



## PRIVATE SECTOR FOUNDATION UGANDA (PSFU)

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### INVESTMENT FOR INDUSTRIAL TRANSFORMATION AND EMPLOYMENT PROJECT (INVITE) – P171607

# DRAFT

## Environmental and Social Management Framework [For Project Subcomponents under PSFU]

Prepared and submitted by:



Plot 577/578, Block 216  
Dr. Asea Road, Kigowa - Ntinda  
P. O. Box 101649, Kampala, Uganda  
<https://www.jbn.co.ug>  
[info@jbn.co.ug](mailto:info@jbn.co.ug)  
Phone: +256200901224/+256772458903

Submitted to:



Private Sector Foundation Uganda (PSFU)  
Plot 43 Nakasero Road, Nakasero  
P.O. Box, 7683, Kampala, Uganda  
<https://www.psfuganda.org>  
[psfu@psfuganda.org](mailto:psfu@psfuganda.org)  
Phone: +256312263850

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## CERTIFICATION

We the undersigned certify that this Environmental and Social Management Framework report was prepared in accordance with the World Bank Environmental and Social Framework (2018), taking into consideration the National Environmental Requirements as per the National Environment Act (2019) and based on the Terms of Reference provided by the Private Sector Foundation Uganda (PSFU). We hereby certify that the particulars given in this ESMF report are correct and true to the best of our knowledge.

### MEMBERS OF THE ENVIRONMENTAL AND SOCIAL FRAMEWORK PREPARATION TEAM

Name	Role	Signature & Date
Nelson Omagor	Team Leader / Peer Review and Quality Control	
		21 <sup>st</sup> November 2022
Olivia Namutosi	Social Development Specialist	
		21 <sup>st</sup> November 2022

Read By (For external parties such as Client reviewers)				
Name	Title	Date	Document Number	Revision
Jerome Kapel Mugondi	Environmental and Social Safeguards Specialist	09/09/2023	02	

BoU	Bank of Uganda
COVID 19	Coronavirus disease
DRDIP	Development Response to Displacement Impacts Project
E&S	Environmental and Social
ESHS	Environmental, Social, Health, and Safety
ESIA	Environmental Social Impact Assessment
ESMF	Environmental Social Management Framework
ESMS	Environmental and Social Management System
ESRM	Environmental and Social Risk Management
ESS	Environmental Social Standards
ESSU	Environmental and social Safeguard Unit
GBV	Gender-based Violence
GoU	Government of Uganda
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
ICT	Information & communication technology
IDA	International Development Agency
IFC	International Finance Corporation
INVITE	Investment for Industrial Transformation and Employment
MDTF	Multi Donor Trust Fund
M&E	Monitoring and Evaluation
MFD	Microfinance Deposit-taking institution
MFI	Microfinance Institution
MoFPED	Ministry of Finance, Planning and Economic Development
MoGLSD	Ministry of Gender, Labor and Social Development
MSMEs	Micro, Small, and Medium Enterprises
NDP	National Development Plan
NEMA	National Environment Management Authority

OPM	Office of the Prime Minister
PACR	Project Advisory Committee for Refugees
PAD	Project Appraisal Document
PCU	Project Coordination Unit
PFI	Participating Financial Institution
PIU	Project Implementation Unit
PSC	Project Steering Committee
PSFU	Private Sector Foundation Uganda
RHD	Refugee Hosting District
SACCO	Savings and Credit Cooperative Society
SEP	Stakeholders Engagement Plan
SMEs	Small to Medium Size Enterprises
UBOS	Uganda Bureau of Statistics
UNBS	Uganda National Bureau of Standards
UNHCR	United Nations High Commissioner for Refugees
UOBDU	United Organisation for Batwa Development in Uganda
UWA	Uganda Wildlife Authority
URA	Uganda Revenue Authority
VMGF	Vulnerable and Marginalized Groups Framework
WB	World Bank

## INTRODUCTION AND PROJECT DESCRIPTION

Government of Uganda through Ministry of Finance and Economic Development, and Private Sector Foundation Uganda plan to implement the Investment for Industrial Transformation and Employment (INVITE) Project with funding from the World Bank (IBRD/IDA). The Project Development Objective (PDO) is to mitigate the effect of COVID-19 on private sector investment and employment and to support new economic opportunities including in refugee and hosting communities.

In March 2024, following the enactment of the Anti-Homosexuality Act, 2023, this document and its annexes were updated to include specific measures to mitigate the risk of discrimination against or exclusion of any affected individuals and groups in providing or receiving benefits in World Bank–financed projects and program in Uganda. These measures are described in various sections of this document including section 6.3 and annexes 10 and 11.

The extent of the risks posed by beneficiary supply chain sectors will depend on the sectors in which the supply chains operate, subprojects to be supported and on the specific nature and scale of their operations, which is yet to be defined during project implementation. Therefore, the most appropriate environmental and social assessment tool at this preparatory level of the project is an Environmental and Social Management Framework (ESMF) which justify the need for preparing specified site/subproject specific E&S instruments/tools during the implementation phase, including among others the following: Environmental and Social Management Plan (ESMP)/Project Brief (PB), Environmental and Social Impact Assessment (ESIA), Resettlement Action Plan (RAP), and so on. This ESMF therefore allows the PSFU to clarify, to the extent possible and based on existing information, the approach that shall be taken at the subproject level, to assess and manage environmental and social risks in accordance with the World Bank Environmental and Social Framework (ESF), 2018 and the National Environment Act 2019.

### Project Components

INVITE has four (4) components as follows:

#### **Component 1: Mitigating the Impact of COVID-19 with a Focus on the Manufacturing and Exporting Sectors Driving Economic Transformation, including Refugee and Host Districts (RHD)**

**Window 1.1** will support loans that have been restructured under the Bank of Uganda COVID-19 response approach, primarily in the manufacturing and exporting sectors by covering part of the added financial cost due to the restructuring, qualifying MSMEs who received an extension of the amortization period on their loans will reduce the MSMEs incremental cost or debt servicing liability. The cost for this rebate will be shared with PFIs to ensure that PFIs.

**Window 1.2** will target micro firms, including in RHDs, to enable them to restart or continue their operations as critical units in funding links between producers and aggregators, processors, and distributors. The majority of the micro firms to be targeted will be female owned firms that have been particularly affected. The window will provide a line of credit to Micro Finance Deposit-taking institutions (MFDs), MFIs and SACCOs regulated by the Bank of Uganda and the Uganda Micro Finance Regulatory Authority (UMRA) and in compliance with the project's eligibility requirements.

**Window 1.3** (receivables financing) seeks to provide finance to MSMEs based on security in the form of their receivables. Buyers, which are usually larger formal enterprises, normally pay their invoices with a delay of up to three months, thereby negatively affecting the liquidity of often small, informal enterprise suppliers.

### **Component 2 Creating New Productive and Transformative Assets including in RHD**

The component focuses on enabling new financing to restart and bolster economic growth. The component provides risk coverage for new lending to MSMEs, extends local currency liquidity on a long-term basis to larger investment projects, and de-risks or incentivizes private investment in RHDs through a competitive grant program. Component 2 seeks to mitigate the financial sector's risk aversion and thereby improves the availability of credit to MSMEs and to provide longer-term finance to productive investments under following windows.

#### **Window 2.1-Credit Guarantee Facility (CGF).**

This will target MSMEs with a focus on manufacturing and export supply chains, by setting up a **Credit Guarantee Facility (CGF)** to share the risks associated with new lending on a proposed 50/50 basis with PFIs and guarantee will be available to those in tier I, II and III institutions that meet the Window's eligibility requirements.

#### **Window 2.2-Subordinated/convertible long-term local currency loans.**

This will provide long-term financing in the form of subordinated/convertible long-term local currency loans. This instrument targets key economic assets, private and public sponsored projects. It will be available to finance critical projects led by the public sector or the private sector, such as grain storage facilities or collection centers, cold storage, laboratories, SME Centers, industry and manufacturing hubs, etc

#### **Window 2.3 Investment in Rural Supply Chains in RHDs.**

This will facilitate Investment in Rural Supply Chains in RHDs. The main objective of this component is to support investment in refugee and host districts by encouraging expansion of existing supply chains or establishment of new supply chains.

### **Component 3: Enhancing Capabilities in Public Institutions and Private Firms**

The component is supported under MDTF. The funding will support the development of firm capabilities among three firm segments – exporters, suppliers, and MSMEs – to expand access to market opportunities, and enhance firm revenue potential.

### **Component 4: Project Implementation Support**

The objective of this component is to support, a) Establishment of the project implementation framework; and b) support implementation, capacity development, monitoring and evaluation.

#### **Sub-component 4a): Project Implementation Framework**

The sub-component will support the establishment operations systems in the BoU, including the legal advice to set up the INVITE Trust, the environmental and social systems, a management information system, the technical and financial design, risk management framework and the operational support for the financing of components 1 and 2.

#### **Sub-component 4b) Implementation support, capacity development and M&E.**

The sub-component will support the implementation of the overall project by PSFU. The sub-component will support regular auditing, financial reporting, all safeguards' assessments and monitoring and evaluation. Establishment of a web platform to enable the project to reach all beneficiaries (particularly refugees and host communities) and be accessible from all locations in Uganda. Monitoring and evaluation (M&E) activities undertaken as part of this component will focus on data collection, survey implementation, and evaluating the economic impact of the program through a structured impact evaluation at the conclusion of the project.

#### **ESMF PREPARATION METHODOLOGY**

The preparation of the ESMF included the following stages: Desktop and literature review of relevant project documents, collection and collation of baseline data on the environmental and social conditions, carrying out stakeholder consultations preparation of screening procedures to be used for project proposals, Identification of generic positive and negative environmental and social impacts of the proposed project activities, Identification of generic environmental and social mitigation measures, Development of Guidance on formulation of Environmental and Social Monitoring Plan, and other instruments as applicable. **POLICY AND LEGAL FRAMEWORK**

A desk review of the Uganda legal framework and policies was conducted to identify relevant legislations and policy documents that should be considered during project implementation. Documents reviewed among others are listed as follows: The Project Appraisal Document for the INVITE Project, dated December 2021; World Bank's Environmental and Social Framework and Standards, 2018; World Bank Group General Environment, Health and Safety Guidelines The National Environment Management Policy, 1994; Uganda Vision 2040; The National Development Plan III; The Constitution of the Republic of Uganda, 1995; The National Environment Act 2019; The Land Act, Cap 227, of 1998; Local Governments Act, Cap 243; The Occupational Safety and Health Act, 2006; The National Environment (Environmental and Social Assessment) Regulations, 2020; The National Environment (Waste Management) Regulations, 2020; and National Environment (Standards for Discharge of Effluent into Water or on Land) Regulations, 2020.

#### **ENVIRONMENTAL AND SOCIAL BASELINE INFORMATION**

A review of the existing baseline information and conduct of onsite assessments and measurements helped in the collection and compilation of the relevant baseline information of the project. The following key parameters were considered and compiled: Socio-economic characteristics, Physical parameters, ecological and cultural aspects and presented under Section 4 of the report.

#### **STAKEHOLDER CONSULTATIONS, ENGAGEMENT AND DISCLOSURE**

Stakeholder engagement is an inclusive process that will be conducted throughout all the stages of the project. Initial stakeholder consultations were initially undertaken as part of preparation of the INVITE project in 2020. Table 5-1 provides summary of stakeholders consulted during the preparation of the project in 2020 and during the update of the ESMF in 2022. The main issues revolved around the likely impacts associated with land-take or socio-economic impacts of displacement of land-uses, need for coordination between PSFU and host local governments on physical planning for the project infrastructures, need for community consultations and engagement, request to have low interest

loans and preferably grants, inadequate funding for operational support to districts, lack of E&S monitoring of private sector operations by local governments and need to ensure the project beneficiaries undertake required E&S screening, assessments and implementation of ESMPs to address issues related to waste management, community and occupational health and safety, stakeholder engagement and grievance redress.

Consistent with the requirements of the ESF (ESS-10), and Uganda's NEA 2019; all the environmental and social risk management instruments and reports shall be disclosed, at host communities' level, Municipal and/or district level.

#### Additional consultations on non-discrimination and inclusion

In January 2024, additional consultations were undertaken on the project to specifically discuss the vulnerability of some individuals or groups to exclusion or discrimination. A summary of the consultations is posted on the World Bank Uganda consultations website at <https://www.worldbank.org/en/country/uganda/brief/consultations>

During the consultations, key issues raised relating to INVITE included:

- a. Can the Uganda Bureau of Statistics collect information on vulnerable or marginalized individuals or groups? There is not enough data about us.
- b. What is being done to ensure behaviour change in communities is going to be a continuous conversation – sustainability plan?
- c. What measures will be put in place to ensure job security for persons hired by the project?
- d. Around community safety there needs to be a long-term consideration included in the mitigation measures.
- e. We fear that people will not participate in projects because of lack of trust.
- f. If we agree learning is a long-term process - why don't we directly get involved in these projects? for example, in delivering the trainings?
- g. More detail is needed on what will be done in the trainings.

The approach to managing these issues and other issues raised during the consultations are found at section 6.3 of this ESMF.

#### **POTENTIAL GENERIC ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS, AND MITIGATION MEASURES**

This Section presents a summary of the generic potential positive and negative environmental and social impacts, and the measures or good practices to prevent, mitigate and compensate the negative impacts for Subcomponent 2.3 and Component 3 mentioned above. Environmental impacts are expected under existing supply chains which will have pre-existing/ongoing and/ or new subprojects with associated E&S risks and impacts such as labor, pollution and resource efficiency, occupational and community health and safety risks and impacts, impacts on flora and fauna, labour influx with associated social impacts, GBV/SEA and child labour, etc, largely dependent on their nature, scope and scale of operations, including proposed value chain activities to be supported, which are yet to be defined during project implementation as well as the risk of exclusion of vulnerable or marginalized from employment opportunities or the benefits of the project or discrimination based on age, gender, ethnicity, disability, etc.



The summary of generic environmental and social impacts mitigation measures, in addition to the general assessment and guidance on management measures is presented under Section 6.2, and shall be used to facilitate assessment and identification of site-specific E&S impacts and mitigation measures during the implementation phase.

## **PROCEDURES/PROCESS TO ASSESS AND HANDLE ENVIRONMENTAL AND SOCIAL ISSUES**

Section 7 defines steps, actions and responsibilities for screening potential environmental and social (E&S) issues and classifying risk levels. The classification of each subproject under the appropriate environmental and social risk category will be based on the provisions of the World Bank ESF ESS1 Assessment and Management of Environmental and Social Risks and Impacts. The screening will also be cognizant of Uganda's National Environment Act N<sup>o</sup>.5 of 2019, especially Section 113 which provides for Projects Categorization. The ESF classifies all projects into one of four classifications of Environmental and Social Risk Categorization (ESRC): *High Risk, Substantial Risk, Moderate Risk or Low Risk*.

