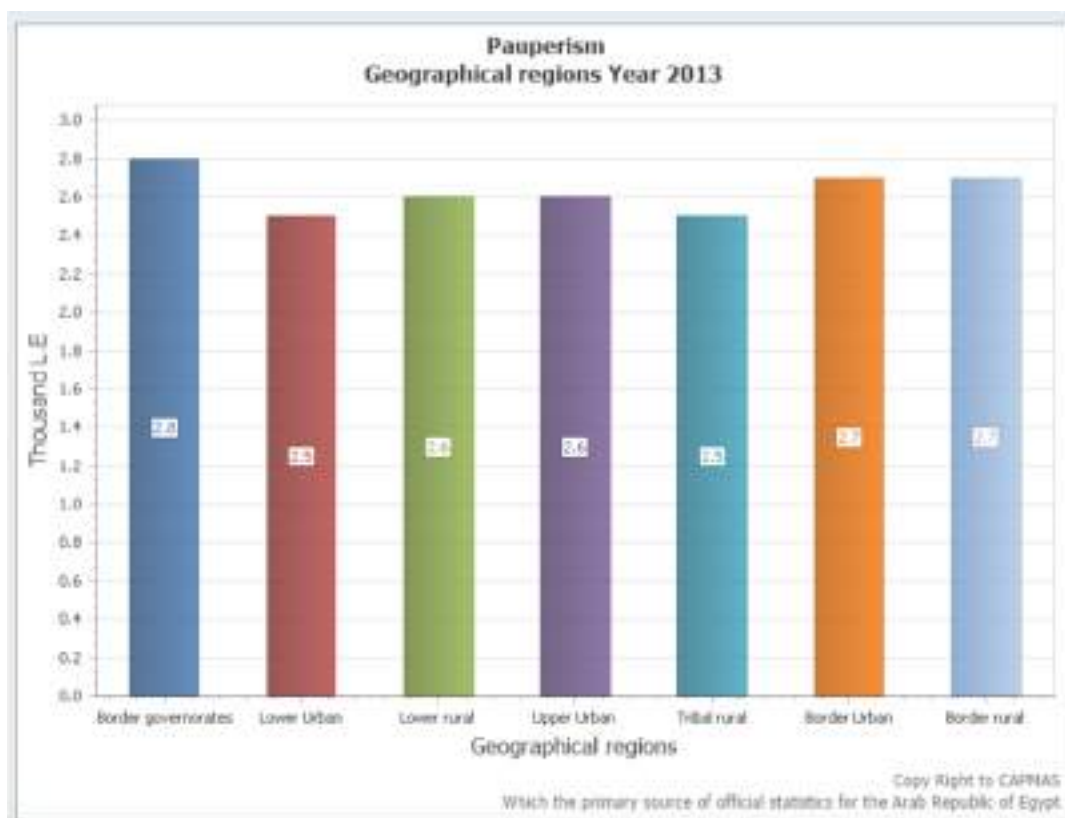
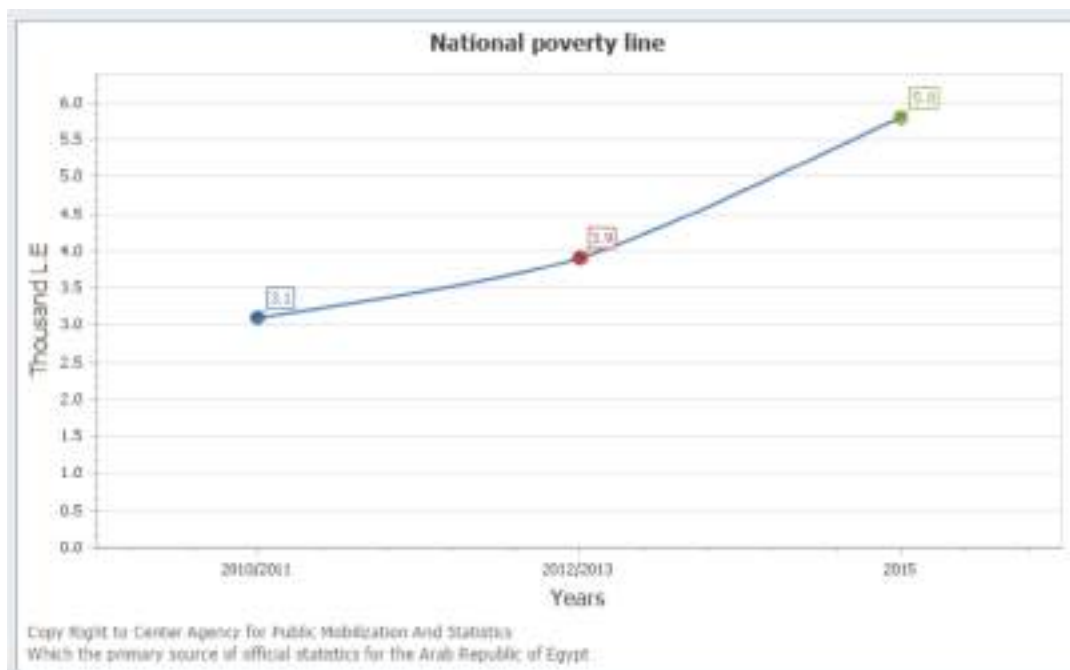
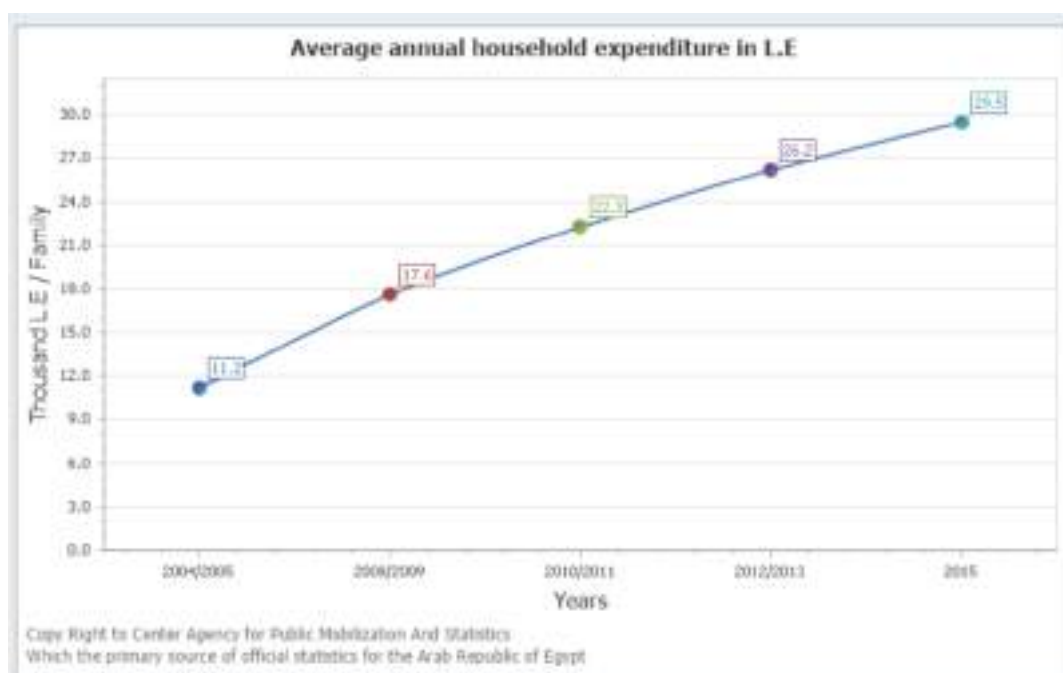


Figure ٣-٢: Pauperism – Geographical Regions Year ٢٠١٣

Figure ٣-٤: Average Annual Household Expenditure in L.E

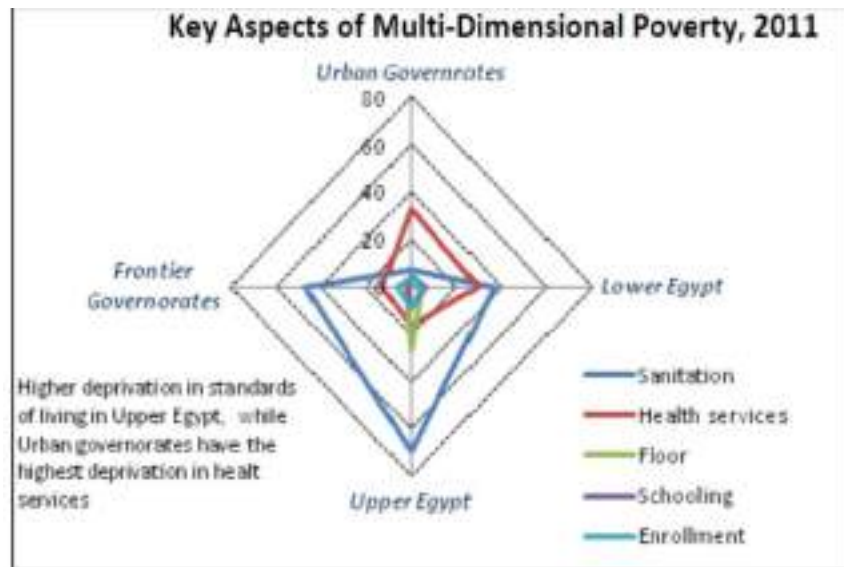


### Multi-dimensional Poverty

The multi-dimensional poverty is often concerned with both intensity and the nature of the 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)<sup>٩</sup>. In Figure ٣-٤, the concept has been put into use in making comparisons in main geographical regions and Cairo, Alexandria, Suez and Port Said have performed better in these entire areas apart from health services.

Figure ٣-٥: Key Aspects of Multi-Dimensional Poverty, ٢٠١١ (Source: CAPMAS and World Food Program (WFP), May ٢٠١٣)

<sup>٩</sup> Alkire, S. and Santos, M.E., Multidimensional Poverty Index, (Oxford Poverty & Human Development Initiative, Oxford, July ٢٠١٠)



### Income and Expenditure in Upper Egypt

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 amongst ١١.٩ % of the population in ٢٠١١.

Figure ٣-٦: Average Annual Incomes for the family District Distribution Year ٢٠١٢