***Substantial ESRC:*** *The proposed INVITE project falls under this risk category but Subcomponent 2.3 Investment in Rural Supply Chains in RHDs, and Component 3 (Technical Assistance and Capacity building being the subject of this ESMF are expected to pose Moderate Risks and Impacts since the nature of the project activities is not expected to be complex, the scope and scale of activities are expected to be medium and shall not be undertaken at sensitive locations, and the likely E&S risks are moderate and can be avoided and/ or site specific and readily mitigated, and given the strong environmental and social risk management (ESRM) implementation capacity at PSFU, and improved coordination with the districts structures.*

## **MONITORING AND GRIEVANCE REDRESS MECHANISM**

In addition, the World Bank will provide support for enhanced monitoring of the risk of exclusion or discrimination for individuals or groups who may be vulnerable or marginalized. Further details of this support are found at Annex 11.

The World Bank will also support the strengthening of the GRM to ensure it includes an effective, safe, ethical and confidential mechanism to receive, manage, refer, and monitor grievances related to exclusion and discrimination. Further details of this support can also be found at Annex 11. For grievances associated with discrimination or exclusion of people the grievance will be passed to an appropriate referral pathway to ensure it is resolved in a safe, ethical, and confidential manner.

## **ESMF IMPLEMENTATION FRAMEWORK**

The project will be overseen and coordinated by a Project Steering Committee (PSC) chaired by the Permanent Secretary/Secretary to the Treasury (PS/ST) of the Ministry of Finance, Planning and Economic Development (MoFPED). The core members of the committee will include all operating units of the project and the Office of the Prime Minister (OPM), the Bank of Uganda (BoU), the Ministry of Trade, Industry and Cooperatives (MTIC), the Ministry of Gender Labor and Social Development (MoGLSD), and the Private Sector Foundation Uganda (PSFU). Other MDAs may be invited to participate as needed by the PSC.

The project is being implemented by MoFPED through an INVITE Trust, BoU and PSFU. The INVITE Trust will implement Components 1 ((sub-components 1.1, 1.2, 1.3, 2.1, and 2.2) and components 2 (2.1, and 2.2)). PSFU will implement sub-component 2.3 and Component 3 and the Multi Donor Trust Fund (MDTF). The BoU will undertake a custodial role for the INVITE Funds.

The INVITE Trust and PSFU will operate Designated Accounts (DA) in the Bank of Uganda to manage the resources of the respective project components and sub-components. The INVITE Trust and PSFU will manage the project activities according to rules, procedures, and protocols as established in this Manual and Project Agreements, agreeable to IDA.

### ESMF BUDGET IMPLICATIONS

Financial resources are required to support implementation of the ESMF and general environmental and social management activities. Below are budget estimates to support basic environmental and social project management activities. The project is urged to prioritize and financially fund the listed activities in order to mitigate the likely environmental and social risks and impacts of the project activities.

Item	Annual Budget estimates (USD, 000)					
	Year 2022	Year 2023	Year 2024	Year 2025	Year 2026	TOTAL
Implementation of General Capacity Development Plan for Management of Environmental and Social Risks and Impacts in the project (Chapter 8.4).	000	20	50	30	10	<b>110</b>
Projects supervision by project Environmental and Social Specialists at PSFU.	000	50	100	100	100	<b>350</b>
Strengthening Grievance Redress Mechanism structures and facilitating general Stakeholder Engagement as spelt out in the SEP.	000	30	40	30	5	<b>105</b>
Facilitating and Monitoring implementation of the ESMF (Ref. 8.3)						
E&S Screening and preparation of ESIA/ ESMP/ SEP / ESMS	000	10	200	000	000	<b>210</b>
Project Closure E&S Audit					100	<b>100</b>
Hiring E&S Specialist at PSFU & BoU (4)						
<b>Total Annual Budget/ GRAND TOTAL</b>	<b>000</b>	<b>110</b>	<b>390</b>	<b>160</b>	<b>215</b>	<b>875</b>

*Note: The figures provided are lump-sum budget estimates*

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The Introduction Section identifies the project development objective (PDO) and describes clearly the nature of the project interventions. The section also provides the rationale and purpose of using a framework instead of project-specific environmental and social assessment and management plans. Finally, it also provides description of the proposed project components.

## Project Background

The proposed project is part of the World Bank’s rapid response to help the GoU mitigate the impact of the COVID-19 crisis, but also with a view to longer-term growth. The project’s aim is to create sustainable jobs and incomes by connecting households to more viable manufacturing and export supply chains, in particular in lower-income regions outside of the Kampala region, including where refugees are located.

The project specifically through the PSFU subcomponents is structured around providing grants facilitating investments and expansion of viable and sustainable supply chains in RHDs. The project will also follow key principles such as transparency, financial sustainability, and sharing of the burden of financing with participating Lead Investors. These efforts will be complemented by Component 3 focusing on building the capability of institutions and firms, which is financed by the Multi-Donor Trust Fund (MDTF).

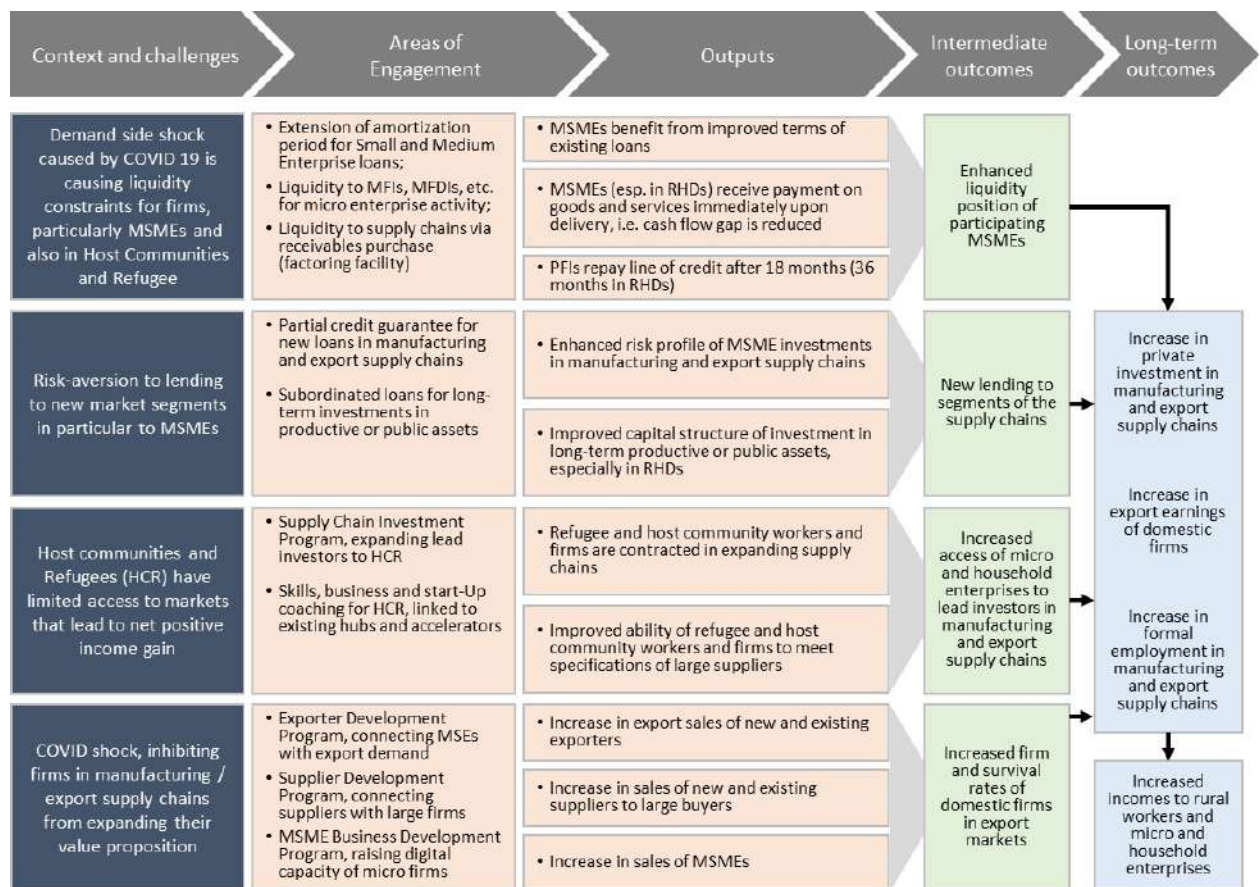


Figure 0-1: Overall Program Results Theory of Change

## ESMF Purpose and Rationale

The project's Environmental and Social Management Framework has been prepared following the requirements of the World Bank Environmental and Social Framework, 2018. The ESF is composed of among others, 10 Environmental and Social Standards, which are elaborated under Section 2.

The Environmental and Social Management Framework (ESMF) has been developed because the project includes different subprojects and some of them are not yet clearly identified, defined, designed and no specific locations; and detailed information about the subprojects can only be known during implementation and therefore not possible to prepare site/subproject specific instruments during project preparation. Similarly, for the INVITE project, the extent of the risks posed by beneficiary project activities will depend on the sectors in which these are operated and on the specific nature and scale of the operations, which is yet to be defined during project implementation phase. The purpose of a framework is to guide the Project Implementation Unit (PIU) at PSFU, participating institutions and the Subproject Proponents on the E&S screening and subsequent subproject assessment during implementation, including development of subproject-specific plans prior to commencement of the implementation of the relevant Project activities.

The ESMF has been developed based on the project risk categorization and outlines the processes that will be undertaken during the project implementation phases for the relevant/applicable assessment of potential impacts, and identification and development of appropriate risk management measures. It follows the mitigation hierarchy and contains measures and plans to avoid, and where avoidance is not possible, to reduce, mitigate and/or offset adverse risks and impacts. The risks will apply to project activities though such can vary depending on a number of aspects (areas where the activities will be applied, nature of activities to be undertaken, environmental-social-ecological factors amongst others).

The ESMF further describes the respective roles and responsibilities of the PSFU and other stakeholders and outlines the reporting procedures on environmental and social risk issues. It describes the management and monitoring processes of environmental and social risks and impacts related to the project. It further determines the training, capacity building and technical assistance required for PCU/PSFU to successfully implement the provisions of the ESMF; and provides practical information resources for implementing the ESMF. It also lays out the Project's staffing and institutional arrangements clarifying the relations between PCU/PSFU, MoFPED and the WB, including their roles and responsibilities in view of the implementation of the ESMF.

Following the World Bank Group's communication of its concerns with the enactment of the AHA, the Government of Uganda issued five Circulars (see Annex 8). Of particular importance is the Circular on Uganda's Social Safeguard Policies issued on September 21, 2023, by the Ministry of Finance Planning and Economic Development, to all Accounting Officers, Ministries, Departments and Agencies and Local Governments which states that:

- *“All World Bank-financed projects must be implemented in a manner consistent with the principles of non-discrimination as provided Article 21 of the Constitution of the Republic of Uganda. These projects should also be implemented in accordance with World Bank policies and applicable Legal Agreements.*

- *Under these projects, no one will be discriminated against or stigmatized, and the principles of non-discrimination and inclusion will be adhered to. Support should be provided to all project beneficiaries.*
- *All implementing entities of World Bank projects will implement specific mitigation measures to address non-discrimination.*
- *These mitigation measures will require enhancing project grievance redress mechanisms as well as strengthening existing project monitoring by implementing entities including third-party monitoring [the Enhanced Implementation Support Mechanism] where applicable.*
- *Each project implementation entity shall develop comprehensive guidelines to address non-discrimination.”*

The environmental and social risk management documents including this ESMF have been updated to identify the additional risks and describes mitigation measures to address these risks. They include the implementation, monitoring, and reporting arrangements, and roles and responsibilities to assess the efficacy of the additional mitigation measures being implemented. They also include the risks identified in the public consultations on these documents involving the Government of Uganda and civil society organizations.

Noteworthy is that the World Bank will provide support to the Government of Uganda, particularly its Project Implementation Units, to help them to implement the additional mitigation measures for this project.

## Project Description

### **The Project Development Objective (PDO)**

The Project Development Objective (PDO) is to mitigate the effect of COVID-19 on private sector investment and employment and to support new economic opportunities including in refugee and hosting communities.

The project will be implemented across all districts in Uganda as shown in Figure 1-2.





Figure 0-2: Map of Uganda showing Districts Administrative Boundaries

## **Project Components**

The project has four Components and these are:

### **Component 1: Mitigating the Impact of COVID-19 with a Focus on the Manufacturing and Exporting Sectors Driving Economic Transformation, including Refugee and Host Districts (RHD)**

**Window 1.1** will support loans that have been restructured under the Bank of Uganda COVID-19 response approach, primarily in the manufacturing and exporting sectors by covering part of the added financial cost due to the restructuring, qualifying MSMEs who received an extension of the amortization period on their loans will reduce the MSMEs incremental cost or debt servicing liability. The cost for this rebate will be shared with PFIs to ensure that PFIs.

**Window 1.2** will target micro firms, including in RHDs, to enable them to restart or continue their operations as critical units in funding links between producers and aggregators, processors, and distributors. The majority of the micro firms to be targeted will be female owned firms that have been particularly affected. The window will provide a line of credit to Micro Finance Deposit-taking institutions (MFDs), MFIs and SACCOs regulated by the Bank of Uganda and the Uganda Micro Finance Regulatory Authority (UMRA) and in compliance with the project's eligibility requirements.

**Window 1.3** (receivables financing) seeks to provide finance to MSMEs based on security in the form of their receivables. Buyers, which are usually larger formal enterprises, normally pay their invoices with a delay of up to three months, thereby negatively affecting the liquidity of often small, informal enterprise suppliers.

### **Component 2 Creating New Productive and Transformative Assets including in RHD**

The component focuses on enabling new financing to restart and bolster economic growth. The component provides risk coverage for new lending to MSMEs, extends local currency liquidity on a long-term basis to larger investment projects, and de-risks or incentivizes private investment in RHDs through a competitive grant program. Component 2 seeks to mitigate the financial sector's risk aversion and thereby improves the availability of credit to MSMEs and to provide longer-term finance to productive investments under following windows.

#### **Window 2.1-Credit Guarantee Facility (CGF).**

This will target MSMEs with a focus on manufacturing and export supply chains, by setting up a **Credit Guarantee Facility (CGF)** to share the risks associated with new lending on a proposed 50/50 basis with PFIs and guarantee will be available to those in tier I, II and III institutions that meet the Window's eligibility requirements.

#### **Window 2.2-Subordinated/convertible long-term local currency loans.**

This will provide long-term financing in the form of subordinated/convertible long-term local currency loans. This instrument targets key economic assets, private and public sponsored projects. It will be available to finance critical projects led by the public sector or the private sector, such as grain storage facilities or collection centers, cold storage, laboratories, SME Centers, industry and manufacturing hubs, etc

#### **Window 2.3 Investment in Rural Supply Chains in RHDs.**

This will facilitate Investment in Rural Supply Chains in RHDs. The main objective of this component is to support investment in refugee and host districts by encouraging expansion of existing supply chains or establishment of new supply chains.



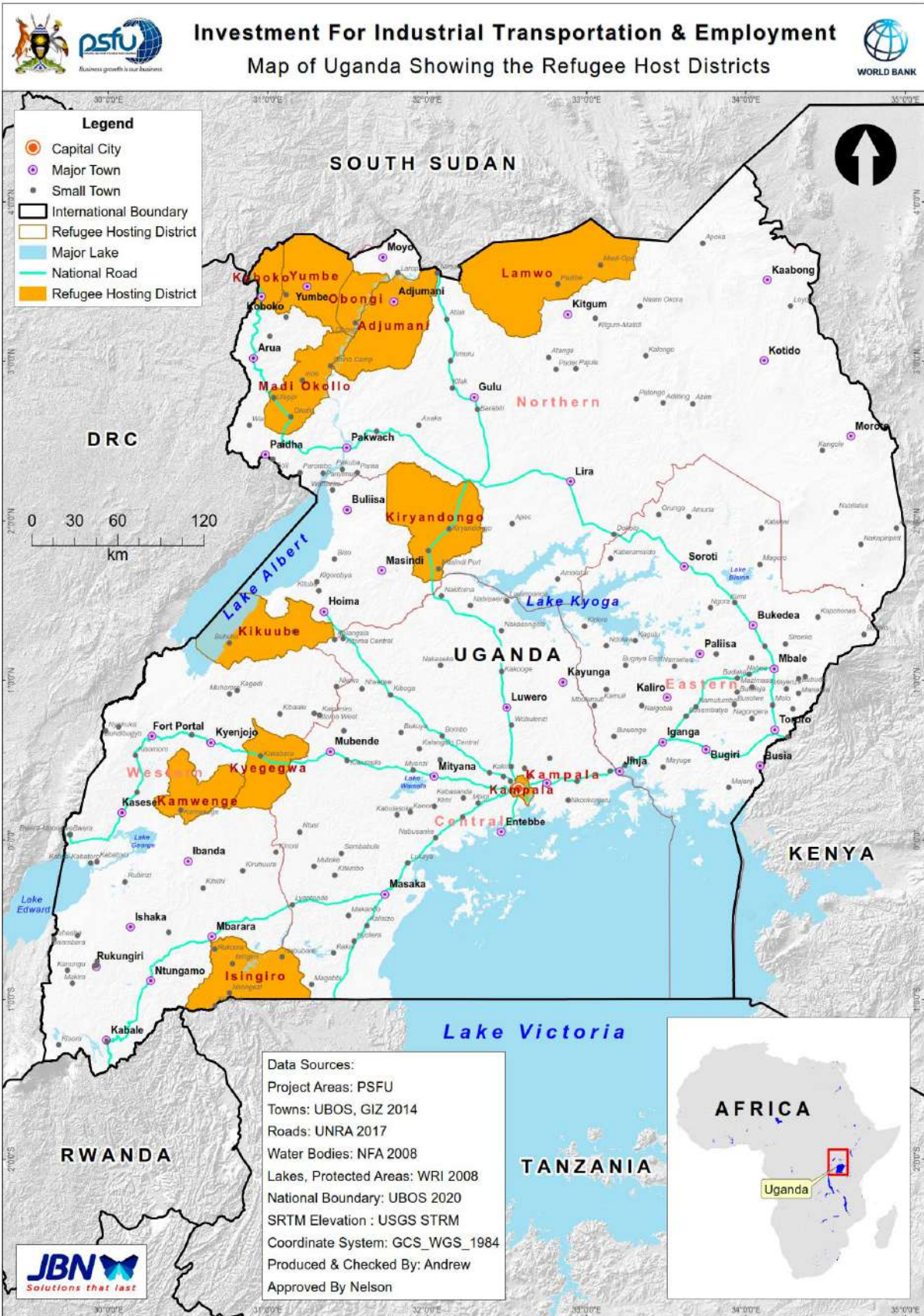


Figure 0-3: Map of Uganda showing Refugee Host Districts

### **Component 3: Enhancing Capabilities in Public Institutions and Private Firms**

The component is supported under MDTF. The funding will support the development of firm capabilities among three firm segments – exporters, suppliers, and MSMEs – to expand access to market opportunities, and enhance firm revenue potential.

### **Component 4: Project Implementation Support**

The objective of this component is to support, a) Establishment of the project implementation framework; and b) support implementation, capacity development, monitoring and evaluation.

#### **Sub-component 4a): Project Implementation Framework**

The sub-component will support the establishment operations systems in the BoU, including the legal advice to set up the INVITE Trust, the environmental and social systems, a management information system, the technical and financial design, risk management framework and the operational support for the financing of components 1 and 2.

#### **Sub-component 4b) Implementation support, capacity development and M&E.**

The sub-component will support the implementation of the overall project by PSFU. The sub-component will support regular auditing, financial reporting, all safeguards' assessments and monitoring and evaluation. Establishment of a web platform to enable the project to reach all beneficiaries (particularly refugees and host communities) and be accessible from all locations in Uganda. Monitoring and evaluation (M&E) activities undertaken as part of this component will focus on data collection, survey implementation, and evaluating the economic impact of the program through a structured impact evaluation at the conclusion of the project.

### **Project Beneficiaries**

The project beneficiaries include 140,000 MSMEs and 120,000 refugees of at least 40,000 are expected to be women-led microenterprises. The project will focus on the manufacturing and/or exporting supply chains. Other larger-size firms will also benefit from project interventions, for instance indirectly benefiting from the receivables financing under sub-component 1.3. The project will also focus on economic opportunities for RHDs by seeking to catalyze investments that enhance economic activity as well as the capacity of core public institutions that provide enabling services for private sector development, that is, research and training facilities, standards setting, data gathering and management/oversight functions.



## Preparation of ESMF

The preparation of the ESMF included the following stages:

- Desktop and literature review of relevant project documents listed under Section 0;
- Collection and Collation of baseline data on the environmental and social conditions of Uganda from existing studies;
- Stakeholder Consultations, cutting across the country covering all the regions, including specific Refugee Hosting Districts and Settlements therein, Manufacturing Industries, selected SACCOs, etc;
- Preparation of screening procedures to be used for project proposals;
- Identification of generic positive and negative environmental and social impacts of the proposed project activities;
- Identification of generic environmental and social mitigation measures;
- Development of Guidance on formulation of environmental and social monitoring plan.

## Detailed & In-depth Literature Review

A review of the existing project information (PAD) and literature helped deepen the consultant's understanding of the Project. A desk review of the Uganda legal framework and policies was conducted to identify relevant legislations and policy documents that should be considered during project implementation. Documents reviewed are listed as follows:

### *PSFU Documents*

- The Project Appraisal Document for the INVITE Project, dated 2022.
- Terms of Reference for preparation of Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), Stakeholders Engagement Plan (SEP), and Vulnerable and Marginalized Groups Framework (VMGF) for INVITE Project, September 2022.

### *World Bank Related Documents*

- World Bank's Environmental and Social Framework and Standards, 2018
- World Bank Group General Environment, Health and Safety Guidelines, 2007

## Stakeholder Consultations and Discussions

The first stakeholder consultation meetings were conducted as part of the preparation of the first ESMF in December 2020 and the findings have been included and considered in this report. Additional consultations were undertaken as part of preparation of this ESMF. Details of the stakeholder consultations and discussions are presented in Section 5.0 and Annexes 9 & 10.

This chapter presents an overview of the key policies, laws, regulatory and institutional framework relevant to the management of environmental and social aspects of the proposed INVITE project. It also identifies relevant agencies, departments, and institutions responsible for the monitoring and enforcement of legal requirements specified therein.

### National Legislations and Regulations

The following is a summary of key policy, legal and regulatory requirements governing the proposed project:

Table 0-1: Summary of policies and plans applicable to the proposed project

Policies or Plans	Brief description and its key provisions	Relevance in the Project
The National Environment Management Policy, 1994	The overall policy goal is sustainable development, which maintains and promotes environmental quality and resource productivity for socio-economic transformation. One of the key principles guiding policy development and implementation include the need to conduct and ESIA for projects that are likely to have potential impacts on the environment.	PSFU has prepared the Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), and Stakeholders Engagement Plan (SEP), meeting the requirements of the Policy.
The National Policy on Conservation and Management of Wetland resources 1995	The overall goal of this policy is to maintain an optimum and sustainable diversity of uses and users and consideration of other stakeholders when using wetland resources. The objectives of this policy include establishing the principles by which wetland resources can be optimally used now and in future; to end practices, which reduce wetland productivity; maintaining the biological diversity of natural or semi natural wetlands; maintaining wetlands functions and values; and integrating wetlands concerns into the planning and decision making of other sectors.	The proposed project may in one way or other impact on wetlands resources, be it directly or indirectly.  All proposed project implementation activities shall adhere to this policy requirements and undertake proper impact assessment to ensure adverse impacts on the wetland ecosystems are adequately mitigated, including obtaining wetland use permits where necessary.

Policies or Plans	Brief description and its key provisions	Relevance in the Project
	This policy outlines guidelines for wetland resource developers.	
The National Water Policy, 1999	The objective of the policy is to provide guidance on development and management of the water resources of Uganda in an integrated and sustainable manner, so as to secure and provide water of adequate quantity and quality for all social and economic needs, with full participation of all stakeholders and mindful of the needs of future generations.	The NWP promotes the principles of Integrated Water Resources Management, a comprehensive approach to water supply. In addition, the NWP recognizes the economic value of water, promotes the participation of all stakeholders, including women and the poor, in all stages of water use. The project will be implemented in line with the requirements of the NWP.
The Uganda National Land Policy, 2013	The land policy addresses the contemporary land issues and conflicts facing the Country. The vision of the policy is: "Sustainable and optimal use of land and land-based resources for transformation of Ugandan society and the economy" while the goal of the policy is: "to ensure efficient, equitable and sustainable utilization and management of Uganda's land and land-based resources for poverty reduction, wealth creation and overall socio-economic development".	All the land acquisition for project components which will involve land-take will be conducted following an approved Resettlement Action Plan (RAP) and/ or Consent from Landowners, while involvement and discussions with UWA, NFA, UNRA and the District Local governments are required to streamline the implementation of project activities which may fall within protected areas such as game-parks, forest reserves, or in the road reserve (public land).
The National Environment Health Policy 2010	This policy establishes the environmental health priorities of the Government of Uganda and provides a framework for the development of services and programmes at national and local government levels. It has been developed in support of the National Health Policy and primarily concerns the role of the Ministry of Health. However, environmental health is a cross-cutting discipline, and	Environmental health encompasses a wide range of subjects but in the Ugandan context is concerned primarily with water supply, sanitation, and hygiene promotion; solid, liquid, hazardous waste management; air pollution control; food safety and hygiene; the control of insect vectors and vermin; occupational. The project will take into consideration such aspects during the

Policies or Plans	Brief description and its key provisions	Relevance in the Project
	the policy therefore has implications for other departments and agencies.	E&S screening, assessment process and during implementation.
National Climate Change Policy, 2015	<p>Climate change is a global challenge that requires a concerted effort by all nations. The National Climate Change Policy (NCCP) is Uganda’s integrated response to climate change. It has been prepared and designed within the context of the country’s vision and national development priorities; it provides a clearly defined pathway for dealing with the challenges of climate change within the socio-economic context of Uganda and looks ahead to the opportunities and benefits of a green economy.</p> <p>The goal of the policy is to ensure a harmonized and coordinated approach towards a climate- resilient and low-carbon development path for sustainable development in Uganda. The overarching objective of the policy is to ensure that all stakeholders address climate change impacts and their causes through appropriate measures while promoting sustainable development and a green economy.</p>	This operation/ project has been screened for short and long-term climate change and disaster risks by the World Bank. The project design will further ensure measures are put in place to manage the effects of climate change, while implementation activities will have to ensure the GHG emissions are kept low and enhance opportunities for GHG emissions reduction.
Uganda Gender Policy 2007	The Uganda Gender Policy mandates the Ministry of Gender, Labour and Social Development and other line Ministries to mainstream gender in all sectors.	The project beneficiaries will be encouraged to adopt an equal opportunity employment policy and to incorporate gender aspects and considerations in the recruitment process for both skilled and non-skilled labour force as far as applicable during the project lifecycle.
National Policy on Elimination of	The policy emphasizes early intervention to prevent re-	The project beneficiaries in liaison with Local Council officials (Community

Policies or Plans	Brief description and its key provisions	Relevance in the Project
Gender Based violence, 2016	victimization of and long-term effects for girls, including interpersonal violence, sexual coercion, alcohol and drug abuse and mental health problems, reporting cases of violence against children immediately.	Development Officers) will undertake initiatives to do away with Gender Based Violence-GBV cases relating to project implementation activities.
The National Equal Opportunities Policy 2006	<p>The goal of the National Equal Opportunities policy is to provide avenues where individuals and groups' potentials are put to maximum use by availing equal opportunities and affirmative action.</p> <p>The policy objectives amongst others are to:</p> <p>Guide the planning processes, affirmative action, and implementation of programmes and allocation of resources to all stakeholders.</p> <p>Guide the establishment of legal, policy and institutional frameworks of all stakeholders.</p> <p>Provide a framework for assessing responsiveness of programmes and activities to equal opportunities, in redressing any imbalances therein.</p> <p>Empower marginalized and vulnerable groups for their full participation in all development processes.</p> <p>Enhance capacity of implementing agencies to provide quality services with a view to monitoring compliance with affirmative action and the constitutional provisions</p>	Discrimination and stigmatization, which acts as a barrier for marginalized and other groups of people in project areas to accessing employment and support opportunities will be eliminated throughout all project implementation phases. This entails equitable access to services by workers employed by various beneficiaries, including giving special consideration to women groups/ owned businesses, refugees and communities hosting them, and other groups considered vulnerable and marginalized.