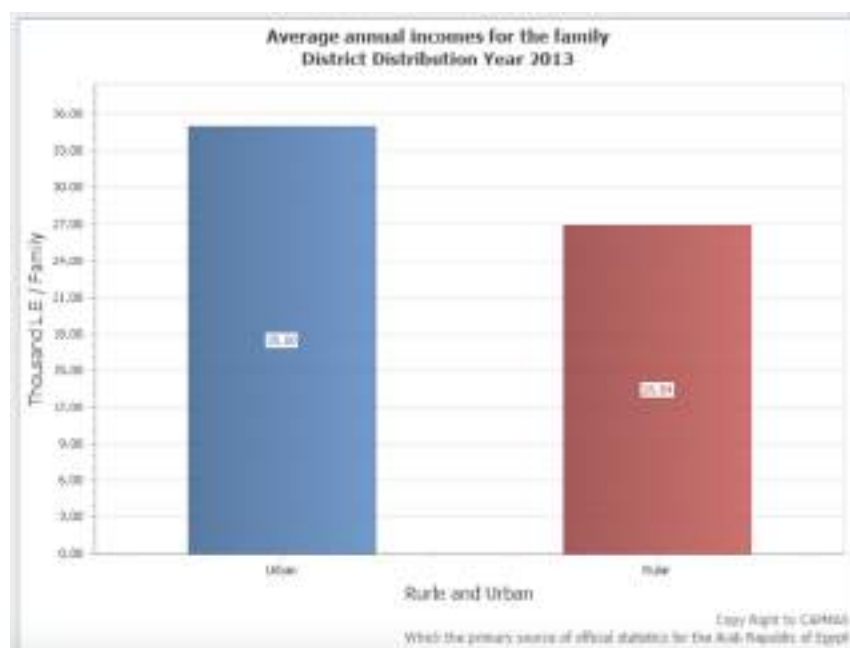


Figure ٣-٧: Average Per Capita of the Family Annual Expenditure in L.E

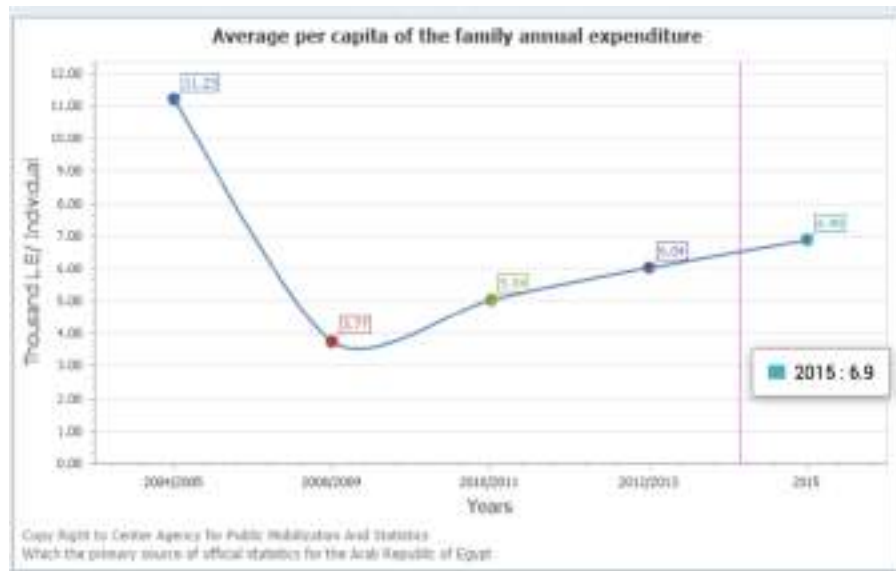
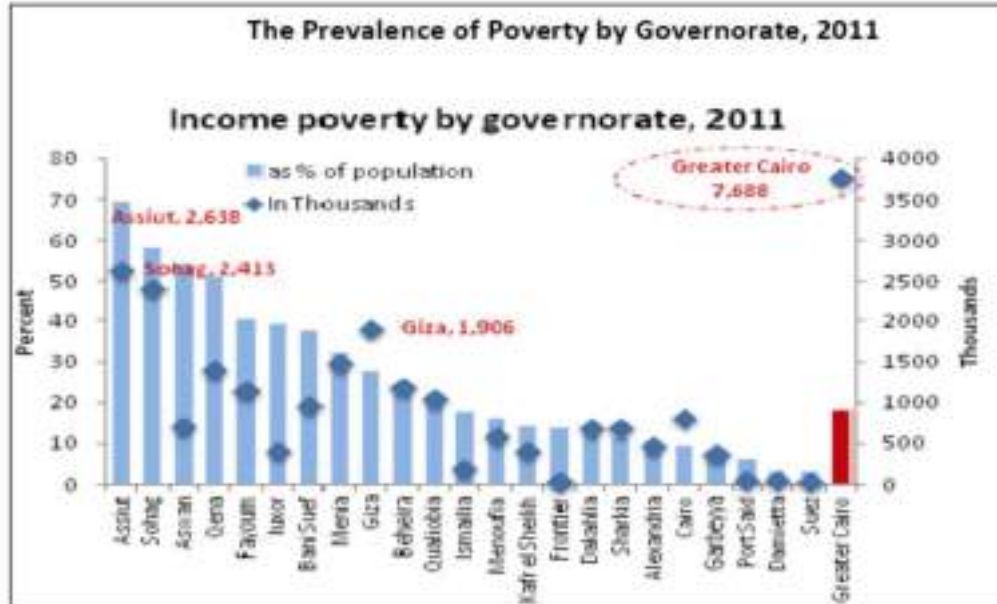


Figure ٣-٨: The Prevalence of poverty by Governorate, ٢٠١١



According to CAPMAS (Figure ٣-٧), Upper Egypt shows the highest prevalence rate (١٨ %) compared to all other regions, much higher than Lower Egypt and Urban Governorates (٨.٧ % and ٦.٨ % respectively). Moreover, the prevalence of poor living standards is generally higher in rural areas; deprivation of sanitation is as high as ٨٧% in rural Upper Egypt and ٤٧ % 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 Menia, Assuit, Sohag, Bani Suef, Fayoum and Qena in Upper Egypt (Figure ٣-٧).

### Education

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 CAPMAS indicate that the illiteracy level increased in the year ٢٠١٣ to ٢٥.٩ from around ٢٤.٩ percent in ٢٠١٢. In term of numbers, the more Egyptians were unable to read or write with the numbers increasing from ١٦.١ million in the year ٢٠١٢ to ١٧.٢ million in the year ٢٠١٣. From the findings, Upper Egypt was mostly affected as it recorded the highest rates of illiteracy especially among the youth. The illiteracy level among the youth is at ٢٩.٨٪ compared to ٦٤.٩ percent among the elderly. In terms of Cities, the highest rates were recorded in Fayoum at ٣٧ percent followed by Minya and Sohag.

The social class members at ٤٧٪ are the most affected in the rural parts of Upper Egypt. 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 high schools are mostly widespread among the middle classes (٤٨٪); the lowest class prefers getting a job instead of going to a technical school, and the higher class chooses to continue in the university path (٥٦٪). The general high school education is the least between all the levels of education.

According to the ٢٠١٧ census, ٣٠.٨ percent of Egyptian females over ten years of age (١٠.٦ million females) are illiterate compared to ١٨.٥٪ of men. This percentage is higher in urban areas (٣٨.٨ percent) and even higher in Upper Egypt (٤٥ percent in Minia and ٤٤ percent in Beni Suef). Illiteracy is also high among the younger cohort, especially in rural areas, where one in every five females aged between ١٥ and ٢٩ is illiterate.

### Unemployment

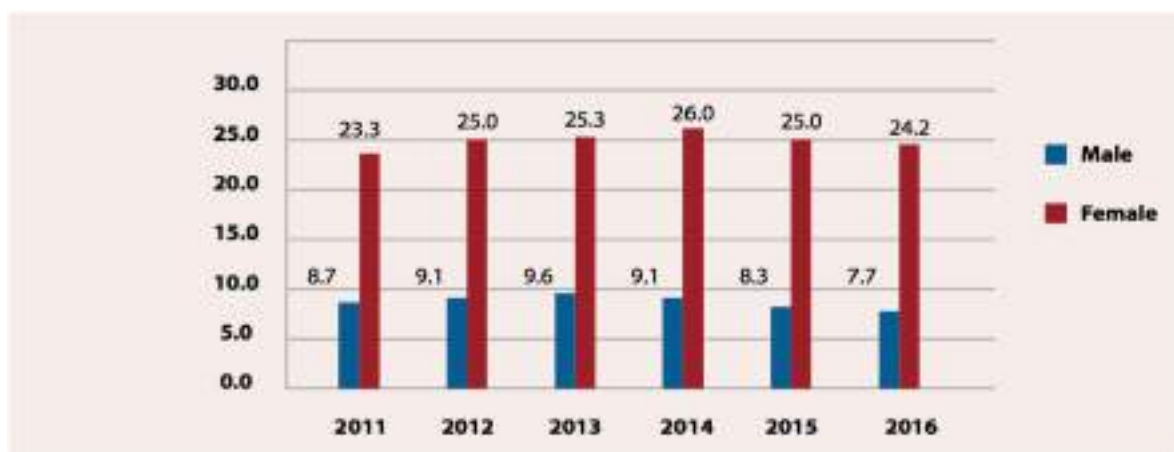
Although Egypt's unemployment rate Egypt's dropped to ١٠.٦٠ % in March ٢٠١٨, from the previously reported number of ١١.٣٠ % in December ٢٠١٧, unemployment is one of the key economic challenges facing Egypt, particularly women and youth (CEIC, ٢٠١٨). Youth unemployment has reached an unprecedented level of ٢٦٪ (World Bank, ٢٠١٧). Moreover, there is



not only an enormous employment gap, where labor supply exceeds the demand, but also despite attaining higher levels of education, there is a skills mismatch between job seekers and job offers (Abdel-Ghafar, ٢٠١٦).

In ٢٠١٥, according to “Women’s Entrepreneurship Development Assessment” (Egypt, ILO, ٢٠١٦), the data on labor force participation, illustrated in figure ٣-٨ below; employment and unemployment in Egypt indicate significant gender gaps. In fact, women in Egypt have more difficulties in finding new jobs and securing their current jobs, as female unemployment reached ٢٥% in ٢٠١٥, while the male unemployment amounted to ٨.٣%. Moreover, ٣٧% of female employees are un-paid, compared to only ٥% for male employees.

Figure ٣-٩: Unemployment in Egypt ٢٠١٢-٢٠١٦



Source: ILO KLM statistics [http://www.ilo.org/global/statistics-and-databases/WCMS\\_424979/lang-en/index.htm](http://www.ilo.org/global/statistics-and-databases/WCMS_424979/lang-en/index.htm) (accessed 30 August 2016).

Unemployment rates for female and males categorized by age groups are illustrated in Table ٣-٣ below, which showcases that unemployment rates are mainly concentrated in the age group ٣٠-٥٩, as ٢٩% of female unemployment exists in the age group ٣٠-٣٩. In addition, ٢٥% of female unemployment exists in the age group ٤٠-٤٩, and ١٨% for age group ٥٠-٥٩, as oppose to the male are ٢٦%, ٢٢% and ١٨% in the same age groups respectively.

Table ٣-٣: Distribution of unemployment according to gender and age group

| Age Group | 15-19 | 20-24 | 25-29 | 30-39 | 40-49 | 50-59 | 60-64 | 65+ |
|-----------|-------|-------|-------|-------|-------|-------|-------|-----|
| Male      | 5 %   | 11 %  | 13 %  | 26 %  | 22 %  | 18 %  | 3 %   | 2 % |
| Female    | 4 %   | 9 %   | 13 %  | 29 %  | 25 %  | 18 %  | 2 %   | 1 % |

*Source: Calculations based on CAPMAS statistics (2014). "Annual bulletin for labour force survey 2014".*

Preference in hiring male employees versus female in private sector employers, results in women's share being only 17% versus 83% for men. A similar situation exists in the public sector where women hold 31% of the jobs and men 69% of the jobs. The latter resulted in women lacking 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.

### Health

For health care, access is even worse: more than 90% of households in metropolitan Egypt live within 20 minutes of a hospital, compared to less than 40% in rural Lower Egypt and less than 30% in rural Upper Egypt. Access to both forms of infrastructure has also deteriorated dramatically over the last 10 years. Reequipping peripheral Egypt with adequate infrastructure would be a huge priority even in the absence of broader problems in the labor market.

According to the latest 2010 Egypt Health Issues Survey (EHIS), half of women aged between 10 and 69 are obese, and an additional 26 percent are overweight. Another indicator reflecting women's poor nutritional status is the prevalence of **anemia**. Overall, 90 percent of women are classified as anemic, with the majority being mildly anemic, and only 9 percent classified as moderately anemic. The anemia rate is higher among women living in rural Upper Egypt (31 percent) and among women with six or more children. **The life expectancy at birth among Egyptian females has improved during the last decade, and it was estimated at 73.6 years of age in 2010, which is 4.4 years higher than the life expectancy of males.** While the life expectancy of Egyptian women is slightly lower than the world average (73.8 years), it is 3.2 years higher than the average of countries categorized as having medium human development (MHD), which is 70.4 years. **Breast Cancer is the most common type of cancers among women in Egypt and is estimated to be the cause of 22 percent all cancer-related female deaths.** Although female genital mutilation and cutting is prohibited according to the Child Law 126/2008, the practice continues to prevail, and adherence to the custom remains widespread. Recent data from 2014 showed that 89 percent of all women

between ١٥ and ٤٩ years of age have been circumcised. However, adherence to the practice is declining among younger women.

### Women's Status in Egypt

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 ٢٠١٥ Global Gender Gap Index, which measures disparities between men and women across countries, ranks Egypt at ١٣٦ out of ١٤٥ countries worldwide. Women have significantly lower participation in the labor force than men (٢٦% vs ٧٩%) and lower literacy (see Table ٣-٤). The Organization for Economic Cooperation and Development's Social Institutions and Gender Index ٢٠١٤, 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. And as revealed by the ٢٠١٤ Demographic and Health Survey, ٩٢% of the ever-married women ages ١٥-٤٩ interviewed have been circumcised.

Table ٣-٤: Literacy Rates in Egypt by age and gender

|                          | Total | Male  | Female |        |
|--------------------------|-------|-------|--------|--------|
| <b>Literacy rate (%)</b> |       |       |        |        |
| ١٥-٢٤ years              | ٩٣.٩٢ | ٩٤.٩٦ | ٩٢.٨٤  | (٢٠١٧) |
| ١٥ years and older       | ٨٠.٨  | ٨٦.٤٨ | ٧٤.٩٩  | (٢٠١٧) |
| ٦٥ years and older       | ٧١.٧٣ | ٧٩.٥٤ | ٦٤.١٣  | (٢٠١٧) |

(Source: UNESCO Institute for Statistics, ٢٠١٧)

Sexual harassment is a widespread and serious problem in Egypt, as the country ranks second in the world after Afghanistan in terms of this issue according to the United Nations Population Fund. There appear to be no official statistics for crimes of sexual violence against women because the

victims of such violence refrain from reporting it out of fear of retaliation or shame. However, a ٢٠١٣ United Nations report, *Study on Ways and Methods to Eliminate Sexual Harassment in Egypt*, offers insights on the spread of sexual harassment, both physical and verbal, in Egypt. According to the study ٩٩.٣% of female respondents reported that they had been subjected to some form of sexual harassment.<sup>١٠</sup> According to the same study ٨٢.٦ percent of the total female respondents did not feel safe or secure in the street. The percentage increased to ٨٦.٥ percent with regard to safety and security in public transportation. Overwhelmingly, the study revealed that enactment and enforcement of a law addressing sexual harassment is perceived as the first step in addressing the problem.