Policies or Plans	Brief description and its key provisions	Relevance in the Project
<p>The National HIV/AIDS Policy, 2004</p>	<p>The policy aims at guiding multi-sectoral approach to HIV/AIDS control in the country. Section 3.4 of the policy talks about Impact mitigation at individual to community level. The policy aims at providing psychosocial and economic support to all those infected and directly affected by HIV &amp; AIDS. The epidemic has severe short- and long-term effects on various population categories on development efforts at household, community, sector, and national levels. The impact on the labour force in the various sectors in communities and households affects productivity, household income and savings. Objective of this section in the policy is to minimize the socio-economic consequences of HIV &amp; AIDS on the population and promote involvement of the infected and affected in the development efforts. Subsection I under Policy Strategies it specifically requires workplace policies in both public and non-public formal and informal sectors to be appropriately reviewed to cater for HIV&amp;AIDS prevention &amp; care issues in the workplace.</p>	<p>In line with this policy, the project beneficiaries in liaison with different local councils and Local governments officials such Community Development Officers and HIV/AIDS Focal Personnel among others will ensure mainstreaming HIV/AIDS interventions into project plans and implementation activities.</p> <p>The measures are aimed at stemming the new infections, curtailing their spread and stigmatization of victims of HIV/AIDS among the project workforce and neighbouring communities.</p>
<p>National Policy on Disability 2006</p>	<p>The National Policy on Disability in Uganda aims at promoting equal opportunities for enhanced empowerment, participation, and protection of rights of PWDs irrespective of gender, age and type of disability. This is in recognition that PWDs can perform to their full potential given the same conditions and opportunities irrespective of their</p>	<p>With limited skills characteristic of most PWDs, accessing employment is a major challenge. Most potential employers do not give chance to PWDs to compete for employment even where they have the necessary qualifications and experience. During recruitment of workers to be employed to undertake implementation by various project</p>

Policies or Plans	Brief description and its key provisions	Relevance in the Project
	social, economic, and cultural backgrounds. The Policy is to guide and inform the planning process, resource allocation, implementation, monitoring and evaluation of activities with respect to PWDs concerns at all levels.	beneficiaries, some PWDs will apply for some jobs and they should consider the PWDs applicants who qualify for such jobs.
Uganda Vision 2040	Uganda’s Vision is to have “A transformed Ugandan society from a peasant to a modern and prosperous Country within 30 years”, from 2010. This involves changing from a predominantly low income to a competitive upper middle-income country within 30 years. It was envisaged that the country will graduate to the middle-income segment by 2017 and reach a per capita of USD 9,500 by 2040. For the country to achieve its Vision 2040, it is necessary to increase access to appropriate and adequate sanitation as well clean and safe water.	The project is anchored strongly in the GoU’s economic growth plans. Strengthening the private sector to drive economic growth is one of the five objectives of the National Development Plan III (NDP III 2021–2025), geared to contribute to achievement of Vision 2040.
The National Development Plan III	The plan provides guidance to the nation in delivering the aspirations articulated in Uganda Vision 2040 for the period 2020/21 – 2024/25. The Goal of NDPIII is attaining Increased Household Incomes and Improved Quality of Life of Ugandans, under the theme: “Sustainable Industrialization for inclusive growth, employment and wealth creation”. NDPIII aims to stop, reduce and reverse environmental degradation and the adverse effects of climate change as well as improve utilisation of natural resources for sustainable economic growth and livelihood security.	The GoU sees the INVITE project as the initial step or a key foundation toward efforts focused on economic transformation and as contributing to several core strategies, notably the Industrialization Strategy based on agro-processing industries, the Small-Scale Enterprise Strategy, the Green Growth Development Strategy, the Financial Sector Development Strategy, and the principle of growth corridors under NDP III. In particular, the project’s contribution to the expansion of manufacturing and export supply chains along the future Growth

Policies or Plans	Brief description and its key provisions	Relevance in the Project
		Triangle is expected to trigger significant demand growth for the agricultural commodities targeted by GoU's Public Investment Management in Agro-Industries: cassava, maize, cotton, tea, coffee, beef, dairy, fish, oil palm.

Table 0-2: Summary of laws applicable to the proposed project

Laws	Brief description and its key provisions	Relevance in the Project
The Constitution of the Republic of Uganda, 1995	The Constitution requires that the project be implemented without endangering human health and the environment.	The proposed project activities will be undertaken while ensuring safe and healthy environment is maintained as provided for in the Constitution.
The National Environment Act 2019	Specifically, its Fourth and Fifth Schedule lists projects that require simple and mandatory ESIA's respectively to be done before implementation. Further, Section 49 requires the developer for projects listed in Schedule 4 or 5 to establish and maintain Environment management system (EMS).	The proposed INVITE project activities vary from those which require simple assessment under Schedule 4 (majority) and a few under Schedule 5 for projects which require mandatory ESIA's before implementation, as such, the need to undertake E&S screening and where necessary conduct ESIA's for project activities/ subprojects. The private sector activities involving MSMEs and Manufacturing/ industrial sectors, will require the respective beneficiaries firms and institutions to establish and maintain Environmental and Social Management System (ESMSs).
The Land Acquisition Act, 1965	This Act provides for acquisition of land after its valuation and along approved procedures which ensure adequate, fair, and timely compensation to the landowners. The Act requires that adequate, fair, and prompt compensation is paid before taking possession of land and	The key consideration regarding this Act in the project is to ensure landowners affected by the project are adequately and timely compensated.



Laws	Brief description and its key provisions	Relevance in the Project
	property. Dispute arising from the compensation to be paid should be referred to the court for decision if the Land Tribunal cannot handle.	
The Land Act, Cap 227, of 1998	The Land Act, Cap 227 of 1998 provides for the tenure, ownership, and management of land. Under Section 44 the Government or the local government shall hold land in trust for the people and protect natural lakes, ground water, natural streams, wetlands and any other land reserved for ecological purposes for the common good of Ugandans.	The project activities under Component 2 may entail land-take. Land acquisition needs and associated economic displacement impacts shall be implemented following the provisions of the Act and the guidance provided in the project RPF prepared alongside this ESMF.
National Climate Change Act, 2021	The Act gives the force of law in Uganda to the United Nations Framework Convention on Climate Change, the Kyoto Protocol, and the Paris Agreement; provides for climate change response measures; provides for participation in climate change mechanisms; provides for measuring of emission, reporting and verification of information; provides for institutional arrangements for coordinating and implementing climate change response measures; provides for financing for climate change; and for related matters.	The project design needs shall ensure measures are put in place to manage the effects of climate change.
The Historical Monuments Act, 1968	The Act provides for the preservation and protection of historical monuments and objects of archaeological, paleontological, ethnographical, and traditional interest and for other matters connected therewith. The Act requires that any chance finds encountered during project construction shall be preserved by the Department of Monuments and Museum in the Ministry of Tourism, Wildlife and Antiquities.	Some objects of cultural and/or historical significance might be encountered/affected during project implementation and their preservation is called for by this act.

Laws	Brief description and its key provisions	Relevance in the Project
The Public Health Act, Cap 281	Under this Act, the Minister of Health may cause to be made such inquiries as he or she may see fit in relation to any matters concerning the public health in any place. When such a directive is made, the person directed to make the inquiry shall have free access to all books, plans, maps, documents and other things relevant to the inquiry and shall have in relation to witnesses and their examination and the production of documents similar powers to those conferred upon commissioners by the Commissions of Inquiry Act, and may enter and inspect any building, premises or place, for the purpose of inquiry.	The provisions of this Act will be relevant for the project implementation activities especially those supporting manufacturing industries, and infrastructure development. The project will take all possible mitigations to make sure that, all impacts to human and environment are avoided and where not possible or in case of accident, there will be compensation.
The Water Act Cap, 152 1997	The Act provides for the use, protection and management of water resources and supply in Uganda. The Water Resources Regulations of 1998 established under this Act stipulates a requirement to apply for a permit to construct, own, occupy or control any works on or adjacent the land as per Regulation 10.	Abstraction of water for the project will follow the provisions of the Act including obtaining an abstraction permit from the DWRM. Any disposal of waste shall also need to be in line with the waste discharge regulations; proper management of fuel/oil spills is essential for minimizing chances of water contamination.
The National Forestry and Tree Planting Act, 2003	The Act provides for the conservation, sustainable management and development of forests for the benefit of the people of Uganda. It also provides that the Central Government or local government shall hold in trust for the people and protect forest reserves for ecological, forestry and tourism purposes for the common good of the citizens of Uganda.	The project will encourage tree planting as part of its integrated catchment protection and management measures and minimize cutting down of trees in project areas. Where cutting down of some trees cannot be avoided, the project will undertake to replant or compensate for them.
The Uganda Wildlife Act, 2019	In order to support sustainable utilization of wildlife for the benefit of the people of Uganda, the purpose of the Act among others is to provide for the conservation of wildlife throughout Uganda so that the	Considering that project activities at this point have not been clearly known, the provisions of this Act will be relevant should any of the project supported activities and/or associated

Laws	Brief description and its key provisions	Relevance in the Project
	abundance and diversity of their species are maintained at optimum levels commensurate with other forms of land use.	facilities happen to impact on Wildlife Areas, and accordingly relevant provisions shall be complied forthwith during project implementation.
Traffic and Road Safety Act, Cap.361	Section 119 of the Traffic and Road Safety Act stipulates that every person who uses, parks or stands a motor vehicle, trailer or engineering plant on any road carelessly or without reasonable consideration for other persons using the road commits an offence.	The Project Beneficiaries will ensure that all project machinery (construction equipment and material haulage fleet) observe traffic and road safety procedures including observing minimum speed limits, routine maintenance and observing road signs among others. Additionally, more safety measures such as traffic guides/controllers, humps and road signage will be adopted to ensure safety of all road users and workers during project implementation activities as guided by this Act.
The Occupational Safety and Health Act, 2006	The Occupational Safety and Health Act of 2006 makes provisions for the health, safety, welfare, and appropriate training of persons employed in workplaces.	The employer (MSMEs, Project Beneficiaries) must protect the health and safety of their workforce by ensuring proper and safe designs, providing workers with safety training, clean and healthy work environment, sanitary conveniences, washing facilities, First Aid facilities, clean drinking water, meals and all requisite PPEs, among others throughout the project implementation phases in accordance with this act.
The Workers' Compensation Act, Cap. 225	The Act outlines matters of compensation for injuries and accidents as well as the responsibility of employees to take care of their health and safety while on the project.	The Act seeks to safeguard the workers and ensure that they are appropriately compensated in case of injuries resulting from project implementation activities, and all project beneficiaries shall comply with this requirement.

Laws	Brief description and its key provisions	Relevance in the Project
The Employment Act, 2006	This Act is the governing legal statutory instrument for the recruitment, contracting, deployment, remuneration, management, and compensation of workers. It provides for matters governing individual employment relationships in terms of circumstances of provision of labour. It is explicit on matters of forced labour that, no one should be forced to work, there should be no discrimination with regard to recruitment process, and it prohibits sexual harassment in employment.	This Act is relevant in that, it addresses matters of engagement of workers and their rights while at work. The project beneficiaries shall adhere to the provision of this Act for all project-related workforce.
Children Act Cap 59	The Act defines a child as a person below the age of 18. This Act reforms and consolidates the law relating to children; to provide for the care, protection and maintenance of children; to provide for local authority support for children; to establish a family and children court; to make provision for children charged with offences and for other connected purposes.	Child labour is to be prohibited during project implementation activities i.e., no employment of children below 18 years for all the project implementation activities. Section 8 (1) states that a person shall not employ or engage a child in any activity that may be harmful or hazardous to his or her health, or his or her physical, mental, spiritual, moral or social development. Project beneficiaries shall be required to adhere to this requirement.
The Agricultural Chemicals (Control) Act, No. 1 of 2006	This Act was enacted to control and regulate the manufacture, storage, distribution and trade in, use, importation and exportation of agricultural chemical and other related matters. Under this Act, the requirement of packaging, labelling or advertisement of agricultural chemicals is relevant in pesticides management to prevent illegal activities related to mislabelling and mis-packaging. In addition, section 13(2) provides for the period in which the seized agricultural chemicals can be detained and the power to dispose them off. The person in whose	It is therefore important to put in place an effective and efficient mechanism for disposal of the seized/expired chemicals. Similarly, and where necessary after E&S screening, a Pest Management Plan shall be developed by the beneficiary where this applies to among others guide the use of pesticides.

Laws	Brief description and its key provisions	Relevance in the Project
	possession the chemicals were got has to consent in writing for these chemicals to be destroyed by the Government	
Control of manufacture, etc. of agricultural chemicals Act (Cap 29)	The Act provides for safe manufacture, packaging, store, display, distribution agricultural chemicals. It also has provisions governing the Importation and export of agricultural chemicals. The Act in its Section provides for the establishment, constitution and operation of Agricultural Chemicals Board which has the responsibility to advise government on matters pertaining to agricultural chemicals.	Where applicable and relevant based on E&S screening of subprojects, beneficiaries shall be required to develop a PMP to guide the procurement, storage, use and disposal of pesticides.
The Agricultural Seeds and Plants Act (Cap 28)	This Act provides for the promotion, regulation and control of plant breeding and variety release, multiplication, conditioning marketing, importing and quality assurance of seeds and other planting materials. It establishes the National Seed Authority and a Variety Release Committee. The Act also establishes the National Seed Certification Service which is responsible for the design, establishment and enforcement of certification standards, methods and procedures, registration and licensing of all seed producers, auctioneers and dealers, advising the Authority on seed standards and providing the Authority with technical information on any technical aspects affecting seed quality. The Act imposes stringent requirements for variety testing.	INVITE will encourage use of seed that are certified and ensure that standards are adhered too.
The Plant Protection Act (Cap 31)	The Act provides for the prevention of the introduction and spread of disease destructive to plants.  Section 4(i) states “Every occupier or, in the absence of the occupier, every owner	Project beneficiaries where the requirements of this Act apply shall be required to comply accordingly.

Laws	Brief description and its key provisions	Relevance in the Project
	<p>of land shall take all measures as he or she may be required to take by virtue of any rules made under section 3 and, in addition, such other measures as are reasonably necessary for the eradication, reduction or prevention of the spread of any pest or disease which an inspector may by notice in writing order him or her to take, including the destruction of plants.</p>	
<p>External Trade Act (Cap 88)</p>	<p>This Act restricts certain imports (section 3) and empowers the Minister to prohibit the importation or exportation of any goods (section 8). This Act provides Uganda the opportunity to restrict or prohibit the importation of highly hazardous pesticides, especially as the provisions of the Customs Management Act can only be amended through the East African Community.</p>	<p>Project beneficiaries involved in external trade activities shall be required to comply with the requirements of this Act.</p>
<p>Uganda National Bureau of Standards Act, (Cap 327)</p>	<p>The relevant provision of this Act prohibits any person to import, distribute, sell, manufacture or have in possession for sale or distribution any commodity for which a compulsory standard specification has been declared unless such commodity conforms to the compulsory standard or unless the commodity bears a distinctive mark (section 21(1). This Act could be read together with the National Environment Act on chemical standards in developing standards for pesticides use in the country.</p>	<p>Project beneficiaries whose activities are affected by this Act shall be required to accordingly comply.</p>
<p>Access to information Act 2005</p>	<p>The Act aims to promote an efficient, effective, transparent and accountable Government; give effect to article 41 of the Constitution by providing the right to access to information held by organs of the State, other than exempt records and information; protect persons disclosing evidence of contravention of the law, maladministration or corruption in</p>	<p>Upon approval of ESIA Studies by NEMA, the report will have to be published by NEMA, PSFU, host District Local Governments and project beneficiaries on their respective websites to enable stakeholders access to the pertinent information.</p>

Laws	Brief description and its key provisions	Relevance in the Project
	<p>Government bodies; promote transparency and accountability in all organs of the State by providing the public with timely, accessible and accurate information; and empower the public to effectively scrutinise and participate in Government decisions that affect them.</p> <p>Section 5 of the Act highlights the right of access to information and records in the possession of the State or any public body, except where the release of the information is likely to prejudice the security or sovereignty of the State or interfere with the right to the privacy of any other person.</p>	<p>Where applicable, summaries of Mitigation Measures and ESMPs shall be shared by the Project Beneficiaries/Implementers with the Local Communities at respective active project sites.</p>

Table 0-3: Summary of regulations and standards applicable to the proposed project