Likewise, Egyptian women continue to be subject to female genital mutilation (FGM) at extremely high rates. According to a joint demographic health survey conducted in October ٢٠١٥ by the United States Agency for International Development (USAID), the United Nations International Children's Emergency Fund (UNICEF), a domestic nongovernmental organization (NGO), and the Egyptian Ministry of Health, approximately nine in ten women aged fifteen to forty-nine are victims of the crime of FGM in Egypt.<sup>١١</sup>

Regarding gender-based violence, the most recent data available for domestic violence incidences are ٢٠١٤ figures in which more than one-third (٣٦%) of ever-married women between age (١٥-٤٩) have experienced physical violence since the age of ١٥, also a ٢٠١٣ Government study revealed that over ٩٩.٣% of Egyptian women and girls surveyed reported experiencing some form of sexual harassment in their lifetime. The most commonly reported perpetrators are current husband (٦٤%), but parents are also frequently listed (father/ step-father, ٢٦%, mother/ step mother, ٣١%).

### Women Labor Force Participation and Entrepreneurship in Egypt

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<sup>١٠</sup> Bouthiana El Deeb, United Nations Entity for Gender Equality and the Empowerment of Women (U.N. Women), *Study on Ways and Methods to Eliminate Sexual Harassment in Egypt* ٦ (May ٢٣, ٢٠١٣), available at [http://www.dgyn.de/fileadmin/user\\_upload/DOKUMENTE/English\\_Documents/Sexual-Harassment-Study-Egypt-Final-EN.pdf](http://www.dgyn.de/fileadmin/user_upload/DOKUMENTE/English_Documents/Sexual-Harassment-Study-Egypt-Final-EN.pdf).

<sup>١١</sup> Ministry of Health and Population et al., *Egypt: Health Issues Survey* ٢٠١٥ at ١٠٣ (Oct. ٢٠١٥), available at <http://dhsprogram.com/pubs/pdf/FR٢١٣/FR٢١٣.pdf>

According to the assessment's women entrepreneurs survey (WES<sup>١٢</sup>), the majority of women entrepreneurs in Egypt are motivated by the necessity to have income rather than the opportunity to start their own business.

In the past few years, Egypt's percentage of women entrepreneurs has been the lowest in the Middle East North Africa (MENA) region and Sub-Saharan Africa countries: ٢% of women in early-stage entrepreneurial activities in Egypt in ٢٠١٢, contrarily to ٤% in the MENA region and ٢٧% in Sub-Saharan Africa. Furthermore, the distribution of entrepreneurially active adults in Egypt shows that women are less entrepreneurially active compared to men across the different phases of the entrepreneurship process.

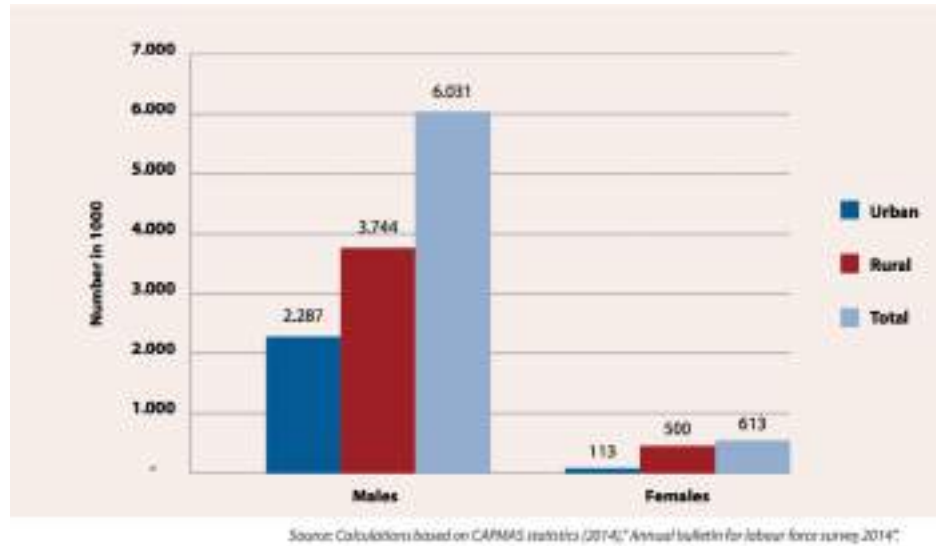
Based on the Global Entrepreneurship Monitor (GEM) Egypt Report ٢٠١٢, ٢.٤% of adult females were involved in either trying to start a business or managing their own business that is less than ٤٢ months old (early-stage entrepreneurial activity), compared to ١٢.١% of adult males. Females accounted for only ١٤% of the early-stage entrepreneurs and ١٢% of owners and managers of established businesses that are more than ٤٢ months old. Relative to other regions in ٢٠١٢, Egypt had the highest gender gap in entrepreneurial activity compared to other MENA countries (Hattab H., ٢٠١٢, pp ١٧-١٨).

Women business owners (including the self-employed) reached ٦١٣,١٠٠ in ٢٠١٤, accounting for about ٩% of the total number of self-employed/business owners in Egypt – male business owners numbered six million, with women owners concentrated in rural areas (٨٢%), with ١٨% located in urban areas. This was in large contrast to the distribution of male business owners – ٦٢ per cent in rural areas and ٣٨% in urban areas.

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<sup>١٢</sup> The WES is a standardized face-to-face survey conducted with ٢٠٠ women entrepreneurs as part of the WED Assessment methodology developed by ILO, in ٢٠١٦.  
[http://www.ilo.org/wcmsp5/groups/public/---ed\\_emp/---emp\\_ent/---ifp\\_seed/documents/publication/wcms\\_٥٥١١٦٨.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---ifp_seed/documents/publication/wcms_٥٥١١٦٨.pdf)

Figure ٣-١٠: Business ownership by gender, by urban/rural areas



Women-owned Micro and Small Enterprises (MSEs) are smaller than male-owned MSEs, with an average of ١.٨٥ workers compared to ٢.١٢ workers in ٢٠١١, noting that ٩٨.٤% of the women-owned MSEs had fewer than five workers, compared to ٩٤.٢% of male-owned MSEs. However, it is important to mention the slight improvement in the size of women-owned MSEs over the period from ٢٠٠٣ to ٢٠١١ as the percentage of women entrepreneurs with only one worker decreased from ٥٨.٤% in ٢٠٠٣ to ٤٧.٧% in ٢٠١١, while the percentage of women entrepreneurs with ٣ or ٤ workers doubled from ٩.١% to ١٩.٠% in the same period. The mean size of the women-owned MSEs increased slightly, while the mean number of workers in male-owned MSEs declined over the same period (Egypt, ILO, ٢٠١٦).

**Table ٣-٥: Gender differences in distribution of self-employment/employers between formal**

| Size of enterprise<br>(number of workers) | Male-owned<br>MSEs (%) | Male-owned<br>MSEs (%) | Female-owned<br>MSEs (%) | Female-owned<br>MSEs (%) |
|-------------------------------------------|------------------------|------------------------|--------------------------|--------------------------|
|                                           | 2003                   | 2011                   | 2003                     | 2011                     |
| 1                                         | 40.3                   | 38.3                   | 58.4                     | 47.7                     |
| 2                                         | 34.9                   | 32.2                   | 29.8                     | 31.7                     |
| 3                                         | 14.6                   | 16.2                   | 5.2                      | 10.3                     |
| 4                                         | 4.5                    | 7.5                    | 3.9                      | 8.7                      |
| 5-9                                       | 3.0                    | 4.3                    | 1.8                      | 1.0                      |
| 10-49                                     | 2.6                    | 1.5                    | 1.0                      | 0.7                      |
| Total                                     | 100                    | 100                    | 100                      | 100                      |
| Mean number<br>of workers                 | 2.33                   | 2.12                   | 1.73                     | 1.85                     |

Source: Egypt Network for Integrated Development (ENID), 2014, "Women Entrepreneurs In Egypt: Realities and Hopes", pp. 5-6 (based on calculations using data from MSEs in the 2003/2004 and 2011 databases held by the Economic Research Forum).

### **and informal sector**

According to the Women Entrepreneurship Development Assessment by ILO (٢٠١٦), ٢٢% of working males are self-employed, compared to ١٢.٢% of working females. Only ٦.٨% of self-employed women engage workers compared to ٢٥% of self-employed men who engage workers. Egyptian women entrepreneurs have a stronger presence in the informal sector, and do not engage employees. Many of these women are home-based and operate micro scale enterprise activities, especially those in the agriculture sector. Women in the agriculture sector often face more severe constraints than men in accessing productive resources, markets and services, thus reducing their productivity and contributions to their achievement of broader economic and social development goals.

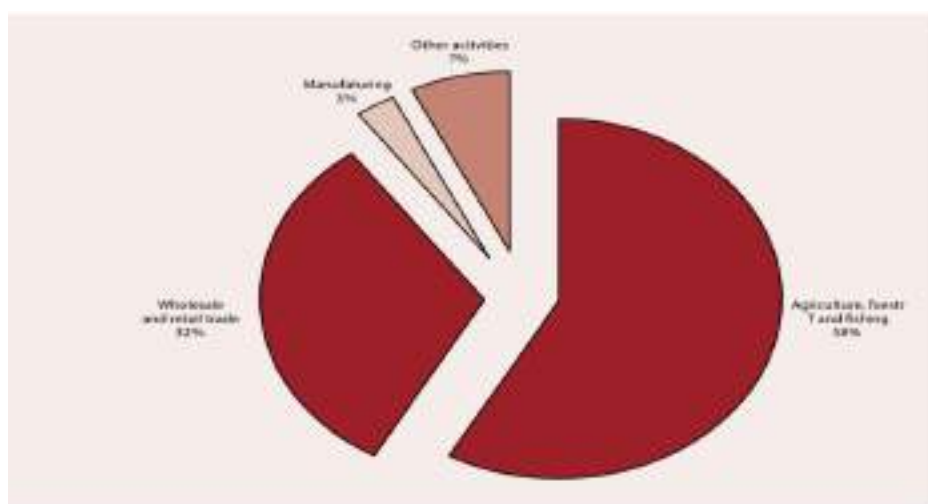
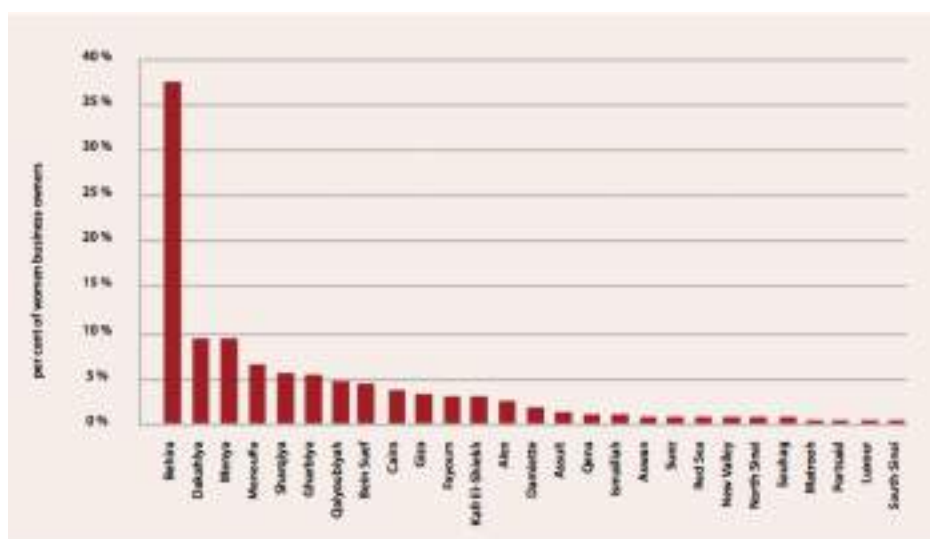


Figure 3-11: Women business owners by sector of economic activity

In addition, the distribution of women entrepreneurs by governorate shows that the Behira governorate has the highest number (39 per cent) of women business owners, followed by Dakhliya (nine per cent), Menia (nine per cent), Menofia (six per cent), and Sharqiya (five per cent) (Figure below).

Figure: 3-12 Geographic distribution of women business owners by governorate





From a social perspective, females in Egypt are more disadvantaged than men due to social norms that commit women to family and home responsibilities. Cultural beliefs in some areas of the country diminish women's economic roles. Although female and male-owned enterprises operate in the same business environment, but the challenges they face differ. Women face more challenges than men in starting, managing and growing businesses as they can be more likely constrained by a lack of the necessary human and financial capital.