Regulations or standards	Brief description and its key provisions	Relevance in the Project
<p>The National Environment (Environmental and Social Assessment) Regulations, 2020</p>	<p>The National Environment Management Authority (NEMA) issued Environmental Impact Assessment Regulations, 2020, for conduct of ESIA's, which are now part of the Environmental Legislation of Uganda. Schedule 2 lists issues to be considered in preparation of a Project Brief (ESMP) or an Environmental and Social Impact Statement (ESIS).</p>	<p>PSFU has developed this ESMF and shall undertake required PBs/ESMPs during implementation phase, in line with the Second Schedule of these Regulations and any other developments or changes in future shall have to follow the same assessments.</p>
<p>Water Resources Regulations, 1998</p>	<p>The Regulations apply to motorized water abstraction from boreholes or surface watercourses or diverting, impounding, or using more than 400m<sup>3</sup> of water within a period of 24 hours.</p>	<p>Where applicable the project implementation will follow the conditions set out in the regulations. The project beneficiaries will be required to abide by provisions of this law in regard to water usage and conservation during project implementation.</p>

Regulations or standards	Brief description and its key provisions	Relevance in the Project
The National Environment (Wetlands, Riverbanks and Lakeshores Management) Regulations 2020	These Regulations guide on the development procedures to be followed where developments are to be undertaken in wetlands, riverbanks, and lakeshores.	The some of the proposed project components may pose E&S risks & impact on wetlands. All proposed project implementation activities have to adhere to these regulations requirements and undertake proper impact assessment to ensure adverse impacts on the wetland ecosystems are adequately mitigated. In addition, following E&S screening and where applicable the project will acquire wetland use permit/s from NEMA for any activity specified in the second schedule of the regulations.
Draft National Air Quality Standards, 2006	Considering that construction equipment and machinery are powered by diesel/ gasoline engines, pollutants such as CO <sub>2</sub> , NO <sub>x</sub> , SO <sub>x</sub> , VOC, and particulates are expected to be emitted. The draft National air quality standards provide the regulatory limits for emissions.	Some project activities may involve civil works, material haulage, material extraction like murram, construction works among others which are likely to impact on the local ambient air quality. Guided by provisions of these standards, the project beneficiaries will adopt appropriate measures to minimize, mitigate and prevent air quality deterioration resulting from project implementation activities.
The National Environment (Waste Management) Regulations, 2020	These Regulations apply to all categories of hazardous and non-hazardous waste, storage and disposal of hazardous waste and their movement into and out of Uganda and to all waste disposal facilities, landfills, and sanitary fills and to incinerators.	Certainly, waste will be generated during project implementation activities especially from facilities production lines, installations like camps, material yards, workshops, among others. The project beneficiaries shall be guided by these regulations to ensure that generated wastes throughout all project implementation phases are appropriately managed/disposed of.
National Environment (Standards for Discharge of	These regulations provide standards for effluent discharge. Schedules 2, 3 and 4 detail maximum permissible limits for regulated contaminants,	Some of the investments/ subproject activities to be supported by the INVITE project will certainly generate effluent waste. The project implementers shall



Regulations or standards	Brief description and its key provisions	Relevance in the Project
Effluent into Water or on Land) Regulations, 2020	which must not be exceeded before effluent is discharged into water or on land.	employ appropriate measures to manage effluent waste generated by their project activities.
The National Environment (Noise Standards and Control) Regulations, 2003	Part III Sec. (1) requires machinery operators to use the best practicable means to ensure that the emission of noise does not exceed the permissible levels.	Indisputably, implementation of project activities and other associated facilities will trigger noise generation. These standards shall be applied to keep the noise levels in permissible limits as well as mitigating noise generation at the source.
National Environment (Control of Smoking in Public Places) Regulations, 2004	According to WHO, Second-hand smoke (SHS) is a human carcinogen for which there is no "safe" exposure level 1. To avoid public health risk from SHS, Uganda enacted this Regulations to regulate smoking in public places. Under this law, a public place is defined as, "any place to which members of the general public or segments of the general public ordinarily have access by express or implied invitation and includes any indoor part of a place specified in this schedule". These places include, office buildings, workplaces, eating areas, toilets and public service vehicles. The regulations task owners of such places to designate "NO SMOKING" and "SMOKING AREAS" in premises. In this project, these regulations will apply to areas communally used by construction workers such as site offices, eating areas in camps and workers transport vehicles.	Requirements of these regulations should be fulfilled by the project beneficiaries through instituted structures especially within project implementation areas, to avoid exposure of workers to tobacco Second Hand Smoke and associated health risks.

Regulations or standards	Brief description and its key provisions	Relevance in the Project
<p>The National Environment (Audit) Regulations, 2020.</p>	<p>Section 3 of these regulations require that: (i) These Regulations apply to an environmental audit for a project or activity for which environmental and social assessment has been undertaken and any other project or activity as may be prescribed by the Authority. (ii) An environmental audit shall be undertaken to ensure compliance by the developer with the Act, regulations and standards made under the Act, conditions in permits and licences and any other applicable law, environment management systems and the environmental management and monitoring plan of the developer.</p>	<p>The project beneficiaries shall be required among others to comply with the requirements of the Audit Regulations.</p>
<p>The National Environment (Management of Ozone Depleting Substances and Products) Regulations, 2001</p>	<p>The objectives of these Regulations are to—</p> <ul style="list-style-type: none"> <li>Regulate the production, trade and use of controlled substances and products;</li> <li>Provide a system of data collection that will facilitate compliance with relevant reporting requirements under the Protocol;</li> <li>Promote the use of ozone friendly substances, products, equipment and technology; and</li> <li>Ensure the elimination of substances and products that deplete the ozone layer.</li> </ul> <p>Section 4 of this Regulation states that, “No person shall import or export a controlled substance or product listed in the First and Second Schedules, without a license issued by the Executive Director.” Section 5 further states that, “A person intending to</p>	<p>The E&amp;S screening of proposed subprojects under INVITE project shall be carried out with respect to the guidelines in this Regulation.</p>

Regulations or standards	Brief description and its key provisions	Relevance in the Project
	<p>import or export a controlled substance or product shall apply to the Executive Director for a license in the application set out in Form A and B respectively in the Third Schedule.”</p> <p>Controlled substances according to the Second Schedule of this Regulation include Hydrobromofluorocarbons (HBFCs), and Chlorofluorocarbons (CFCs).</p>	

### Required Statutory Approvals, Permits and Licenses

Some Statutory Approvals, certificates and Licenses will be required before commencement of project activities during project implementation. Securing of approvals requires preparation of the relevant documentation and payment of fees. It is important to ensure that all supplies (pesticides, production/process chemicals, seeds and other agro-inputs like fertilizers) and construction materials (sand, murrum and stone aggregates) are sourced from suppliers and operators of such sources having the requisite statutory approvals (as relevant) and compliant with relevant environmental and social laws. Depending on individual sub-projects investments, the following permits and licenses may be required by the project as presented in **Table 0-4**.

Table 0-4: Approvals, permits and licenses potentially required by the project.

Approvals, Permits and Licenses Required	Issuing Authority	Party responsible for acquiring permit/license	Legal Framework
Water Abstraction Permit	DWRM	Project Developer & /or Contractor	Water Act, cap 152
Waste Disposal Permit	NEMA	Project Developer &/ or Contractor	National Environment Act 2019; National Environment (Waste Management) Regulation 2020
Waste Transportation License	NEMA	Project Developer &/ or Contractor	National Environment Act 2019; National Environment (Waste Management) Regulation 2020
ESIA/ PB/ESMP Approvals for subprojects	NEMA	Project Developer &/ or Contractor	National Environment Act 2019

Permit to carry out a Regulated activity in a Wetland, Riverbank, Lakeshore (River Nile)	NEMA	Project Developer &/ or Contractor	National Environment Management (Wetland, Riverbank, Lakeshore) Regulation 2020
Workplace Registration Permit	MGLSD	Project Developer &/ or Contractor	OHS Act, 2006
RAP/LRP approval conditions for this project	CGV	PSFU, BoU, Project Beneficiaries, Supervising Consultants & Contractors	The Land Act Cap 227

**International Protocols and Conventions**

The relevant international protocols and conventions for which Uganda is a signatory to as presented in Table 0-5 below.

Table 0-5: Summary of International Protocols and Conventions applicable to the proposed project

Protocol or Convention	Purpose
United Nations Framework Convention on Climate Change (UNFCCC), 1992	The Convention requires parties to avoid adverse effects on the environment and adopt measures and policies to control carbon dioxide emissions in technologies, considering their common, yet differentiated responsibilities, as well as their specific national and regional development priorities, objectives and circumstances. They are required to take climate change considerations into account, to the extent feasible, in their relevant social, economic and environmental policies and actions, and employ appropriate methods, for example impact assessments, formulated and determined nationally, with a view to minimising adverse effects on the economy, on public health and on the quality of the environment of projects or measures undertaken by them to mitigate or adapt to climate change.
Stockholm Convention on Persistent Organic Pollutants, 2001	Protects human health and environment from Persistent Organic Pollutants that remain intact in the environment for long periods and can become widely distributed geographically and accumulate in the fatty tissue of humans and wildlife, which can lead to serious health effects.

Protocol or Convention	Purpose
Strategic Approach to International Chemicals Management, 2006	Fosters sound management of chemicals and to ensure that by the year 2020, chemicals are produced and used in ways that minimise significant adverse impacts on the environment and human health.
International Labour Organisation Convention, 1998.	Sets out basic principles and labour rights at work, based on international best practise.
Convention on Wetlands of International Importance as Waterfowl Habitat-Ramsar Convention (1971)	The project is not expected to affect any Ramsar site, and in any case the appropriate mitigation actions shall be designed and implemented.
Basel Convention,2006	The Basel Convention on the Control of Trans-Boundary Movements of Hazardous Wastes and Their Disposal was concluded in Basel, Switzerland, on March 22, 1989, and entered into force in May 1992. Now ratified by 149 countries including 32 of the 53 African countries, the focus of this convention is to control the movement of hazardous wastes, ensure their environmentally sound management and disposal, and prevent illegal waste trafficking (UNEP, 2006).
The FAO International Code of Conduct on the Distribution and Use of Pesticides (2002)	It establishes voluntary standards for public and private institutions involved in the distribution and use of pesticides. The Code sets out a vision of shared responsibility between the public and private sectors, especially the pesticide industry and government, to ensure that pesticides are used responsibly, delivering benefits through adequate pest management without significant adverse effects on human health or the environment.

### World Bank Environmental and Social Framework 2018

The ESMF has been prepared and benchmarked against the World Bank Environmental and Social Framework (ESF). The WB-ESF is an elaborate systematic approach to guaranteeing sustainable development. It sets out a vision for sustainable development, the Environment and Social policy for investment project financing and ten Environmental and Social Standards (ESS) that guide borrowers in the course of project implementation.

*The 10 Environmental and Social Standards (ESS) under ESF are reviewed below, and all of them are relevant and applicable to the INVITE project:*

#### **ESS1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS**

ESS-1 is relevant and applicable to the INVITE project given the fact that the project will support transactions and investments under components 1-3 that will have E&S risks and impacts requiring

assessment and management. At this point, the specific project activities to be supported by the project are unknown but Components 1, 2 and 3 are expected to pose environmental and social risks and impacts. Medium and long-term interventions under component 2, particularly those involving enterprises and projects benefiting from liquidity enhancement facilities to finance more productive investments might involve activities such as construction of new factories/ facilities and other infrastructure, are likely to have comparatively more significant environmental impacts such as increased waste generation, air/noise pollution, health and safety risks for workers and communities, etc.

This ESS makes it incumbent upon the project implementers through the existing institutional framework to conduct assessment and monitoring of environmental and social risks and impacts that are anticipated to arise in the project during its implantation and subsequent implementation phases. ESS1 further aids the identification of mitigation measures and action to further improve decision-making, while emphasizing application of the mitigation hierarchy to avoid, minimize, reduce and mitigate environmental and social (E&S) risks and impacts, and where significant residual or cumulative impacts remain, to compensate for or offset such impacts. In order to systematically manage the likely environmental and social risks and impacts, the project has developed an Environmental and Social Management Framework (ESMF). All subprojects will be subjected to E&S screening and where necessary develop and implement an ESMP that will be reviewed and cleared by the PSFU and WB, and /or approved by NEMA before the start of implementation.

#### **ESS2: LABOR AND WORKING CONDITIONS**

Environmental and Social Standard 2 is relevant and applicable to the project since the project is expected to have workers engaged to undertake various activities. ESS2 is cast in such a way as to clarify workers' rights, benefits and other general work conditions irrespective of the category they find themselves in. The Bank recognizes the importance of employment creation, equal opportunities in employment, income generation and poverty alleviation albeit the challenges of worker exploitation, discrimination, sexual harassment, child labor and a horde of other ills that may compromise project benefits. In line with this, the project will put in place measures to ensure appropriate safety and health for protection and promotion of safe and healthy working environment as well as ensuring a safe work environment in terms of ensuring proper designs, minimizing injuries, disease spread, feeling of security, positive communication, and general perception of employees' well-being a priority.

The recruitment of child labour is forbidden in accordance with ESS2 and Ugandan law, for any person under the age of 18. In line with ESS2, the PSFU will establish and operate a worker grievance mechanism to enable project workers to raise workplace-related concerns, including regarding workplace sexual harassment. In line with ESS2 and Ugandan law, the PSFU will also ensure that the use of forced labour and labour procured through the trafficking in persons is prohibited regarding all workers engaged/employed in relation to the INVITE project.

#### **ESS3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT**

Environmental and Social Standard 3 is relevant and applicable to the project because the project will involve operations in various sectors which often involve waste generation, produce noise and dust during operations, make use of different materials such as water and energy and result in generation of both

hazardous and non-hazardous wastes that will require management and/or disposal. ESS3 focuses on issue of resource efficiency and pollution prevention and management. PSFU will consider ambient conditions and apply technically and financially feasible resource efficiency and pollution prevention measures in accordance with the mitigation hierarchy. The measures will be proportionate to the risks and impacts associated with the project and consistent with GIIP, in the first instance the WBG EHSs. All these shall be included in subsequent E&S assessments and instruments to be developed during the implementation phase of the project.

#### **ESS4: COMMUNITY HEALTH AND SAFETY**

Environmental and Social Standard 4 is relevant and applicable to the project since the project will involve the construction of small-scale infrastructure and associated influx of labor into communities hosting them, posing risks of GBV/SEA. ESS4 focuses on health, security and safety issues of project affected communities. Project actions may compromise security, health and safety around its operation areas, public areas and settlements, including through traffic accidents, chronic diseases, pollution of water sources, noise nuisance, dust nuisance, community conflicts, non-payment for community services offered and through labour influx and spread of communicable diseases, including COVID-19, Hepatitis B and HIV/AIDS.

In line with the requirements of ESS4, the PSFU will evaluate the risks and impacts of the project on the health and safety of the host communities during the project life cycle, including those who, because of their particular circumstances, may be vulnerable. PSFU will identify risks and impacts and propose mitigation measures in accordance with the mitigation hierarchy. Host Communities shall be mobilized and trained on health and safety aspects and requirements of all project activities, including the management and the safety of hazardous materials which may be generated by the project (especially the manufacturing sector) and put in place emergency preparedness and response measures. These measures shall be contained in relevant instruments to be prepared following the E&S screening (ESMPs, Project Briefs, etc.)