### Disability in Egypt

Although the rights of persons with disabilities are guaranteed in the constitution, and Law No ١٠ of ٢٠١٨ 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 (٦١% for males and ٧٠% for females), and creating barriers to participation in higher education. Other barriers to education include inaccessible environments, inaccessible course material, lack of assistive technologies, and attitudinal barriers.

The employment rate of people with disabilities is reported to be half that of the non-disabled population 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.

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. (Institute of Development Studies, ٢٠١٨)

## CHAPTER FOUR: ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK

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### 4.1 Environmental and Social Impact Identification and Assessment

#### Environmental Impacts

Most of the sub-projects under Component 4 Pilot Economic Inclusion 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 or physical components.

As part of the **self-support services** under Component 4 Pilot Economic Inclusion, some subproject activities will be based on asset transfer, and those may have **minor, and localized environmental impacts**. They may include blending and production of dyes, metal plating, foundries, textiles, brick making, automobile repairing, carpeting, metal formation, among others. Typical key impacts for such activities are associated with:

- Improper disposal of solid waste and wastewater
- Improper disposal of chemicals and hazardous waste
- Soil and groundwater pollution
- Surface water pollution
- Air quality impacts resulting from fuel combustion, spraying activities and/or asbestos handling.
- Noise and foul odors
- Consumption of natural resources and/or causing pressure on existing infrastructure

#### 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, fire fighting 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 high noise & Particulate matter (PM) levels
- Unsafe handling chemicals and hazardous substances
- Exposure to Volatile Organic Compounds (VOCs)
- Unsafe asbestos handling
- Physical hazard from demolition waste
- Physical hazard from equipment or vehicles
- Fire hazards
- Slippage and falling
- Working at heights
- Manual handling and lifting
- Electrocution

On the other hand, 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

Table 4-1 below illustrates examples of typical environmental and OHS impacts associated with asset transfer and self-support activities (non-exhaustive list)

4-1 Key environmental impacts commonly associated with asset transfer and self support activities

| Component activities | Potential Impacts                                                                                                                                                                     |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Food Processing      | <ul style="list-style-type: none"> <li>- Less water availability</li> <li>- Health impacts associated with risk of food poisoning</li> <li>- Improper solid waste disposal</li> </ul> |

|                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Textiles, leather, footwear                                                                  | <ul style="list-style-type: none"> <li>- Noise impacts</li> <li>- Air quality and odour impacts</li> <li>- Indoor air quality impacts (i.e. VOC emissions )</li> <li>- Improper solid waste and wastewater disposal</li> </ul>                                                                                                                                                                             |
| Paper articles, printing, and photography                                                    | <ul style="list-style-type: none"> <li>- Chemical and lead contamination associated with handling and waste disposal</li> </ul>                                                                                                                                                                                                                                                                            |
| Manufacture of jewelry and glass                                                             | <ul style="list-style-type: none"> <li>- Chemical contamination associated with handling and waste disposal</li> <li>- OHS risks for operators and surrounding community</li> </ul>                                                                                                                                                                                                                        |
| Manufacture and repair of household appliances and agricultural implements, except batteries | <ul style="list-style-type: none"> <li>- Noise impacts</li> <li>- Contamination from metal particles and substances, such as oils, solvents, and coolants</li> <li>- Improper solid waste disposal</li> </ul>                                                                                                                                                                                              |
| Livestock farming and slaughter                                                              | <ul style="list-style-type: none"> <li>- Odor impacts and biological contamination by insects and rodents</li> <li>- Improper solid waste and wastewater disposal</li> <li>- Soil pollution</li> </ul>                                                                                                                                                                                                     |
| Tanning and dyeing leather                                                                   | <ul style="list-style-type: none"> <li>- Exposure to hazardous substances such as chrome, mercury, and sulfides</li> <li>- Improper solid waste and wastewater disposal</li> <li>- Odor impacts</li> </ul>                                                                                                                                                                                                 |
| Manufacture of carpets and rugs, textile dyeing, and printing                                | <ul style="list-style-type: none"> <li>- Exposure to hazardous substances such as acids and heavy metals</li> <li>- Fire hazards</li> <li>- Soil pollution</li> </ul>                                                                                                                                                                                                                                      |
| Sawmills, manufacture of furniture and other wood products                                   | <ul style="list-style-type: none"> <li>- Noise impacts</li> <li>- Indoor air quality impacts such as exposure to high noise &amp; Particulate matter (PM) levels</li> <li>- Exposure to hazardous substances such as solvents, sealants, lacquers, among others</li> <li>- Improper solid waste disposal</li> </ul>                                                                                        |
| Automobile and motorcycle repair                                                             | <ul style="list-style-type: none"> <li>- Exposure to hazardous substances such as oil, fuel, and lubricants</li> <li>- Noise impacts from operating vehicles, hammering, and polishing</li> <li>- Traffic congestion due to obstruction of public space by improperly parked vehicles</li> <li>- Improper solid waste and wastewater disposal</li> <li>- Fire hazards</li> <li>- Soil pollution</li> </ul> |
| Engineering and electric industries (ACs, electronics etc.)                                  | <ul style="list-style-type: none"> <li>- Indoor air quality impacts</li> <li>- Improper solid waste and wastewater disposal</li> <li>- Noise impacts</li> </ul>                                                                                                                                                                                                                                            |

### **Social Impacts**

The overarching focus of the one stop shop approach of Component 4 is to create an effective and replicable platform so that project beneficiaries, including marginalized groups, the disabled, women and families suffering from poverty have opportunities and are enabled to engage in income-generating activities and to access financial and technical services. In order to guarantee social

benefits of Component ٤ , there is a requirement to ensure that sub-projects are planned and operated in a manner that maximizes benefits. 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 ٤ Pilot Economic Inclusion:

- 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;
- Enhance the productivity of the local economy.

Some negative social impacts and risks could present themselves under component ٤ on economic inclusion implementation:

- Discrimination based on gender and/or physical 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.
- Child Labor
- Beneficiary Dissatisfaction

## ٤.٢ Framework ESMP Implementation Arrangements

### ٤.٢.١ Introduction

A well-defined institutional and implementation mechanism for identifying, appraising, managing and monitoring safeguards at all levels is a key necessity. This section lays out the roles, responsibilities of various parties and the due diligence process that will need to take place from the preparation of an investment through implementation completion.

#### **٤.٢.٢ Overall project institutional and implementation arrangements**

The MoSS will be the institutional home for the Takaful and Karama program and in turn for the Economic Inclusion Pilot Component (Component ٤). The project will be implemented through the MoSS' existing structure, supported by a Project Implementation Unit (PIU) which together with MoSS permanent staff, forms the Program Task Force (PTF). The PIU will also be responsible for documentation, procurement of goods, overall fiduciary activities, monitoring & evaluation and reporting to the MoSS and the WB on all aspects of project implementation.

The Central Unit for Social Pension (CUSP) under the Social Protection Department (SPD) will be responsible for day-to-day management of the project, reporting to the Minister of Social Solidarity and supported by the PIU team. The PIU is headed by an experienced project director and includes specialists in Financial Management, procurement, Management Information System, field operations support, communications, research and program coordination, monitoring and evaluation, and payment control. To ensure that adequate institutional arrangements for managing environmental and social risks are in place, an environmental and social unit will be established at the PIU which will include a senior environmental and social expert supported by an environmental officer and a social officer. The senior expert will monitor the implementation of the Environmental and Social Management Framework (ESMF) and will oversee the two officers. Together, the unit will monitor the projects' activities all over Egypt. The staff at the central unit will follow up with environmental and social focal points at local level (governorate/unit level) to monitor safeguards and ensure that the project is in compliance with World Bank safeguard policies and regulations. It is envisaged that if additional capacity is required, the PIU may recruit external consultants who have sufficient expertise to support PIU focal points.

At the regional level, the project is supported by directorate social units of the MoSS. At the district and village level, MoSS' social units, village social units and NGOs which exist in each large village or a group of villages will be responsible for receiving applications and conducting regular field supervision (where applicable) to ensure compliance of the sub projects, their workers and practices, to the ESMPs under the supervision of the PIU.

The social units, where MoSS social workers operate from, are responsible—with the support of community development associations (CDAs) and NGOs—for social mobilization, outreach

activities, and maintaining of continuous contact with beneficiary households. With the support of participating schools and health clinics, the social workers will ensure adequate monitoring of households' compliance with the co-responsibility obligations and support the process of updating beneficiary data. The MoSS has signed Memoranda of Understanding with the Ministry of Health and Ministry of Education to support monitoring and reporting regarding the conditionality. Figures ٤-٢ and ٤-٣ show the administrative chart for the Takaful and Karama and the organogram of the current project task force respectively.

Figure ٤-٢: The Administrative Chart of the Takaful and Karama & Forsa Program at MoSS

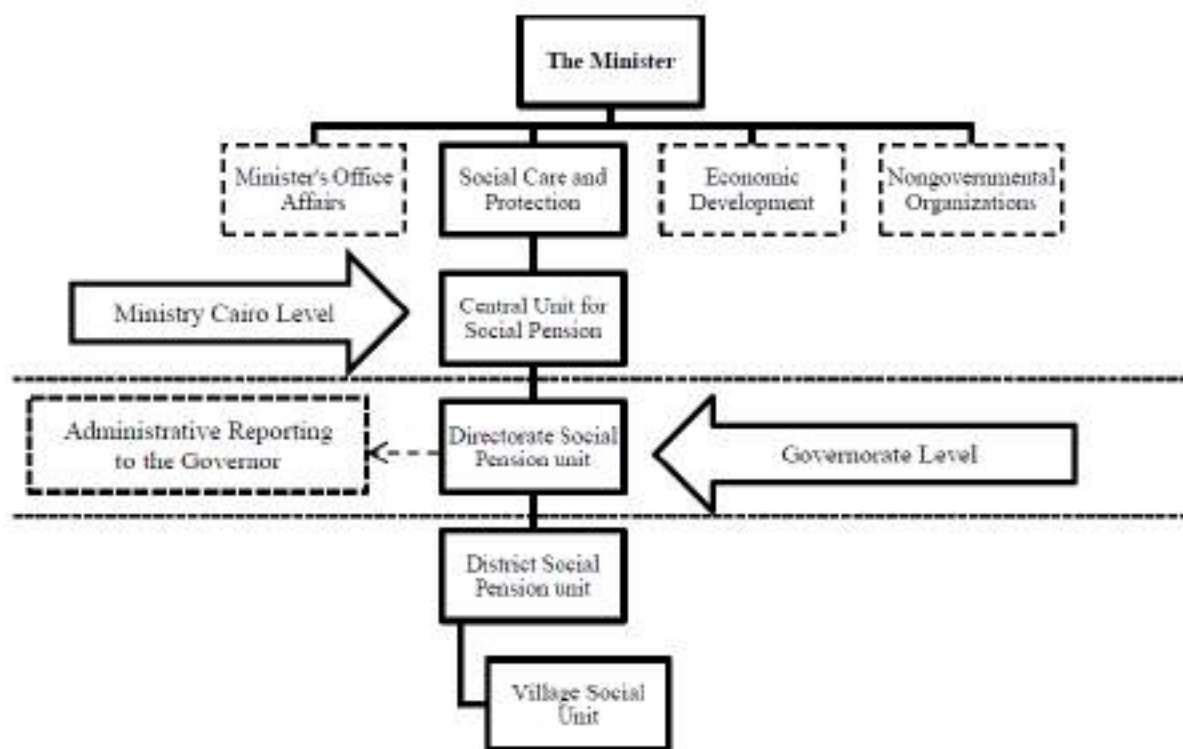
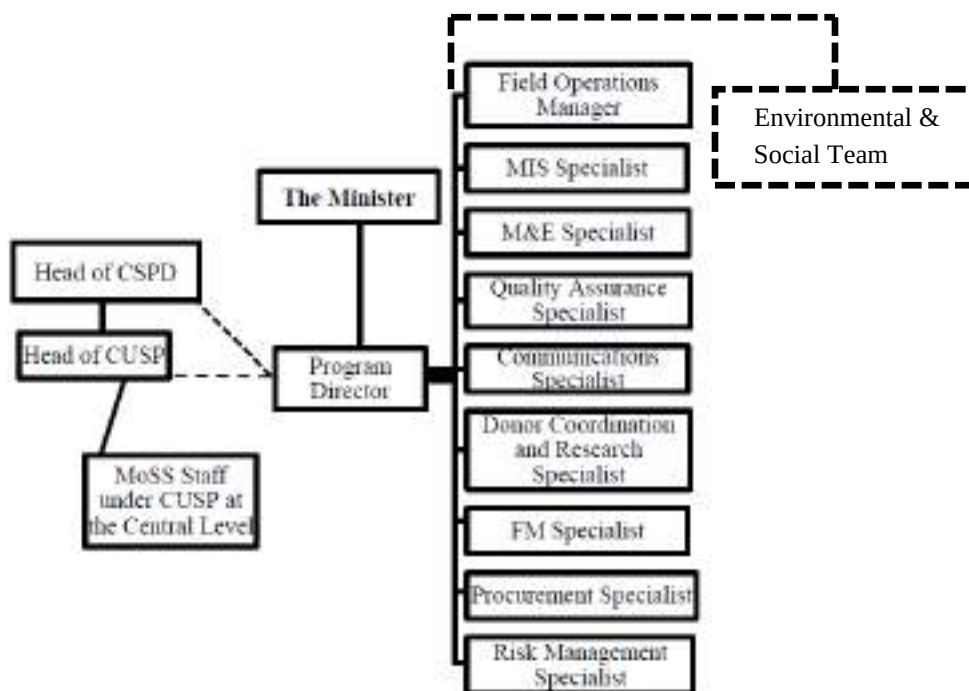


Figure ٤-٣: Organogram of the current Project Task Force<sup>١٣</sup>



#### ٤.٢.٣ Grievance Redress Mechanism

Given the nature of the project activities, the most effective mitigation measure for the identified risks will be ensuring that project beneficiaries are actively involved throughout all stages of the project. Social accountability and citizen engagement activities will be taken into consideration to strengthen project results through different mechanisms: (a) a grievance redress mechanism (GRM) that allows citizens to inquire about the project, provide feedback to the MoSS about project implementation, and allow potential beneficiaries to seek resolution on inclusion and/or exclusion errors, social and environmental risk exposure and concerns, delays or errors in payment, and other project-related concerns; (b) public information at different levels of implementation on the program objectives, eligibility criteria, the application process, and available grievance redress mechanisms, in partnership with NGOs, CDAs, and community leaders; (c) beneficiary satisfaction surveys, which will be included in the process evaluation planned midway through implementation; and (d)

<sup>١٣</sup> Including the new addition of an Environmental & Social team



independent targeting performance evaluation to ensure compliance and effectiveness of targeting the intended beneficiaries.