#### **ESS5: LAND ACQUISITION, RESTRICTIONS ON LANDUSE AND INVOLUNTARY RESETTLEMENT**

ESS5 is relevant/applicable because the project may involve land acquisition and/ or economic displacement. Activities under component 2 will likely result in the construction of facilities (waste treatment facilities, logistics/collection centers, housing facilities for workers, training centers, testing laboratories, research and development facilities, etc.) that will potentially require land-take, including economic and physical displacement. It is unknown at this stage whether those under component 2 will also require additional land acquisition, but it's likely in the event the Lead Investors would like to expand their subprojects. PSFU has prepared a Resettlement Policy Framework (RPF) to provide guidelines on addressing any potential physical and/or economic displacement impacts for project components which may entail land-take and/or economic displacements. The RPF has provided a Voluntary Land Donation Procedure/Land Donation Consent Form if host communities/individuals are required and willing to donate their land to host project activities.

#### **ESS6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES**

Environment and Social Standard 6 is relevant and anchors the conservation of biodiversity and sustainable management of living natural resources. Activities under components 2, and 3 could impact biodiversity conservation and sustainable management of living natural resources. The latter is especially relevant under component 3 that involves agricultural supply chains where living natural resources are at the core of the value chain management and require careful consideration for inclusion of sustainability aspects at each stage of agricultural supply chains, from primary production to processing. The project will address these risks through the implementation of the project's ESMF and ensuring their inclusion and considerations in the instruments and tools to be required from project beneficiary entities.

ESS6 therefore requires the observance of requirements to conduct assessment of risks and impacts from proposed project activities with keen emphasis on potential threats to biodiversity including habitat loss, potential introduction or proliferation of invasive/alien species, nutrient loading, pollution as well as climate change impacts amongst others. Therefore, E&S screening will facilitate mainstreaming of any biodiversity aspects into the assessments and implementation to be undertaken. Activities in critical habitats shall be excluded from support by the project.

#### **ESS7: INDIGENOUS PEOPLES/ SUB-SAHARAN AFRICAN HISTORITCALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES**

Overall, this Standard is relevant to the project because of Components which will be implemented by Bank of Uganda. However **Window 2.3** which will facilitate **Investment in Rural Supply Chains in RHDs will be implemented** in the South West, Northern, and West Nile regions of the country where there are NO Indigenous Peoples, rendering this Standard Not relevant to Subcomponents under PSFU.

#### **ESS8: CULTURAL HERITAGE**

ESS8 is relevant/ applicable to the project, since it may entail civil works excavations, movement of earth or other changes in the physical environment which may have a direct interaction and/or impact on Cultural Heritage. This ESS has the main objectives to protect cultural heritage from adverse impacts of project activities and support its preservation. Activities under component 2 will likely result in the construction of facilities (waste treatment facilities, logistics/collection centers, housing facilities for workers, training centers, testing laboratories, research and development facilities, etc.) that could impact sites falling into this category.

A chance Finds Procedure has been prepared as part of the project ESMF, and this will be followed if previously unknown cultural heritage is encountered during project activities. The chance finds procedure sets out how chance finds associated with the project will be managed. The procedure includes a requirement to notify relevant authorities of found objects or sites by cultural heritage experts; to fence-off the area of finds or sites to avoid further disturbance; to assess found objects or sites by cultural heritage experts; to identify and implement actions consistent with the requirements of this ESS and national law; and to train project personnel and project workers on chance find procedures.

#### **ESS9: FINANCIAL INTERMEDIARIES**

This Standard is relevant to Subcomponents under BoU and not to those under PSFU, the subject of this ESMF. Therefore, this Standard is not Applicable to this ESMF.



## **ESS10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE**

Environment and Social Standard 10 is relevant and applicable to the proposed project. ESS10 recognizes the importance of open and transparent engagement with project stakeholders. Success of any project is hinged on level and quality of stakeholder engagement which is an inclusive process expected to occur throughout the project life cycle. Engagement is more useful when introduced in the early phases of project development and is mainstreamed into all levels of decision-making. To this end, a Stakeholder Engagement Plan has been prepared proportionate to the nature and scale of the project and its potential risks and impacts and shall be disclosed alongside the project ESMF.

Main stakeholders under the operation with specific reference to PSFU Subcomponents will likely include the Private Sector Foundation Uganda (PSFU), a number of Participating Lead Investors, Refugee Host Districts, and any relevant regulatory agencies. PSFU will require the Lead Investors/ Grants Applicants to conduct stakeholder engagement in a manner proportionate to the risks and impacts of their operations, and which reflects the type and scope the project will finance. The relevant provisions of ESS10 have been included in this ESMF. Additionally, PSFU will be required to put in place procedures for external communications on environmental and social matters proportionate to the risks and impacts of the project activities, and the risk profile of the whole project. Similarly, potential beneficiaries might have grievances related to the selection criteria (exclusion based on vulnerability, ethnicity, disability, etc.) and these will be addressed through existing national grievance redress mechanisms such as the relevant regulatory agencies but also through the envisaged procedures listed under the SEP. PSFU has prepared a Stakeholder Engagement Plan (SEP) that covers relevant provisions associated with the project components managed by PSFU.

### **World Bank Group Environmental Health and Safety Guidelines**

The Environmental, Health, and Safety (EHS) Guidelines are technical reference documents with general and industry specific examples of Good International Industry Practice (GIIP). When one or more members of the World Bank Group are involved in a project, these EHS Guidelines are applied as required by their respective policies and standards. The General EHS Guidelines contain information on cross-cutting environmental, health, and safety issues potentially applicable to all industry sectors. Applicable general guidelines include environmental, occupational health and safety, community health and safety and construction and decommissioning. The applicability of the EHS Guidelines shall be tailored to the hazards and risks established for each project based on the results of an environmental assessment in which site-specific factors are considered. These guidelines are used together with the relevant industry sector guideline(s).

Effective management of environmental, health, and safety (EHS) issues entails the inclusion of EHS considerations into corporate- and facility-level business processes through the following steps:

- i) Identifying project hazards and associated risks as early as possible;

- ii) Involving EHS professionals, who have the experience, competence, and training necessary to assess and manage EHS impacts and risks, and carry out specialized environmental management functions;
- iii) Understand the likelihood and magnitude of the risks;
- iv) Prioritizing risk management strategies with the objective of achieving an overall reduction of risk to human health and the environment;
- v) Favouring strategies that eliminate the cause of the hazard at its source;
- vi) Incorporating engineering and management controls to reduce or minimize the possibility and magnitude of undesired consequences;
- vii) Preparing workers and nearby communities to respond to accidents;
- viii) Improving EHS performance through a combination of ongoing monitoring of facility performance and effective accountability.

The PSFU shall ensure assessment of the potential risks and impacts from project activities and inform affected local population of significant potential hazards in a timely manner. It is also the responsibility of the project proponent to support and work with the project affected population and the local government structures to respond to any arising emergency. Detailed General EHS Guidelines and Industry specific EHS Guidelines can be accessed at: [Environmental, Health, and Safety Guidelines \(ifc.org\)](https://www.ifc.org/~/media/World-Environmental-and-Social-Standards/Environmental-and-Social-Guidelines/Environmental-Health-and-Safety-Guidelines-2019.pdf)

#### **Gap Analysis Between the Relevant World Bank Environmental and Social Standards and Government of Uganda's Environmental and Social Requirements**

The platform upon which Uganda's country system has been built is the Constitution, which commits government to protecting natural resources on behalf of the people. It explicitly encompasses the concept of sustainability, including meeting the needs of present and future generations. The State is also committed to preventing or minimising environmental damage and upholding the right of "every Ugandan to a clean and healthy environment". This represents the highest-level of commitment to sustainability. The National Environment Act (NEA) 2019 is the key legislation for environmental (and to a lesser extent, social) risk management.

From an environmental perspective, Uganda's institutions have well-enough defined mandates and adequate enabling legislation, albeit with some gaps, overlaps and weaknesses. For the most part, policies, laws, regulations, and guidelines are adequately aligned with regards to the World Bank Environmental and Social Standards, especially given that the National Environment Act 2019 (NEA 2019) has been revised and significantly improved, and that new Environmental and Social Impact Assessment (ESIA 2020) regulations have been revised following Good International Industry Practice.

It is worth noting that environmental management in Uganda has been largely supported by the World Bank, right from the development of the National Environment Management Policy in 1994, the National Environment Act in 1995 (updated in 2019) and the accompanying Regulations, including the establishment of NEMA. Owing to this, most of the environmental requirements are largely influenced by the World Bank's Environmental and Social Framework. Most of the provisions of ESS-1 were adopted and as such the E&S screening and assessment methodology is virtually the same as seen in the Uganda's ESIA Guidelines of 1997 and Regulations 2020. **Therefore, in cases where gaps are found between the WB ESF**

***and the Government of Uganda Environmental requirements, the most elaborate WB-ESF shall be applied especially on matters which are not explicitly provided in the National Legislation requirements.***

Some of the differences include the following: first and foremost, the Ugandan Laws do not provide for Framework Approach (ESMF and RPF) but rather only specific instruments (ESIA, ESMP, Environmental Audits, RAPs). Whilst Uganda's ESIA systems are relatively strong on biophysical considerations, they are weaker regarding assessment of social and related issues. Whereas the WB Policies provide for independent review mechanism (the Inspection Panel), there is no explicit requirement for independent review of ESIA reports under Uganda's laws, though the ESIA Regulations (2020) provide for a reference to relevant experts who may be consulted to provide specialist knowledge and to assist with understanding and interpreting technical aspects of the project. Furthermore, there is no applicable legislation on a minimum wage. Aspects of the Employment Act contradict other Ugandan laws, by allowing for the employment of children aged 14 for "light work" under adult supervision, in contradiction to Section 7 of the Children (Amendment) Act (2016) which sets the employment age at 16. The legal framework also fails to provide penalties for the violation of laws prohibiting the employment of minors.

On ESS8 Cultural Heritage, the Ugandan legal framework is limited in scope. For example, it does not cover certain aspects such as the intangible heritage. The other area is under ESS5 (Land Acquisition, Restrictions on Land Use and Involuntary Resettlement) whereby Uganda's Land Act legal framework is restricted to fair, adequate and prompt compensation (cash), while the World Bank ESS5 requires the need to provide alternative land, resettling the Project Affected Persons (PAPs) to levels or standards of livelihood similar to or better than before compensation. The Ugandan legislation also does not provide for restoration of livelihoods, resettlement assistance and compensation at replacement value, and does not recognize informal (without Land-Title) land occupants. Under circumstances like these regarding short-comings in the Ugandan law on compensation and ESMF process, the provisions of ESS-5 shall be applied.

#### General Recommendations: Addressing Key Gaps

In the short term, the following project-by-project arrangements are recommended:

- Generally, in cases where gaps are found between the WB ESF and the Government of Uganda Environmental requirements, the most elaborate WB-ESF will be applied especially on matters which are not explicitly provided in the National Legislation requirements.
- For each substantial risk sub-project, the ToRs for the ESIA/ESMP need to be very specific about the process to be followed (including meaningful stakeholder consultation) and the expected contents of the ESIA/ESMP, reviewed and approved by the PSFU PIU and the WB.
- Where applicable, sub-projects ESMPs must be included as a key component of bidding documents and contracts. They must be specific about roles and responsibilities for implementing the ESMP, performance indicators, triggers for remedial actions and reporting arrangements.
- Develop mechanisms to improve institutional coordination (such as joint assessments monitoring) to ensure post ESIA compliance and effectiveness monitoring and supervision; and provision of extension services by the respective districts and sub-counties, including providing guidance on implementation of sub-projects mitigation measures.

## Physical Conditions

### 1.3 Location and Topography of the Project Area

The greater part of Uganda consists of a plateau lying at 800 to 2,000 m (2,600–6,600 ft) at above sea level. Along the western border, in the Rwenzori Mountains, Margherita Peak reaches a height of 5,109 m (16,762 ft), while on the eastern frontier Mount Elgon rises to 4,321 m (14,178 ft). By contrast, the Western Rift Valley, which runs from north to south through the western half of the country, is below 910 m (3,000 ft) on the surface of Lake Edward and Lake George and 621 m (2,036 ft) on the surface of Lake Albert. The White Nile has its source in Lake Victoria; as the Victoria Nile, it runs northward through Lake Kyoga and then westward to Lake Albert, from which it emerges as the Albert Nile to resume its northward course to the Sudan. (A Contemporary Geography of Uganda, 2010).

### 1.4 Climate

Uganda's climate is naturally variable and susceptible to flood and drought events which have had negative socio-economic impacts in the past. Human induced climate change is likely to increase average temperatures in Uganda by up to 1.5 °C in the next 20 years and by up to 4.3 °C by the 2080s. (Uganda National Meteorological Authority, 2019). Uganda experiences two rainy seasons except in the north. The first rainy season in the south and central region is from March to May followed by a less pronounced rainy season from October to December. The rainy season in the north extends from May to October. The annual rainfall varies between approximately 600 and 1800 mm, averaging at about 600 mm on a national scale.

### 1.5 Climate Change

Climate variability is an issue now and action to deal with the impacts is already a concern. While its exact impacts are uncertain, future climate change is likely to place a continued emphasis on mitigation and adaptation of associated climate risks and impacts. Recent evidence suggests that the future effects of climate change could have an economic impact of US\$3-6 billion by 2025, and US\$17-27 billion by 2050. The effects would mainly stem from impact to the water and agriculture sectors, and reduction in energy outputs.

Although greenhouse gas (GHG) emissions in Uganda are currently some of the lowest in the world, future developments could lead to an increase in emissions. Future growth under business as usual is likely to lead to an increase in the energy intensity of GDP and in emissions per capita. The government projection is for national emissions to rise from around 40 MtCO<sub>2e</sub> (million metric tons of carbon dioxide) today to 77 MtCO<sub>2e</sub> by 2030. Given the expected scale of future investment in energy, transport and housing infrastructure, it will be important to avoid locking in future emissions growth through consideration of low-carbon investment opportunities. This is recognized in Uganda's intended nationally determined contribution (NDC), underpinned by its National Climate Change Policy (NCCP), which makes an international commitment of 22% of emissions reduction in Uganda by 2030.

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## 1.6 Geology

The geology of Uganda extends back to the Archean and Proterozoic eons of the Precambrian, and much of the country is underlain by gneiss, argillite and other metamorphic rocks that are sometimes over 2.5-billion-year-old. Sedimentary rocks and new igneous and metamorphic units formed throughout the Proterozoic and the region was partially affected by the Pan-African orogeny and Snowball Earth event. Through the Mesozoic and Cenozoic, ancient basement rock has weathered into water-bearing saprolite and the region has experienced periods of volcanism and rift valley formation. The East Africa Rift gives rise to thick, more geologically recent sediment sequences and the country's numerous lakes. Uganda has extensive natural resources, particularly gold. The mineral resources sector contributes 0.3% percent to Gross Domestic Product (GDP) per annum. By 2019, the value of mineral resources produced was worth UGX 158.75 billion. The increased mining activities have, however, impacted the environment e.g. through excessive release of mercury into the air, water and land by artisanal and small-scale gold mining and leaving large burrow pits that collect water resulting in increased malaria cases (*NSOER 2018-2019, NEMA*).