Gender based Violence-related complaints received directly through the GRM or through CDA/NGO safe spaces should be categorized accordingly, and a survivor-centric approach followed to ensure that any adversely affected are treated with utmost confidentiality during verification/investigation and linked with support resources as needed. Support resources should also be mapped out in advance in association with NGOs/CSOs and national partners (e.g. NCW) working on such issues.

With regards to the Grievance system the two following tools need to be achieved: (i) raising public awareness and carrying out mandatory public displays; and (ii) establishment of a viable GRM.

***Raising public awareness:*** Information about the grievance handling system described below will be distributed at an early stage of the project to all project affected people through regular information channels used by the project, including initiating meetings at the start of the project where feasible, public meetings during project implementation, brochures/pamphlets in Arabic Language, posting on notice boards and online when necessary.

***Grievance Redress Mechanism:*** Transparency and accountability will be core elements of the Project. Comprehensive GRM will be set up for all subprojects to account for all potential complaints arising from the project's potential impacts. Component 4 will make use of the existing GRM for MOSS at local units, district and central levels. The existing GRM is well functioning and allows for real time tracking of complaints. Within the existing GRM, citizens and beneficiaries can submit their complaints at a local level, district level or directly at the central level. The GRM is governed by a solid Management Information System to allow for tracking time and type of complain as well as follow up and resolving of the complaint.

The goal of the GRM will be to increase transparency and accountability and to reduce the risk of the project inadvertently affecting citizens. The GRM will also serve as an important feedback and learning mechanism that can help improve project impact. The objective will be to provide 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 in a culturally appropriate manner and at no cost. This includes safeguards-related complaints pertaining to this ESMF and the WB's safeguards policies as a whole.

As a minimum, the PIU should ensure the following channels are well functioning within the current GRM, through which citizens and beneficiaries can make complaints regarding project-funded activities:

- a) A dedicated email address
- b) A dedicated phone line
- c) A dedicated address to send written letters
- d) Feedback boxes located at project sites
- e) Verbal or written complaints to community leaders, or project staff directly or through project meetings. If project stakeholders provide verbal feedback/complaint, project staff will lodge the complaint on their behalf, and it will be processed through the same channels with consideration for requests for confidentiality to the best degree possible..
- f) Periodic project meetings, each of which shall include women, with consideration to the requirement of providing safe spaces for women.
- g) Social Accountability Committees are also operational in all of the intervention governorates and can be a place whereby complaints are voiced

### **Procedures**

The GRM should comprise of a set of operating procedures to ensure successful implementation. The PIU should ensure the current GRM uses the following set of measures as a minimum at all times:

- Receive and register complaints.
- Grievance's document verification.
- Conduct field inspections in order to verify and confirm the authenticity and eligibility of the reported grievance. The field inspection could include interviews with different parties involved, with considerations of confidentiality and sensitivity to other cultural contexts and norms.
- Referring cases to other GRMs, if necessary and/or to the courts.
- Referring cases to a third party.
- Track, and evaluate the process and results.

### **Grievance Redress Service<sup>14</sup>**

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<sup>14</sup> <http://pubdocs.worldbank.org/en/44001429013190870/GRS-2010-BrochureDec.pdf>

The WB's Grievance Redress Service (GRS) provides an additional, accessible way for individuals and communities to complain directly to the WB if they believe that a World Bank-financed project had or is likely to have adverse effects on them or their community. The GRS enhances the WB's responsiveness and accountability by ensuring that grievances are promptly reviewed and responded to and working together identifies problems and solutions.

The GRS accepts complaints in English or the official language of the country of the person submitting the complaint. Submissions to the GRS may be sent by:

Email: [grievances@worldbank.org](mailto:grievances@worldbank.org)  
Fax: +1-202-614-7313  
Letter: The World Bank  
Grievance Redress Service (GRS)  
MSN MC 10-1018  
1818 H St NW  
Washington, DC 20533, USA

#### **4.2.4 Framework ESMP**

##### **Operation Phase:**

Given that regulation is not strictly enforced in Egypt, integrating environmental and social concerns into beneficiary credit and technical assistance operations is vital. Training should be provided to all Component 4 partners including NGOs and local focal points in order to enable them to incorporate the environmental and social review processes and assistance for mitigating environmental and social impacts as part of the lending process and technical assistance provided to the beneficiary. The below Table illustrates potential impacts and their mitigation and monitoring measures during the operation phase of the sub-projects. The ESMP described below represents the framework under which site-specific ESMPs will be developed where applicable according to the sub-project Environmental and Social Screening and Approval Framework detailed under section 4.3. The framework ESMP could also represent the minimum measures to be implemented for sub-projects, which do not need site-specific ESMP as a result of the screening process and where simplified measures are sufficient to mitigate the expected risks and impacts.

Table 4-7: Framework ESMP during Operation

| Potential Impact                                                                                                    | Mitigation Measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Monitoring                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| All impacts                                                                                                         | <ul style="list-style-type: none"> <li>- Develop a robust and multi-channels project level Grievance Redress Mechanism (GRM)</li> <li>- Ensure dissemination of the GRM to local communities prior to starting project activities.</li> <li>- Maintain solid documentation for the received complaints during the operation of the project and track the level of responsiveness (provision of feedback).</li> </ul>                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>- Review of the number of complaints received.</li> <li>- Review of the number of complaints solved, the mechanisms used and the time it took to solve them.</li> </ul>                           |
| Beneficiary Dissatisfaction and Discrimination                                                                      | <ul style="list-style-type: none"> <li>- Create a qualitative assessment of the aspirations of women and men of various age groups, especially the disabled and the most vulnerable, through focus group discussions, to solicit feedback on the challenges being faced by them, their views on solutions and coping mechanisms, as well as feedback on the training programs and how they can be improved during all project stages</li> <li>- Taking into consideration accessibility of project components for the disabled</li> </ul>                                                                                                         | <ul style="list-style-type: none"> <li>- Collecting, monitoring, disaggregating, and evaluation data.</li> <li>- Review number of complaints and negative data compared to positive feedback and time it took to resolve them</li> </ul> |
| Gender Issues and all forms of Gender based Violence, including sexual harassment and partner and domestic violence | <ul style="list-style-type: none"> <li>- Representation of women in all exercises of sub-project designing, planning, implementation, and monitoring.</li> <li>- Inclusion of women in decision-making bodies (e. g Project Steering Committee (PSC) and the Project Management Unit (PMU).</li> <li>- Deploy and conduct training around Codes of Conduct for all project staff and contractors especially those involved in employability activities such as training and direct interactions with families.</li> <li>- Increase local NGOs/CSOs engagement and coordinate where possible with national systems to map available GBV</li> </ul> | <ul style="list-style-type: none"> <li>- Collecting gender-disaggregated monitoring and evaluation data to track the extent to which women have been able to participate and benefit from project activities.</li> <li>-</li> </ul>      |

| Potential Impact                                | Mitigation Measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Monitoring                                                                                                                                                                                         |
|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                 | <p>prevention and response resources.</p> <ul style="list-style-type: none"> <li>- Inclusion of women in decision-making bodies (e. g Project Steering Committee (PSC) and the Project Management Unit (PMU).</li> <li>- Conducting gender-sensitive and participatory consultations while finalizing and designing the various sub-project activities such as the selection of niche products, training activities, and capacity building initiatives. These have to include safe spaces/ women-only focus groups to encourage women's meaningful participation in consultations.</li> <li>- Create female only spaces for women to receive trainings and services</li> <li>- Gender mainstreaming actions should be developed as part of a Gender Development Plan (GDP)</li> </ul> |                                                                                                                                                                                                    |
| Child Labor                                     | <ul style="list-style-type: none"> <li>- Strictly enforce the national law, and include contractual obligations for all Forsa partners and beneficiaries prohibiting all forms of child labor</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>- Review all labor contracts</li> <li>- Field inspections</li> <li>- Review complaints or grievances raised with regard to child labor</li> </ul>           |
| Solid & Hazardous Waste and Wastewater Disposal | <ul style="list-style-type: none"> <li>- Sufficient drainage, sanitation, &amp; waste disposal facilities should be provided at work places with protocols for handling toxic and hazardous waste</li> <li>- Promote safe recycling systems and microenterprises that specialize in recycling.</li> <li>- Include Waste Management as part of beneficiary training.</li> <li>- Enforce strict hygiene practices.</li> <li>- Encourage use of raw materials free from chemical residues</li> </ul>                                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>- Field inspections</li> <li>- Review complaints or grievances raised with regard to solid waste and wastewater and time it took to resolve them</li> </ul> |

| Potential Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Mitigation Measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Monitoring                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>OHS impacts, including:</p> <ul style="list-style-type: none"> <li>- Noise &amp; Dust</li> <li>- Volatile Organic Compounds</li> <li>- chemicals and hazardous substances</li> <li>- Asbestos handling</li> <li>- Physical hazard from demolition waste</li> <li>- Physical hazard from equipment or vehicles</li> <li>- Fire hazards</li> <li>- Slippage and falling</li> <li>- Working at heights</li> <li>- Manual handling and lifting</li> <li>- Electrocution</li> </ul> | <ul style="list-style-type: none"> <li>- Development of an OHS management plan, guidelines and operational procedures tailored to each sector, drawing on WB EHS Guidelines and national laws.</li> <li>- Train beneficiaries on the following: <ul style="list-style-type: none"> <li>o Use of safety equipment, such as masks, gloves, and ear plugs</li> <li>o Hygiene Standards</li> <li>o Promotion of safe recycling systems</li> <li>o Proper ventilation</li> <li>o Suitable hazardous substance management, including safe handling and storage</li> <li>o Workshop cleanliness</li> <li>o Toxicity and hazardous substance storage.</li> <li>o How to establish contingency plans for work accidents</li> <li>o Fire hazards, contingency plans and availability and function of fire extinguishers</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>- Field inspections</li> <li>- Review complaints or grievances raised with regard to OHS aspects and time it took to resolve them</li> <li>- Number of training sessions conducted</li> </ul> |
| Effluents and Dust Generation                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>- Use of equipment with permissible air emission quality.</li> <li>- Installment of air extractors and filters</li> <li>- Train beneficiaries on EHS guidelines.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>- Review of the number of complaints received and time it took to resolve them.</li> <li>- Follow up inspections</li> <li>- Number of training sessions conducted</li> </ul>                  |
| Noise Impacts                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>- Work in closed installations and follow strict working hours schedule in order to reduce impact on neighbors</li> <li>- Train beneficiaries on EHS guidelines.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>- Review of the number of complaints received and time it took to resolve them.</li> <li>- Train beneficiaries on EHS guidelines.</li> </ul>                                                  |

### **Construction activities (where applicable)**

In the event any of the subprojects financed under Component ॔ should require the engagement of contractors, bidders must be requested to include a complete ESMP within their bidding documents. Bidding documents should also include Code of Conducts and other measures for how contractors will mitigate Gender Based Violence Risks. The ESMP would be treated as a legally binding document, which is to be enforced in compliance with the social and environmental safeguards operational policies of the WB. The table below includes the minimum mitigation and monitoring measures to be included in such ESMPs. Additional measures could be added according to individual site conditions.

Table ॔-ॣ: Framework ESMP during Construction

| Potential Impact                                     | Mitigation Measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Monitoring Measures                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| All impacts                                          | <ul style="list-style-type: none"><li>- Develop a robust and multi-channels project level Grievance Redress Mechanism (GRM)</li><li>- Ensure dissemination of the GRM to local communities and potential PAPs prior to starting construction activities.</li><li>- Maintain solid documentation for the received complaints during the construction phase of any sub project components and track the level of responsiveness (provision of feedback).</li></ul>                                                                                                                                           | <ul style="list-style-type: none"><li>- Review of the number of complaints received</li><li>- Review of the number of complaints solved and the time it took to solve them.</li></ul>                                                                                                                                                                                                                   |
| Solid waste management (demolition, excavation etc.) | <ul style="list-style-type: none"><li>- Assign &amp; train worker(s) to manage waste collection, transport, and management.</li><li>- Arrange with local authority or authorized waste handler to transport and dispose of waste in designated facility</li><li>- Ensure waste transport vehicles are adequately equipped and that waste material is covered during transport</li><li>- Provide suitable Personal Protective Equipment (PPE) for workers assigned to manage demolition waste</li><li>- Arrange for suitable waste containers and skips to be present for temporary waste storage</li></ul> | <ul style="list-style-type: none"><li>- Daily review of waste containers or accumulations</li><li>- Weekly review of chain of custody or proof of contracting authorized waste handler</li><li>- Weekly review of proof of disposal at designated facility</li><li>- Daily review of signs of ash or waste accumulations</li><li>- Daily review of log of relevant incidents &amp; complaints</li></ul> |

| Potential Impact                         | Mitigation Measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Monitoring Measures                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                          | <ul style="list-style-type: none"> <li>- Avoid dropping the demolition waste from heights.</li> <li>- Avoid leaving sharp or protruding objects in the waste pile</li> <li>- Recover recyclable materials from the demolition waste</li> <li>- Perform random checks on areas surrounding work site and route to waste disposal facility to ensure waste was not dumped</li> <li>- Strictly prohibit waste burning.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                     |
| Hazardous waste and materials management | <ul style="list-style-type: none"> <li>- Clearly identify and label hazardous waste or hazardous materials and ensure Material Safety Data Sheets (<b>MSDS</b>) are available in Arabic</li> <li>- Identify and provide contacts of closest authorities and emergency services to contact in case of incidents involving hazardous waste and materials</li> <li>- Assign &amp; train worker(s) to identify &amp; manage hazardous waste and materials</li> <li>- Provide suitable Personal Protective Equipment (PPE) for workers assigned to manage hazardous waste and materials</li> <li>- Provide relevant first-aid kits</li> <li>- Anticipate mass and volume of possible hazardous waste</li> <li>- Arrange for a secure area on-site for hazardous material receiving and storage</li> <li>- Arrange for suitable waste containers and skips to be present for temporary waste storage</li> <li>- Predetermine temporary storage zone for waste pile or container</li> <li>- Arrange with local authority or authorized hazardous waste handler to transport and dispose of waste in designated facility</li> </ul> | <ul style="list-style-type: none"> <li>- Daily review of waste containers or accumulations</li> <li>- Daily review of hazardous chemical storage areas and containers</li> <li>- Weekly review of chain of custody or proof of contracting authorized waste handler</li> <li>- Weekly review of proof of disposal at designated facility</li> </ul> |
| Noise impacts                            | <ul style="list-style-type: none"> <li>- Provide suitable Personal Protective Equipment (PPE) for workers assigned to jobs in sustained high noise levels</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>- Daily review of works schedule</li> <li>- Daily review of Noise complaints</li> </ul>                                                                                                                                                                                                                      |



|                  |                                              | Potential Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Mitigation Measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Monitoring Measures                                                                                                                                                                                                                               |
|------------------|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  |                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"><li>- Coordinate with surrounding community to avoid noisy tasks during sensitive times of facility operation</li><li>- Seek to schedule noisy works in institutional vacation periods</li><li>- Inform surrounding community of periods of unavoidable noisy works</li></ul>                                                                                                                                                                                                                                       | <ul style="list-style-type: none"><li>- Review of PPE availability &amp; usage during noisy works</li></ul>                                                                                                                                       |
|                  |                                              | Dust Emissions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"><li>- Provide suitable Personal Protective Equipment (PPE) for workers assigned to jobs in sustained high dust levels</li><li>- Economically spray water (preferably used/grey water) to wet waste and dust piles to minimize emissions</li><li>- Coordinate with surrounding community to ventilate dusty works in confined spaces in the facility</li><li>- Seek to schedule dusty works in institutional vacation periods</li><li>- Inform surrounding community of periods of unavoidable dusty works</li></ul> | <ul style="list-style-type: none"><li>- Daily review of works schedule</li><li>- Daily review of Dust complaints</li><li>- Weekly review of Dust wetting procedures</li><li>- Review of PPE availability &amp; usage during dusty works</li></ul> |
| Occupational H&S | Physical hazards from demolition waste       | <ul style="list-style-type: none"><li>- Inform workers to stay vigilant in areas of demolition waste generation and storage</li><li>- Same measures as for demolition waste management</li></ul>                                                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"><li>- Worker and facility user monitoring</li><li>- Log of relevant injuries &amp; complaints</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                   |
|                  | Physical hazards from equipment and vehicles | <ul style="list-style-type: none"><li>- Ensure drivers and machine operators undergo random medical and drug/alcohol detection checks</li><li>- Train workers on equipment operation safety</li><li>- Ensure equipment, machinery, and vehicles used is in good working condition</li><li>- Create exclusion zones to limit access to equipment and vehicle maneuver lines</li><li>- Avoid vehicle speeds higher than 30 km/hr in project sites (where applicable)</li><li>- Same measures as for demolition waste management</li></ul> | <ul style="list-style-type: none"><li>- Monthly review of Driver &amp; operator testing reports</li><li>- Monthly review of Driver &amp; operator training certificates</li><li>- Review of exclusion zones</li><li>- Log of relevant injuries &amp; complaints</li></ul>                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                   |

|                  | Potential Impact                          | Mitigation Measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Monitoring Measures                                                                                                                                                                                                             |
|------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Occupational H&S | Fire Hazard                               | <ul style="list-style-type: none"> <li>- Train workers on identifying and avoiding fire hazards</li> <li>- Provide fire extinguisher instruments and sand buckets in good working condition</li> <li>- Create strictly <b>No-Smoking</b> zones in fire risk areas such as fuel storage areas, excavations, near decomposing organic matter in waste piles and around water bodies</li> <li>- Avoid storing flammable materials in direct sunlight or near heat sources</li> <li>- Ensure suitable grounding and circuit breakers are available for electrical works</li> <li>- Strictly avoid excavations in areas with residential natural gas connections or works near natural gas piping</li> <li>- Identify and provide contacts of closest authorities and emergency services to contact in case of incidents involving Fires</li> </ul> | <ul style="list-style-type: none"> <li>- Weekly review of fire extinguishing instruments</li> <li>- Weekly review of flammable material containers &amp; storage</li> <li>- Log of relevant injuries &amp; incidents</li> </ul> |
|                  | Slippage and Falling & Working at heights | <ul style="list-style-type: none"> <li>- Provision of suitable footwear to avoid slippage</li> <li>- Avoiding tasks on unstable slopes or soils without proper fall prevention precautions</li> <li>- Installation of guardrails at the edge of any fall hazard area</li> <li>- Proper use of ladders and scaffolds by trained employees</li> <li>- Use of fall prevention devices</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>- Ongoing review of PPE availability &amp; usage</li> <li>- On-going review of relevant fall prevention measures and awareness</li> </ul>                                                |
|                  | Manual handling and lifting               | <ul style="list-style-type: none"> <li>- Incorporating rest and stretch breaks into work processes and conducting job rotation</li> <li>- Taking into consideration additional special conditions such as left-handed persons and persons with existing medical conditions</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>- Ongoing observation of workers</li> <li>- Weekly review of break periods and rotations</li> </ul>                                                                                      |
|                  | Electrocution                             | <ul style="list-style-type: none"> <li>- Checking all electrical cords, cables, and hand power tools for frayed or exposed cords</li> <li>- Following manufacturer recommendations for maximum</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>- Ongoing equipment and connection checks and reporting</li> </ul>                                                                                                                       |

|  | Potential Impact          | Mitigation Measures                                                                                                                                                                                                                                                                                                                                        | Monitoring Measures                                                                                       |
|--|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
|  |                           | permitted operating voltage of the portable hand tool<br>- Protecting power cords and extension cords against damage from traffic by shielding or suspending above traffic areas<br>- Conducting detailed identification and marking of all buried electrical wiring prior to any excavation work                                                          |                                                                                                           |
|  | Traffic and accessibility | - Inform local communities in case of anticipation of prolonged closure of roads or access routes and clearly point at alternative routes.                                                                                                                                                                                                                 | - Daily review of log of relevant incidents & complaints                                                  |
|  | Equipment on-site fueling | - Minimize on-site fuel container storage and fueling activities by planning fueling before site deployment<br>- Designate a specific location on-site for fueling, maintenance, and lubrication activities<br>- Provide impervious material such as geotextile or polymer sheets in locations on-site designated for fueling, maintenance, or lubrication | - Weekly review of signs of spillage or contamination<br>- Weekly review of integrity of impervious layer |
|  | Utility damage            | - Coordinate with local authorities and natural gas and electricity authorities before excavation<br>- Conduct detailed identification and marking of all underground utility lines prior to any excavation work                                                                                                                                           | - Daily review of log of relevant incidents & complaints                                                  |
|  | Risk of child labor       | - Include clear and explicit measures in the contractors' contract to 1) prohibit labor under 18 years old in the main contract, 2) stipulate that this contract should go to the entire sub contract as binding condition.                                                                                                                                | - Regular review of the contractors' contract.<br>- Regular site inspection of workers                    |
|  | Labour Influx             | - Encourage the common practice of using local workers as this will reduce the transaction cost and will eliminate the risk of labor influx.<br>- Inform local communities in case of anticipation of high worker influx into project area.<br>- (\$) Provision of cultural sensitization training for workers regarding                                   | - Daily review of log of relevant incidents & complaints<br>- Ongoing field supervision                   |

| Potential Impact                             | Mitigation Measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Monitoring Measures                                                                                            |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
|                                              | <ul style="list-style-type: none"> <li>engagement with local community</li> <li>- Code of conduct to be developed and all workers to adhere to.</li> <li>- Provision of information regarding Worker Code of Conduct in local language and follow up on compliance.</li> <li>- Share with community and implement the approved GRM at all times during the construction phase and track the level of responsiveness (provision of feedback).</li> <li>- Ensure that workers have monthly vacation to go visit their families.</li> <li>- Ensure that the location of the workers' residence does not provoke any inconveniences to the local community.</li> </ul> |                                                                                                                |
| Increased risk of illicit behavior and crime | <ul style="list-style-type: none"> <li>- Enforce the national law</li> <li>- Ensure appropriate payment to both contractors and sub-contractors workers</li> <li>- Introduction of sanctions (e.g. dismissal) for workers involved in abuse or any inappropriate activities</li> </ul>                                                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>- Daily review of log of relevant incidents &amp; complaints</li> </ul> |

### 4.3 Sub-project Environmental and Social Screening and Approval Framework

A framework methodology is proposed in this section for the screening, categorization, review, approval, safeguarding, and monitoring of Component 4 sub-projects. Sub-projects which will need to be screened will be those associated with building the capacity of beneficiaries through offering asset transfer in sectors related to handicrafts, agribusiness, trade and services

Each sub-project will be screened for potential ES impacts using the screening checklists included as **Annex 5** in order to determine the suitable safeguard instruments to use concurrent with the level of significance for the expected impacts.

The Bank will then review the screening results and accordingly the safeguards relevant instruments shall be prepared, consulted with stakeholders and disclosed. Following clearance of the safeguards

instruments by the Bank and/or government, the ESMPs shall be implemented, supervised and monitored. Figure ٤-١ outlines the proposed methodology.