Lake Victoria, the catchment point of this region and source of the White Nile, sits in the low point between two Rifts above large area of ancient metamorphic rock. Around 2500 million years ago, during the Achaean-Proterozoic switchover, three systems of geological activity have been identified with different levels of intensity and are responsible for the varied rocks found throughout the country.

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## 1.7 Soils

Land resources, and in particular soils, are the basis for agricultural production and development. Uganda has a total land area of 241,040 km<sup>2</sup> of which approximately 64.5% is suitable for agriculture. Soils in Uganda are very old and deeply weathered; they have inadequate supply of the major plant nutrients, very low nutrient holding capacity and deficiencies or toxicities of trace elements. The limited nutrients also are prone to leaching since rainfall is high in many areas. In terms of productivity, the soils are of a medium rating implying that the soils will only yield good crops under good management through the use of biological, organic manures or inorganic fertilizers during the cropping phase. Other approaches would be practicing crop rotation, controlling soil erosion through soil and water conservation and resting the land.

In Uganda, soil organic matter is low to medium in most places and is declining due to increased erosion and poor land management practices. Soil organic carbon and soil pH are key indicators of the status of soil health, the pH of Uganda's soils vary, owing to a climate gradient, but has a narrow range between 4.8 and 6.3. High soil pH is mainly in the Karamoja region, where conditions are generally dry; otherwise, the rest is low because of wet conditions (*NSOER 2018-2019, NEMA*). Soil degradation is a major threat to food security in Uganda and is responsible for siltation and pollution of lakes, rivers and open water sources, which has affected livelihoods. Major causes of soil degradation in Uganda are nutrient depletion and soil erosion. The degradation of the soil resource in Uganda is attributed to population growth and the attendant effect on land ownership and fragmentation, land tenure, adoption of inappropriate land and soil management practices, and the low use of fertilizers and organic manure. The population

explosion seems to out-match farmer's ability to find arable land and 50% of the land have soils of medium productivity leading to encroachment of protected areas.

## **1.8 Surface and Ground Water Resources**

The term groundwater potential refers to the sustainable groundwater yield or groundwater recharge that does not lead to the over-use of that resource and thus not to the lowering of groundwater tables. Groundwater potential in Uganda is highly variable, i.e. within the same hydrological unit, a high and low potential can occur. The estimated annual groundwater recharge rates are highly variable ranging from about 10% of the annual rainfall in Central Uganda to about 1% of the annual rainfall in Western Uganda. The estimated annual groundwater recharge rates in Uganda are highly variable and range from about 1% to 10% of the annual rainfall.

## **Biological Environment**

### **1.9 Biodiversity**

Due to the uniqueness and diversity of ecosystems and variation of climatic conditions in Uganda, the country hosts 53% of the world's mountain gorillas, 11% of the global recorded species of birds, 7.8 % of global mammalian species, 19% of Africa's amphibians and 14% of African reptilians. The country also hosts a high number of globally threatened species i.e. 39 mammals, 25 birds, 12 amphibians, 3 reptiles and 45 plants. At the national level, the number of threatened species is even much higher, underscoring the need for increased species protection in Uganda (*NEMA, 2019*). Threats to biodiversity include conversion and degradation of the natural ecosystem, invasive species, excessive harvesting of flora and fauna, illegal wildlife trade, poaching, human-wildlife conflict, disease outbreaks, plastic waste and pollution of water bodies. Increase in human population has also resulted in communities settling close to areas of high wildlife populations resulting in crop raiding, spread of zoonotic diseases, loss of property and attacks on humans often resulting in retaliatory killing of wildlife. The number of reported cases of HWC has increased over the years with Murchison Falls Conservation Area (MFCA) registering the highest number. Species often associated with these conflicts include elephants, lions, hippopotamus, baboons and monkeys. These conflicts have cross cutting impacts on human livelihoods, biodiversity conservation and the economy.



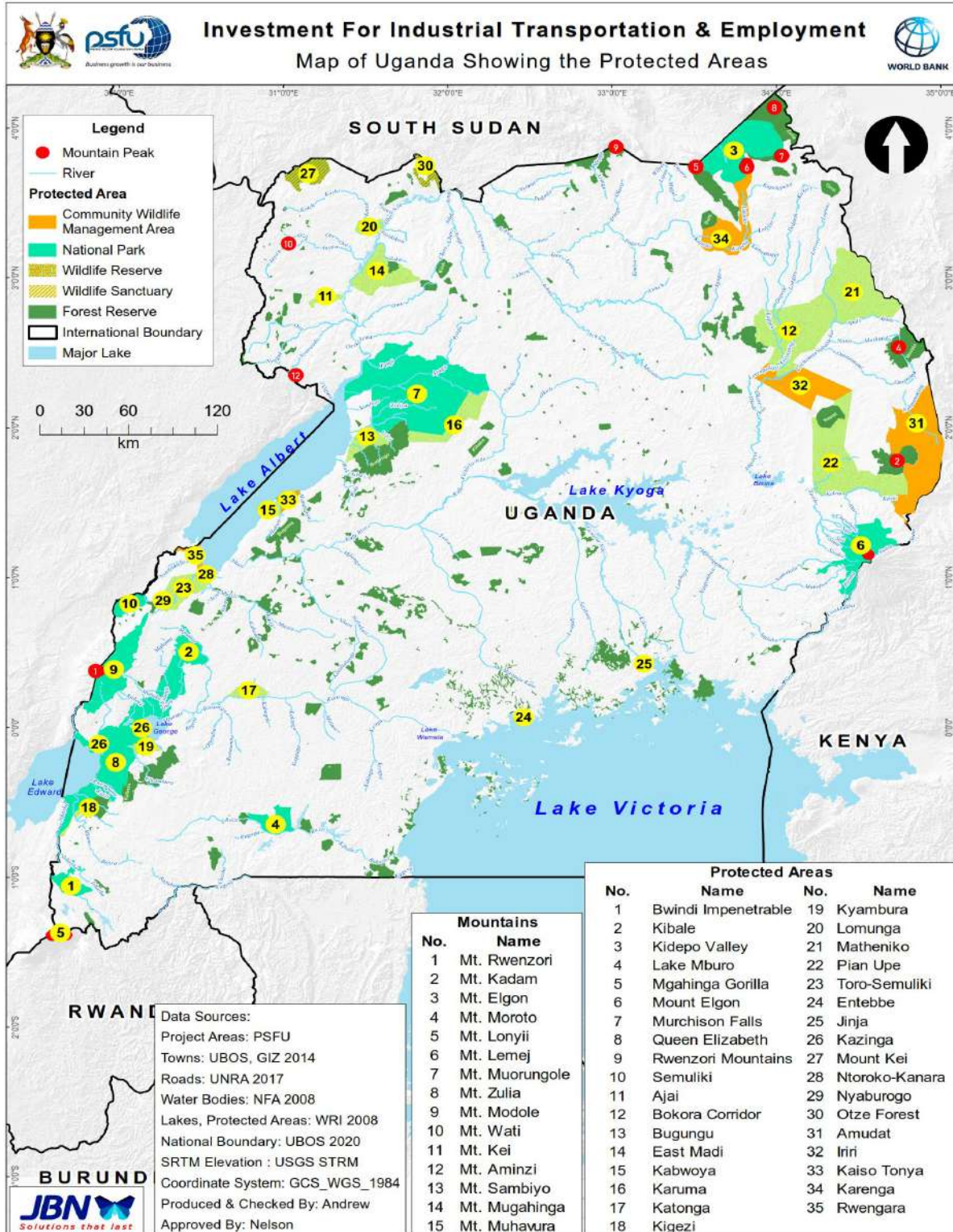


Figure 0-1: Map of Uganda showing Protected Areas

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### **1.10 Forest Ecosystem**

Although all-natural forests (Tropical high forest (THF), well stocked; THF, low stocked and woodlands) have experienced a strong decline in the past decades, plantations registered an increment between 2010 and 2017 from 3% to 8%. Overall decline in forest cover has also been halted and, for the first time since 1990, a net forest gain has been recorded (NEMA, 2019). Forest loss has mainly been due to conversion of forest to agriculture. Amuru, Masindi and Hoima forest loss has mainly been due to sugarcane plantations e.g. Atiak subcounty in Amuru district alone, lost over 33.7 KM<sup>2</sup> to sugarcane growing. The other significant cause is demand for Charcoal and fuelwood and building materials by refugees e.g. Kyangwali, Bidi bidi and Rwamwanja. THF, fully stocked host the highest species diversity. They also host a very high number of threatened and restricted range (endemic) species. To ensure conservation of the suite of species in Uganda, most of the protected areas, especially the national parks and the larger forest reserves are critical. Effort to restore forest cover include the Sawlog Production Grant Scheme (SPGS), focused on forest plantations as a means of reducing pressure on the natural forest estate, the tree fund where District Local Governments annually receive tree seedlings from NFA for planting, interventions by civil society organizations, and eviction of encroachers and allowing natural regeneration.

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### **1.11 Wetlands**

Wetland coverage reduced from 15.5% in 1994 to 13% in 2017. Of the remaining wetland, 8.9% is still intact while 4.1% is degraded. Considering the cover at drainage basin level, wetland degradation was highest in Lake Kyoga and Edward basins (42% and 34% respectively) and lowest in the Kidepo and Aswa basins (1% each). Further analysis showed that Mbale district had the most degraded wetlands with 99% of its wetlands are under threat while Ntoroko had the lowest percentage of degraded wetlands (2%). The Kyoga basin degradation is mainly attributed to conversion of intact wetlands to subsistence cultivation of mainly rice, sugarcane and maize. In Victoria Nile and Albert Nile, wetland loss is mainly due conversion into built up areas and landfilling. Recovery chances are higher chance for areas converted to agriculture than for built-up areas, if wetland protection is enforced. In 2017/2018, a total wetland area of 487 Ha was restored. This is compounded by pollution due to indiscriminate waste disposal. This has led to biodiversity and habitats destruction, deterioration of water quality, and have impeded natural drainage patterns leading frequent floods in most urban centres. To maintain wetlands for the future generations, key considerations should be to demarcate and gazette wetland reserves, restoration efforts should be increased and directly work with communities to conserve wetlands within a specific area.

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### **1.12 Wildlife**

Although there was an overall increase in wildlife species in protected areas, species population on private land is steadily declining as a result of conversion of existing habitat for cultivation and grazing. Between 1995 and 2017, Elephant populations increased from about 2000 to 5,808, Buffaloes increased from about 18,000 to 37,054, and Giraffe increased from 250 to 880. The Kibale National Park Chimpanzee survey conducted in 2019 indicated a population increase from 921 in 2005 to 1001 in 2019 and the gorilla population census conducted in 2018 in the Bwindi-Sarambwe area estimated Gorilla population at 496. The Black rhinos also increased in captivity from 8 in 2004 to 22 in 2017. The Grant's gazelle, however, declined from 100 individuals in 1995 to 57 in 2017.



### 1.13 Fisheries

Generally, fish production in the country remains higher than it was 20 years ago. Total fish production in 2018 was 456,000MT. Although it was slightly less than in 2016 (467.500MT), it was higher than 2017 (451,900MT). Over fishing and use of illegal fishing gears have, however, led to a decline in fish productivity. For example, 4,222 new fishers entered the Lake Albert fishery, increasing the total number of fishers by 17.8% since 2016. Over the same period, illegal gillnets increased by 196.3%. This was compounded by infestation of the Kariba weed (*Salvinia molesta*). Other threats are cultivation of water body shoreline and aquatic plastic pollution. Establishment of the Fish Protection Unit in 2017 and promotion of cage aquaculture have led to reduction of illegal fishing activity and fishing pressure on the water bodies. More effort should be towards restoration of forests and wetlands in the water catchments, protection of water body buffer zones and promotion of sustainable agronomic practices in areas adjacent to water bodies. The main markets for Uganda’s fish are European Union (EU), Japan, Hong Kong, Singapore, Australia, Dubai, Israel and the United States. Uganda earned 171.5 million US\$ of revenue from the export of fish and fish products. This is the highest ever amount the country has earned from fishery-based exports. On the other hand, fish and related aquatic products import has also continued to increase. Aquatic products import increased from 70 million 2016/2017 financial year US\$ to 90.9 million US\$ in the 2017/18.

## Social – Economic Conditions

### 1.14 Governance and Administrative Structure

The governance structure in Uganda is constituted of both the central and local government structures. The central government in itself is comprised of three arms (Figure 4-2) that is: the Executive headed by the President; the Parliament being headed by the Speaker; and the Judiciary that is headed by the Chief Justice. The local government structure on the other hand is constituted of five levels of the local governments know as Local Councils (LCs) 1, 2, 3, 4 and 5. Within the urban setting, the local governments are comprised of: Wards, Divisions, Municipalities and City Councils. INVITE project will leverage the existing central government and local government structures while implementing its activities.

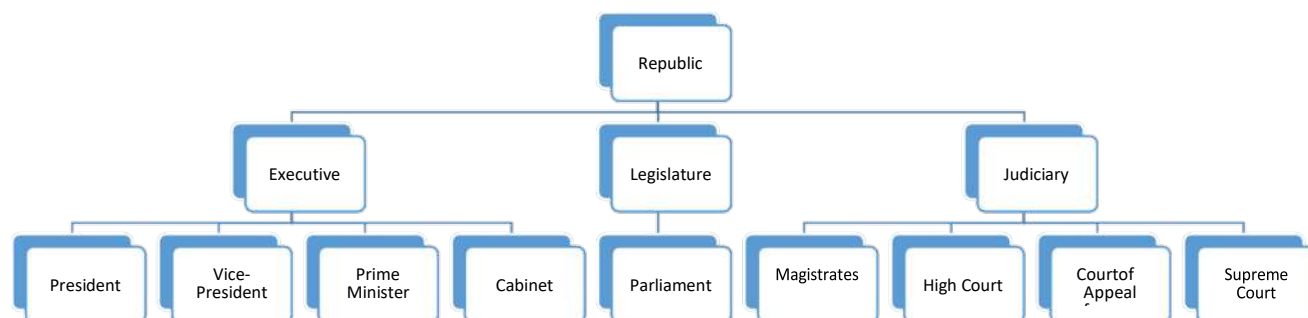


Figure 0-2: The Three Arms of the Uganda Government

## 1.15 Demography

The current population estimate of Uganda is 47,317,289 based on projections of the latest United Nations data, as of November 2022, a 3.04% increase from 2021, having registered a 3.26% increase in 2020 and a 3.39% increase in 2019. Uganda's population growth rate is currently 3.32%. The growth rate has remained around 3% for the past several decades in Uganda. This is influenced heavily by the country's fertility rate of 4.78 births per woman. At this growth, over 1 million people are added to the population each year. Uganda's rapid population growth is a cause for concern. Issues cited include rapid urbanization, poor waste management, high poverty, unemployment, environmental degradation, and inadequate infrastructure, among other things. 84% of the population lives in rural areas.