Figure ٤ -١: Outline of the ES Screening and Approval Methodology

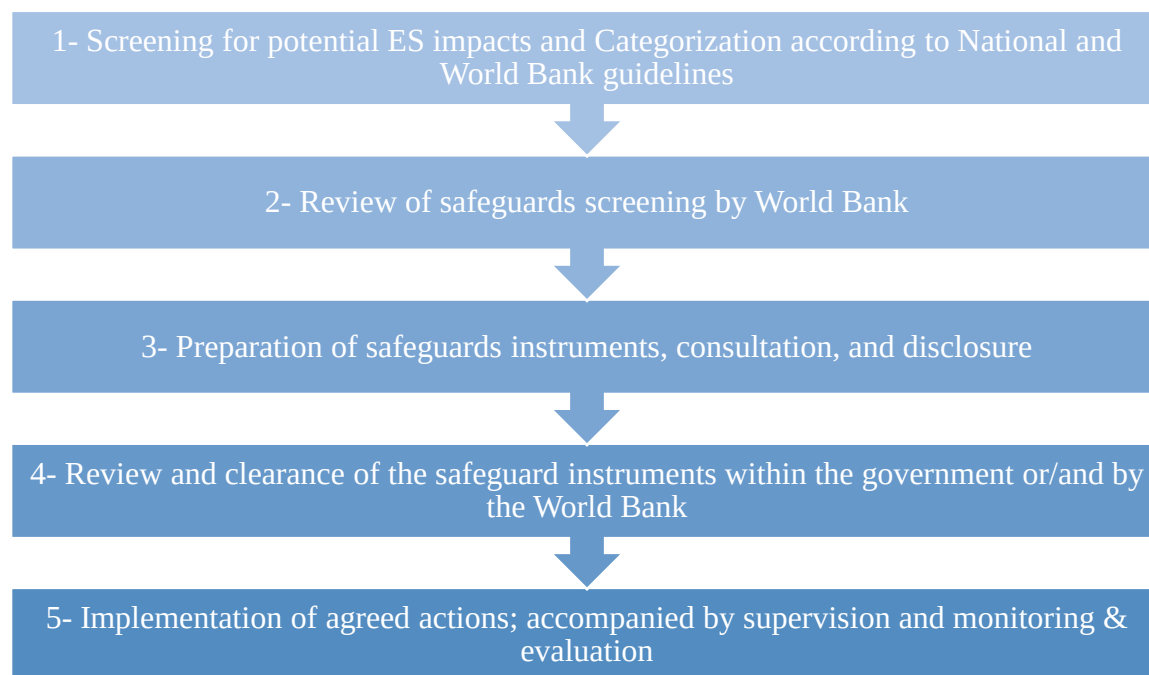


Table ٤-٧: Component ٤ sub-project safeguarding, approval, and disclosure methodology

| Step                                                                                                                                         | Scope                                                                                                                                                                                                                                                         | Responsibility                                   | Criteria                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Outcomes                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Screening for Potential Environmental and Social Safeguard Impacts and Determination of suitable Safeguards instruments for Each Sub-project | <ul style="list-style-type: none"> <li>- Screen proposed sub-project according to safeguards checklist (Annex ۲)</li> <li>- Determine applicable national and World Bank requirements</li> <li>- Determine instruments needed to meet requirements</li> </ul> | <i>ES team of the PIU (at the central level)</i> | <ul style="list-style-type: none"> <li>- <b>The program is categorized as Category B</b></li> <li>- <b>Screening criteria in Annex ۲ will be adopted</b> <ul style="list-style-type: none"> <li>- Category A Sub-projects will be excluded</li> <li>- Sub-projects with medium negative impacts (according to screening criteria in Annex ۲ ) will be required to prepare a site specific ESMP according to the framework ESMP and the layout described in Annex ۳.</li> <li>- Sub-projects with minimal impacts (according to screening criteria in Annex ۲) will be only required to fulfill the requirements of the framework ESMP.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>- Subproject-specific screening checklist</li> <li>- Sub-project categorization</li> <li>- ES Assessments and Management &amp; Monitoring instruments</li> </ul> |

|                                                                       |                                                                                                                                                                                        |                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                          |
|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| ١- Review of Safeguards Screening by the ESO & World Bank             | <ul style="list-style-type: none"> <li>- Prepare subproject-specific Safeguards Screening Summary</li> <li>- Assess Safeguards Screening</li> </ul>                                    | A. ES team of the PIU (at the central level) WB for category B subproject | <b>A. Safeguards Screening Summary (SSS)</b> <ul style="list-style-type: none"> <li>i. Categorization Rationale</li> <li>ii. Safeguard instruments</li> <li>iii. Submitted as part of sub-project identification package</li> </ul> <b>B. Selective review of SSS</b>                                                                                                                                                                                                                                                                                                                                                                                                                               | A. Safeguards Screening Summary (SSS)<br><br>B. Approval/Revision of SSS                                                                                 |
| ٢- Preparation of Safeguards Instruments, Consultation and Disclosure | <ul style="list-style-type: none"> <li>- Draft Category B ES instruments</li> <li>- Consult on draft ES instruments</li> <li>- Incorporate feedback in Final ES instruments</li> </ul> | ES team of the PIU (at the central level)                                 | <ul style="list-style-type: none"> <li>- Draft ES instruments according to national and WB requirements</li> <li>- Liaise with WB in case clarifications or changes arise</li> <li>- Include project stakeholders, project-affected groups, local NGOs in consultations</li> <li>- Initiate consultations as early as possible</li> <li>- Provide relevant material in Arabic, comprehensible, accessible formats</li> <li>- Ensure enough time is provided to examine documents ahead of consultation events</li> <li>- Document stakeholder feedback and ensure disclosure &amp; meaningful consultation</li> <li>- Show how stakeholder feedback was addressed in final ES instrument</li> </ul> | <ul style="list-style-type: none"> <li>- Draft ES instruments</li> <li>- Consultation on draft ES instruments</li> <li>- Final ES instruments</li> </ul> |

|                                                                                       |                                                                                                                                                                                                              |                                                                                                                                                                |                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                            |
|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>۳- Review and Clearance of Safeguard Instruments</p>                               | <ul style="list-style-type: none"> <li>- Review and clearance of ES instruments according to national requirements</li> <li>- Review and clearance of ES instruments according to WB requirements</li> </ul> | <p>ES team of the PIU (at the central level) &amp; WB</p>                                                                                                      | <ul style="list-style-type: none"> <li>- Category C sub-projects are not reviewed by WB</li> <li>- Project proponent ensures compliance of Category C projects with national legal requirements</li> </ul>                                                                                                    | <ul style="list-style-type: none"> <li>- Cleared ES instrument according to national requirements</li> <li>- Cleared ES instrument according to WB requirements</li> </ul> |
| <p>۴- Implementation of Agreed Actions and Supervision, Monitoring and Evaluation</p> | <p>A. ES safeguards implementation</p> <p>B. Safeguard implementation supervision</p> <p>C. Monitoring &amp; Evaluation</p>                                                                                  | <p>A. ES team of the PIU (at the central level) and NGOs/Moss' social units for monitoring &amp; evaluation</p> <p>B. WB</p> <p>C. Independent consultants</p> | <p>A. Project proponent contractually obliged to implements ES safeguards</p> <p>B. WB team may conduct regular visits to supervise implementation of safeguards instruments and compliance with the Bank policy requirements.</p> <p>C. Independent consultants carry out monitoring programs, if needed</p> | <p>A. ES instrument implementation</p> <p>B. ES instrument implementation review</p> <p>C. ES instrument implementation monitoring, evaluation, and improvements</p>       |



## ٤.٤ Capacity Building and Training Needs

Upon ESMF and ESMP approval by the WB and adoption by MoSS, the following stakeholders should undergo training on ESMF application:

- Environmental/Safeguards Focal Points at MoSS as well as other relevant project staff
- Relevant staff of the concerned governorates and ministries
- Institutions affiliated with MoSS.
- NGOs, CBAs and local groups involved in project activities
- Other project stakeholders - interested/potential partners

A comprehensive training plan will be designed by the PIU aiming at enhancing capacity of relevant stakeholder agencies and with the following objectives.

- Identify, prepare, implement & manage environmental aspects of sub-projects;
- Ensure that the institutions have the capacity to assist in preparing sub-project screening, reports, and monitor implementation of mitigation plans; and
- Ensure that the implementing agencies have the capacity to appraise, approve and supervise the implementation of subprojects

ESMF Training will be customized to the roles of the various stakeholders to include:

- Sub-project screening<sup>١٥</sup>, categorization, ES instrument preparation, and disclosure.
- Overview of the Economic Inclusion Pilot ESMF structure, including positive list of potential subprojects
- Mitigation measures implementation
- Monitoring measures implementation
- Templates, archiving, and reporting
- Project data analysis and project improvements

In addition, beneficiary training is needed to minimize incident risk and ensure compliance with ESMF/ESMP provisions. Relevant training topics to be delivered include:

- Customized Occupational Health and Safety
- First aid & Emergency response
- Training on sub-project ESMP preparation and implementation
- Prevention and response to all forms of gender based violence and gender discrimination, such as sexual harassment, domestic and partner violence, bullying and stalking.

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<sup>١٥</sup> According to Annex ٧

## **٤.٥ ESMF Cost Estimate**

The budget which will be required for the training and capacity building activities are summarized below:

|                                                                             | Unit Cost<br>(USD) | Units           | Estimated Cost*<br>(USD) |
|-----------------------------------------------------------------------------|--------------------|-----------------|--------------------------|
| ESMF Training (Project Partners)                                            | ١٥٠                | ١٠٠ Trainees    | ١٥,٠٠٠                   |
| ESMP Training (Sub-project proponents)                                      | ٢٠                 | ٢,٠٠٠ Trainees  | ٤٠,٠٠٠                   |
| Customized Occupational Health and Safety training (Sub-project proponents) | ٢٠                 | ٢,٠٠٠ Trainees  | ٤٠,٠٠٠                   |
| First aid & Emergency response (Sub-project proponents)                     | ٢٠                 | ٢,٠٠٠ Trainees  | ٤٠,٠٠٠                   |
| M&E consultants                                                             | ٢٠٠                | ١٠٠ Expert days | ٢٠,٠٠٠                   |
| <b>Total Cost (USD)</b>                                                     |                    |                 | <b>١٥٥,٠٠٠</b>           |

## **ANNEXES**

**Annex ၁:** Consultation Summary Note

**Annex ၂:** Environmental & Social Screening Criteria/Checklists

**Annex ၃:** Environmental and Social Management Plan (ESMP) Outline

## 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 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.

### Objectives of the stakeholder consultation:

- To share the proposed project components, coverage and activities,
- In a participatory manner, develop detailed environmental and social implications of the proposed project,
- Develop recommendations/mitigation measures on how best to address the anticipated environmental and social implications,
- Develop a provisional list of institutional responsibilities, and
- Identify capacity needs

### Stakeholder Identification and Participation

A stakeholder workshop was held on the ٢<sup>nd</sup> of October ٢٠١٨, in Cairo (at the Social Development Association in Sharfa) where a presentation on expected positive and negative impacts and their mitigation measures were presented to key stakeholders. The stakeholders were then invited to detail their concerns, perceptions, reactions and experiences in relation to the proposed sub-components of Forsa and the impacts presented.

The Social Development Association in Sharfa was selected as the venue for the public consultation session in order to facilitate attendance for Sharfa's residents, who well represent the project's potential beneficiaries. A total of ١٠٠ stakeholders representing diverse segments of community attended the consultation. A list of Attendees is attached to this annex as **Appendix ١** and pictures of the consultation under **Appendix ٢**.

**A summary of issues and responses raised during the stakeholder consultation is presented below:**

- *Will the Forsa project focus on only a specific segment of the society?*
  - No, the focus will be on those applicants previously rejected from the Takafol and Karama project and will include people from all society segments. Applicants rejected from Takafol and Karama program were rejected because they were considered above the poverty line. Those applicants will be given priority in the Forsa program.
- *How do you assess if a person is above or under the poverty line? Will there be visits to assess our living conditions?*
  - The assessment is done through the disclosure of documents and assessment of place of residence or any of the like. An assessment of documents applied is done, followed by a social research.
- *Can we determine what kind of work we would like to do under the self-employment component?*
- Yes, the most suitable type of work is decided by the applicant.
- *We cannot live without Takafol and Karama. The prices have increased, even the school fees. Without Takafol and Karama we will not be able to send our children to school.*
  - The objective of Forsa is to make the beneficiaries independent by supporting a long term stable income through jobs self-employment and training. The training sessions will qualify people for better jobs, and in return for better income.
- *What is the difference between the Forsa program and banks that offer loans.*
  - Within a month we will start implementing the Forsa project with the help of the NGOs and the social management unit, announcing job opportunities and project opportunities and training and training sessions. We will be offering around ٧٠,٠٠٠ job opportunities. For instance, there is a factory in Nasr City which will offer job opportunities for ١٠,٠٠٠ women. The benefits will include transportation and a meal.

## Appendix 1: List of Attendees

| الصفة         | القيمة | ن  |
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| مستوى التعليم | متوسط  | 1  |
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| مستوى التعليم | متوسط  | 20 |

| رقم | الاسم          | الترتيب |
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| 99  | أحمد محمد أحمد | 99      |
| 100 | أحمد محمد أحمد | 100     |

[illegible]

| الرقم | الاسم                | الوحدة        |
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| 1     | أحمد بن محمد بن أحمد | الوحدة الأولى |
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| 19    | أحمد بن محمد بن أحمد | الوحدة الأولى |
| 20    | أحمد بن محمد بن أحمد | الوحدة الأولى |

## Appendix ٧: Consultation Photos







## Annex ٢: Environmental & Social Screening Criteria/Checklists

### Objectives

١. **Ensure that sub-projects<sup>١٦</sup> are NOT classified as WB OP ٤.٠١ Category A**, hence not associated with high ES risks.
٢. **Ensure that sub-projects will NOT trigger:**
  - a. OP/BP ٤.١٢: The proposed sub-projects should not entail any physical displacement, loss of assets or loss of income sources or means of livelihoods. Sub-projects causing partial loss of income, partial damage of the land, temporary land acquisition and temporary restriction to accessing assets will not be Eligible for financing.
  - b. OP/BP ٧:٥٠: Project on international waterways: the project will not undertake any activities in the catchment areas of international waterways and shared aquifers.
  - c. OP/BP ٤.٠٩: Pest Management: the project will not support the purchase or use of pesticides or pesticide application equipment.
  - d. OP/BP ٤.٠٤: Natural habitats: the project will not intervene in areas of natural habitat nor result in loss, conversion or degradation of natural habitats or critical natural habitats as defined by the policy.
٣. Determine the WB environmental category for each sub-project (B or C) and the WB instruments needed (Site specific or simplified ESMP)
٤. Identify the category of the sub-project according to national classification<sup>١٧</sup> (Category A, B or C) and type of National Instruments needed (full-fledged EIA, EIA Form B, or EIA Form C) .

### In order to achieve the above, the screening process follows three stages:

- **Stage ١:** Identify the environmental category of the sub-project according to national classification. This determines the type of National Instruments needed (full-fledged EIA, EIA Form B, or EIA Form C) and provides an early indication of the potential ES impacts of the project.
- **Stage ٢:** Screen the sub-project against **Criteria/Checklist ١ – High Impact Checklist**. The objective of this Checklist, is to exclude projects which would have highly significant and sensitive ES impacts (WB OP ٤.٠١ Category A and projects which trigger OP ٤.١٢, OP ٤.٠٩, OP ٤.٠٤, or OP ٧:٥٠)
- **Stage ٣:** Screen the sub-project against **Criteria/Checklist ٢– Detailed Impact Assessment Checklist**, in order to assess the level of significance of potential ES impacts, determine the WB instruments needed (Site-specific ESMP, simplified ESMP or none ).

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<sup>١٦</sup> sub-projects refer not only to subprojects themselves but the actual employment activities on their own

<sup>١٧</sup> It is not expected that the sub-projects will fall under category C (highest impact category) under the national classification

**Stage ١: Identify the Environmental Category according to the national classification (Country System)**

|                                                                                                |  |
|------------------------------------------------------------------------------------------------|--|
| Sub-project title                                                                              |  |
| Sub-project brief description                                                                  |  |
| The most relevant description/title/category of the project as described in EEAA project lists |  |
| Sub-project environmental category (A, B, Scoped B, or C)                                      |  |
| Comments                                                                                       |  |

**Stage ٢: High Impact Checklist (to exclude projects with high ES impacts)**

If any of the answers to the questions below is **Yes**, then the sub-project would be classified as WB Category A and/or triggers one or more of the critical safeguards mentioned above, and should **NOT be Eligible** for financing.

|                                                                                                                                                                                                                                           |                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Sub-project title:                                                                                                                                                                                                                        |                        |
| Sub-project brief description:                                                                                                                                                                                                            |                        |
| <b>Question</b>                                                                                                                                                                                                                           | <b>Answer (Yes/No)</b> |
| <b>Will the project:</b>                                                                                                                                                                                                                  |                        |
| ١. <b>Cause sensitive (direct and or cumulative) impacts?</b><br>Examples of Sensitive impacts are those, which may be irreversible, or those which raise issues related to natural habitats, forests and or physical cultural resources. |                        |
| ٢. <b>Cause diverse (direct and or cumulative) impacts?</b> Diverse impacts are those impacting different media (air quality, water quality, noise level, risk to the community) at the same time.                                        |                        |
| ٣. <b>Cause unprecedented impacts?</b><br>Unprecedented impacts are those, which have not been experienced before in the project's area of influence (i.e. those which occur for the first time in the area)                              |                        |
| ٤. <b>Have an area of influence that significantly exceeds its footprint?</b>                                                                                                                                                             |                        |
| ٥. <b>Require physical displacement of land owners/lessees/occupiers/squatters?</b>                                                                                                                                                       |                        |
| ٦. <b>Require permanent/temporary land acquisition?</b>                                                                                                                                                                                   |                        |
| ٧. <b>Cause loss of assets, restriction to assets, loss of income sources or means of livelihoods?</b>                                                                                                                                    |                        |
| ٨. <b>Cause partial loss of income, partial damage of the land, and temporary restriction to assets?</b>                                                                                                                                  |                        |
| ٩. <b>Use/affect an international waterway?</b>                                                                                                                                                                                           |                        |
| ١٠. <b>Involve rehabilitation/conservation of a listed building/ Physical Cultural Resource (PCR)?</b>                                                                                                                                    |                        |
| ١١. <b>Be located within a recognized PCR conservation area or UNESCO World heritage site?</b>                                                                                                                                            |                        |
| ١٢. <b>Use synthetic chemical pesticides?</b>                                                                                                                                                                                             |                        |
| ١٣. <b>Production or use of explosives?</b>                                                                                                                                                                                               |                        |
| ١٤. <b>Production or trade in any product or activity deemed illegal under laws or regulations or international conventions and agreements?</b>                                                                                           |                        |

## Stage ٣: Detailed Impact Assessment Checklist

For Eligible projects, apply the checklist below:

- If the answer is YES to **ANY** of the questions, then the project should be classified as Category B according to WB OP ٤.٠١ and a simplified ESMP shall be prepared comprising of the mitigation and monitoring measures included in the framework ESMP. Where the answer is YES to **two or more of the questions marked by an asterisk**, a site-specific ESMP shall be prepared by adopting the mitigation and monitoring measures included in the framework ESMP as minimum measures besides additional measures as necessary to mitigate impacts associated with the location and/or the presence of sensitivity receptors.
- If the answer is “No” to all questions, then the project should be classified as Category C according to WB OP ٤.٠١.

| Question                             |                                                                                                                                       | Answer<br>(Yes/No) | Other<br>categories<br>affected |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------------------|
| <b>Water (quality and resources)</b> |                                                                                                                                       |                    |                                 |
| W١*                                  | Is the sub-project adjacent to drains and/or canals?                                                                                  |                    |                                 |
| W٢                                   | Will the sub-project generate solid waste?                                                                                            |                    |                                 |
| W٣*                                  | Will the sub-project generate liquid waste?                                                                                           |                    |                                 |
| W٤                                   | Will the sub-project generate demolition waste?                                                                                       |                    |                                 |
| W٥*                                  | Will the sub-project generate hazardous waste (grease, oil, empty paint containers, etc..)?                                           |                    |                                 |
| W٦                                   | Will the sub-project consume an amount of potable water higher than ٣m <sup>٣</sup> /site/day                                         |                    |                                 |
| W٧*                                  | Will the sub-project cause interruption to water flows?                                                                               |                    |                                 |
| <b>Air (Quality and Noise level)</b> |                                                                                                                                       |                    |                                 |
| A١*                                  | Will the sub-project use of chemicals, agro-chemicals, corrosives, and solvents?                                                      |                    |                                 |
| A٢                                   | Will the sub-project use machinery?                                                                                                   |                    |                                 |
| A٣                                   | Will the sub-project involve refurbishment works (marble, concrete, ceramics, wood, etc)?                                             |                    |                                 |
| A٤                                   | Will the sub-project activities generate volatile Organic Compounds VOCs (paints, asphalt heating, preparation and application, etc)? |                    |                                 |
| A٥*                                  | Will the sub-project involve major Demolition works?                                                                                  |                    |                                 |
| A٦                                   | Will the sub-project involve minor demolition works?                                                                                  |                    |                                 |
| A٧*                                  | Will the sub-project involve Asbestos management?                                                                                     |                    |                                 |
| A٨                                   | Will the sub-project involve waste burning?                                                                                           |                    |                                 |
| A٩                                   | Will the sub-project involve Generation of odors?                                                                                     |                    |                                 |
| <b>Soil (quality and erosion)</b>    |                                                                                                                                       |                    |                                 |
| S١                                   | Will the sub-project cause soil erosion?                                                                                              |                    |                                 |
| S٢                                   | Will the sub-project cause topsoil loss?                                                                                              |                    |                                 |
| S٣                                   | Will the sub-project involve soil compaction?                                                                                         |                    |                                 |

| Question          |                                                                                                          | Answer<br>(Yes/No) | Other<br>categories<br>affected |
|-------------------|----------------------------------------------------------------------------------------------------------|--------------------|---------------------------------|
| S <sup>£</sup>    | Will the sub-project involve concrete foundations/impervious layers?                                     |                    |                                 |
| S <sup>°</sup>    | Will the sub-project involve equipment on-site fueling and storage?                                      |                    |                                 |
|                   | <b>Social impacts and community health &amp; safety</b>                                                  |                    |                                 |
| S.C <sup>١*</sup> | Will the sub-project involve temporary labor influx (more than ١٠ workers)?                              |                    |                                 |
| S.C <sup>٢*</sup> | Will the sub-project cause traffic impacts and accessibility issues?                                     |                    |                                 |
| S.C <sup>٣</sup>  | Could the sub-project cause utility damage?                                                              |                    |                                 |
| S.C <sup>£</sup>  | Will the sub-project affect physical integrity of weak structures/houses adjacent to construction sites? |                    |                                 |
|                   | <b>Occupational Health &amp; Safety</b>                                                                  |                    |                                 |
| OHS <sup>١</sup>  | Will the sub-project involve potential physical hazards?                                                 |                    |                                 |
| OHS <sup>٢</sup>  | Fire hazards?                                                                                            |                    |                                 |
| OHS <sup>٣</sup>  | Slippage and Falling hazards & Working at heights?                                                       |                    |                                 |
| OHS <sup>£</sup>  | Manual handling and lifting?                                                                             |                    |                                 |
| OHS <sup>°</sup>  | Electrocution hazard?                                                                                    |                    |                                 |
| OHS <sup>٦</sup>  | Excavation works?                                                                                        |                    |                                 |

## Annex ٣: Environmental and Social Management Plan (ESMP) Outline

Guidelines for a sub-project ESMP: An ESMP is needed for EA category B projects in order to identify the potential impacts and appropriate mitigation measures to be included in the ESMP. Any sub-project ESMP would have the following format:

### ١. Project Description

٢. **Description of Adverse Impacts:** The anticipated impacts are identified and summarized.

٣. **Description of Mitigation Measures:** Each measure is described with reference to the effects it is intended to deal with. As needed, detailed plans, designs, equipment description, and operating procedures are described.

٤. **Mitigation Indicators and Description of Monitoring Program:** Monitoring provides information on the occurrence of impacts. It helps identify how well mitigation measures are working, and where better mitigation may be needed. The monitoring program should identify what information will be collected, how, where and how often. It should also indicate at what level of effect there would be a need for further mitigation. How environmental impacts are monitored is discussed below.

٥. **Monitoring methods:** Methods for monitoring the implementation of mitigation measures or environmental impacts should be as simple as possible, consistent with collecting useful information, so that the sub project implementer can apply them. For instance, they could just be regular observations of the sub project activities or sites during construction and then when in use. Are plant/equipment being maintained and damages repaired, does a water source look muddier/cloudier different than it should, if so, why and where is the potential source of contamination. Most observations of inappropriate behavior or adverse impacts should lead to common sense solutions. In some case, e.g. transgenic crops, there may be needing to require investigation by a technically qualified person.

٦. **Responsibilities:** The people, groups, or organizations that will carry out the mitigation and monitoring activities are defined, as well as to whom they report and are responsible. There may be a need to train people to carry out these responsibilities, and to provide them with equipment and supplies.

٧. **Implementation Schedule:** The timing, frequency and duration of mitigation measure and monitoring are specified in an implementation schedule and linked to the overall sub project schedule.

٨. **Capacity Development and Training:** If necessary, the ESMP can recommend specific, targeted training for project staff, contractor, and community groups to ensure the implementation of environmental safeguards recommendations.

٩. **Cost Estimates and Source of Funds:** These are specified for the mitigation and monitoring activities as a sub project is implemented.

١٠. **Integration:** The ESMP must be integrated into the sub-project's plan and design, budget, specifications, estimated costs, bid documents, and contract/agreements clauses. Contract documents should only be finalized when site-specific ESMP recommendations are adequately and appropriately incorporated into the plan and design, cost estimates, specifications, and contract clauses.