Uganda is one of the most ethnically diverse countries in the region with the Baganda making up 16.9% of the population, followed by the Banyankole, Basoga and Bakiga tribes, which make up 9.5%, 8.4% and 6.9% respectively. There are many other tribes such as the Iteso, Lango, Acholi, Bagisu, etc; however, they constitute a very small percentage of the total population. The population size reflects the number of people that are likely to be impacted by the project. The appropriate number of beneficiaries from the INVITE project will be determined upon the confirmation of the project areas within which the project will be implemented.

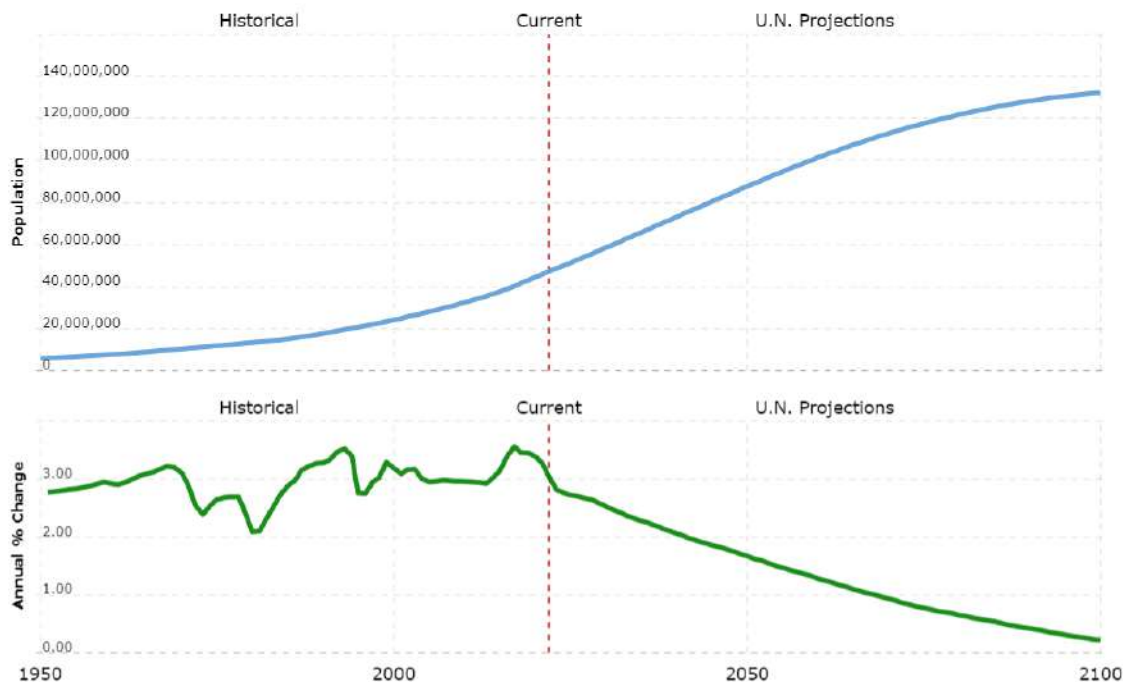


Figure 0-3: Uganda Population Projections (Source: United Nations 2022)

Table 4-1: Showing Uganda Population distribution by Gender

CHARACTERISTIC	FEMALE	MALE
2021	23.88	23.24
2020	23.19	22.55
2019	22.46	21.81
2018	21.69	21.03

Uganda has a long-standing history of hosting refugees and is currently hosting the largest number of refugees in Africa and the third largest number in the world (1.5 million). Most refugees reside in designated refugee settlements located across 13 districts (including Kampala). About 57 percent of refugees are located in the West Nile RHDs, 37 percent are located across six RHDs in the Southwest, and 6 percent are located in Kampala. Refugees account for a significant share of the total population in some districts as shown in table 1, and more than 45 percent in two West Nile districts. South Sudanese (61.7 percent) make up the largest refugee population followed by refugees from the Democratic Republic of Congo (29.3 percent); Burundi (3.4 percent); Somalia (2.9 percent); and others (1.7 percent) from Ethiopia, Eritrea, Rwanda, and Sudan. About 52 percent of refugees are female, and 81 percent are women and children. Overall, 1 in 2 refugee households is female headed, compared to less than 1 in 3 host households.

Table 4-2: Refugee and Host Population in Uganda<sup>1</sup>

	Population		Refugee % of Total	Number of Firms <sup>2</sup>	
	Refugee	Ugandan Host Community		Refugee	Host
<b>Northern West RHDs</b>					
Yumbe, Adjumani, Terego, Madi Okollo, Lamwo, Koboko, Obongi	873,844	2,169,200	29%	1,987	13,505
<b>South Western RHDs</b>					
Isingiro, Kyegegwa, Kamwenge, Kiryandongo, Kikuube	576,922	2,266,800	20%	2,526	15,095
<b>Total non-Kampala RHDs</b>	1,450,766	4,436,000	25%	4,513	28,601
<b>Total Kampala</b>	98,415	1,709,000	5%	5,028	104,972

## 1.16 Youth

<sup>1</sup> Uganda Comprehensive Refugee Response Portal (<https://data2.unhcr.org/en/country/uga>), September 20, 2020.

<sup>2</sup> Calculation based on district-level firm data from Census of Business Establishments, and refugee and host community household data from the Refugee and Host Community Household Survey.

The NDP2 indicate that youth constitute 21.3% of the total population and constitute 57% of the Labour force. 79% live in rural areas and the major economic activity is agriculture. Youth face multi-dimensional challenges such as: inadequate employable skills; limited access to assets and other means of production; limited access to basic health services, including sexual and reproductive health services. Youth experience early marriages and pregnancies, substance and drug abuse and these are attributed to lack of employment, peer influence and other social pressures.

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### **1.17 Gender**

Gender disparities in almost all areas of development continue to exist in Uganda due to patriarchal and traditional perceptions and practices. Women continue to face constraints related to access to, control over and ownership of businesses and productive resources such as land and credit. The National Development Plan DP2 shows that only 27% of registered land is owned by women. Although 70% of the women are engaged in agriculture, less than 20% control outputs from their efforts. Women comprise of the majority of labour force in the Agricultural Sector while men form the majority of the labour force in the Industry and Service Sectors. Female headed households comprise 80.5% of the agricultural subsistence workers compared to 67.5% of the male headed households. However, plots managed by women produce 17% less per acre on average than plots managed by men or jointly by other family members.

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### **1.18 Gender Based Violence**

GBV in Uganda is high. Sexual violence is higher among the women with 56% of women citing having experienced physical violence by the age of 15 years while 28 percent women aged 15-49 citing having ever experienced sexual violence compared to 9 percent of men in the same age group in 2016 (NDP2). The perpetrators of both physical and sexual violence are current husband/ wife/ partner. UBOS 2019, maintain that, the leading causes of GBV are poverty, alcoholism, cultural practices like early marriages, bride price, limited counselling, peer pressure and drug abuse. The women's changing roles and responsibilities, including their increasing economic independence from their husbands, is often seen to have resulted in growing tension at the household level making physical and sexual GBV chronic. The major improvements in GBV with declining figures of people who experience GBV is attributed to increased awareness campaigns by both state and non-state actors, improvement in enforcement of the GBV policy, improvement in alternative livelihood options and empowerment especially among women.

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### **1.19 Vulnerable and Marginalized Groups in Uganda**

A vulnerable group is a population that has some specific characteristics that make it at higher risk of falling into poverty than others living in areas targeted by a project. Vulnerable groups include the elderly, the mentally and physically disabled, at-risk children and youth, ex-combatants, HIV/AIDS affected individuals and households, religious and ethnic minorities and women (World Bank ESF, 2018).

In Uganda, there are four (4) ethnic groups that have been identified as satisfying the international criteria for the identification of indigenous peoples. These include the Batwa, Benet, Tepeth and the Ik. These people have historically suffered, and continue to suffer disempowerment and discrimination on economic, social and cultural grounds.

Their livelihood is threatened mainly by the dwindling access to land and natural resources on which they depend either as pastoralists or as hunter-gatherers. It should be emphasized, however, that although the law in Uganda does not expressly recognize these, it makes provision for addressing some of the negative effects arising from ethnic vulnerability and imbalances. INVITE project will therefore devise measures for inclusion of the groups of people categorized as vulnerable and marginalized in its project activities.

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## **1.20 Employment**

According to 2016/17 Uganda National Household Survey (UNHS), Uganda's working age population stood at 19,104,000 of which 78.8 % were working. The largest proportion of the population (65%) being employed in agriculture. The rest are engaged in trade, manufacturing, transport etc. Women made up 44.4 % of the working population (Uganda National Household Survey, UNHS, 2017).

Uganda will also need to take steps to avoid the pool of unemployed or underemployed becoming larger. The economy needs to generate demand for at least 600,000 new jobs each year between 2020 and 2030.<sup>3</sup> Small and young firms in Uganda play a key role in employment creation – registered firms, five years and younger, account for over 50 percent of formal employment. In addition, 3.1 million household enterprises provide self-employment and employment for family members, the majority (56.2 percent) of which operate a service business (trade, construction, and so on), with a substantial proportion (20.3 percent) engaged in manufacturing activities and agro-processing activities. Businesses in agricultural production (excluding smallholder farm families working on their own farms), food and beverage processing, and food and beverage services retail accounted for more than a quarter of all formal business employment in 2010.<sup>4</sup>

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## **1.21 Household Income and Expenditure**

It is estimated that that 21.4% of Ugandans (representing 8 million persons) are poor. The poor in the rural areas represent 25% of the population compared to 10% in the urban areas. Incidence of poverty by region highlights significant variations: the 2016/2017 national rankings show Eastern region (36%) with the highest incidence of poverty. Income inequality as measured by the Gini coefficient stood at 0.42 in 2016/17. Uganda's average household monthly expenditure stood at UGX 325,800 in 2016/17. Kampala and Northern regions realized increases in the monthly consumption expenditure. The increase in per capita consumption expenditure in northern Uganda was observed for both rural (8%) and urban (10%) residents. The share of food and non-alcoholic beverages in total household expenditure was the highest (46%), followed by expenditure on housing, water, electricity, gas, and other fuels (16%) and there was an increase in the budget share of households was registered in education from five percent in 2012/13 to eight percent in 2016/17 (UBOS, 2016).

### **Economic Activities in Refugee settlements**

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<sup>3</sup> Uganda Jobs Strategy for Inclusive Growth 2019.

<sup>4</sup> Uganda Jobs Strategy for Inclusive Growth, 2019, pages, 26, 28, and 22.

In refugee settlements such as Rhino camp, Bidibidi, Mvepi and Nyumanzi many refugees especially women are involved in petty businesses such as selling new and used clothes, charcoal, attending mobile money kiosks, selling food stuffs such as vegetables, cereals etc. Refugee women are also involved in craft making and tailoring.



Figure 0-4: Economic Activities in Refugee Settlements (Photo by JBN, Nov. 2022)

## 1.22 Land Tenure and Land use in Uganda

The Constitution and the Land Act (1998) recognize customary, freehold, mailo and leasehold tenure systems under Article 237. This provision is re-enacted in Section 3 of the Land Act. This clause totally reverses the old system where land was vested in the public land. Now, individuals' rights to land have been secured by virtue of occupation. The state no longer controls ownership of land in Uganda.

The land can either be owned in perpetuity or for a given period of time. Customary tenure systems regulate 75 percent of the total land and are still the most common form of tenure in the country. Customary tenure applies to former public land that has not been registered. In Karamoja for example, most of the land is communal and customarily held. Such land is not titled and is passed to family members from generation to generation. Across the hubs, in some cases customary land has been converted into freehold where individuals or families acquire their own land titles from government authorities.

Under the current land tenure systems, women often have low land holdings because customary inheritance arrangements normally favour men. Women rely on conjugal co-ownership of land as long as the couple stays married. The mailo land tenure system is similar to the freehold except that for the former, the occupants are obliged to pay an annual nominal ground rent. Although Uganda's statutory laws grant men and women equal rights to land and other property regardless of their marital status, application of these laws has not supported equitable distribution and benefits. This is partly due to weak institutional capacity of the legal system, particularly in rural areas, that hampers effective enforcement and administration of the laws (ICRW, 2011). Practices around marital property and inheritance, in



particular, continue to be dominated by customs that impose serious constraints on women's ability to own and control land resources. These customs limit the user rights of land by women to their relationships with the male family members (heads), thereby making their user rights secondary to those of the men (heads) who tend to have rights to land as a right at birth. Women are also vulnerable to land grabbing, and denial of land rights is usually exacerbated by events such as the loss of a spouse or parent. In consideration of this situation, it will be important during the implementation of INVITE project especially during the compensations for land takes that may occur therein to support equitable benefits among male and female members of households from compensations for land and crops. The consent of both women and men of the households will be sought prior to compensation in order to ensure that the opinions and views of the women and other vulnerable family members are considered in the management of project displacement impacts.

The people of Uganda depend on land and its resources to sustain their livelihoods. Land and its resources enable people to provide food, build homes, undertake several services, and engage in several trades and maintain biodiversity. Land utilization in Uganda is divided into three components i.e., agriculture (crops and livestock), the built areas, and land reserved for conservation which are not exclusive of one another. In all the six hubs, a combination of agricultural land, built and conservation areas exist. According to the National Land Use Policy (2006), land availability, productivity potential and sustainability for agriculture is not adequately known: soils maps are outdated; in heavily settled areas there is land fragmentation which leads to land degradation; there are extensive occurrences of soil rill and sheet erosion even in relatively flat areas of the country; farmers practice cultivation on marginal lands and in fragile ecosystems especially wetlands, riverbanks, shorelines and hilly areas; and in some district farmers and their livestock invade areas gazetted for nature conservation and marginal lands. Population pressure has triggered expansion of land under agriculture, resulting in loss of vegetation and other districts especially the cattle corridor continues to experience extensive clearance of woodlands and bush lands.

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### **1.23 Economic Impact of COVID-19**

The economic activity slows down caused by COVID-19 will also affect Uganda's ability to generate jobs for those living in vulnerable situations, including refugees and host communities. Despite the concerted efforts to integrate refugees within the ecosystems of their host communities, refugee-hosting districts (RHDs) remain less developed areas. Low levels of disposable incomes have resulted in low demand and limited access to labour markets, leaving those residents with some access to land with no alternative but to live off subsistence agriculture. These areas were less developed even before the inflow of refugees and remain decoupled from resilient and viable supply chains in the economy. For example, the average value of assets among all households (both refugee and host) in the RHD of Arua is 560,000 Ugandan shillings (US\$ 144), which is only 10 percent of comparable asset values in the Kampala region.

COVID-19 is already disrupting incomes and livelihoods, with the poorest wealth quintiles most adversely affected. Since the COVID-19 outbreak, 91 percent of households have reported reduced income (or losses) from at least one of their sources of livelihood. Service, transport, and commerce are the sectors most affected by the COVID-19 restrictions, having lost the highest share of workers. On average, 30

percent of people remain out of work, even with COVID-19 restrictions being relaxed<sup>5</sup>. Socio-economically depressed districts, such as those hosting refugees are expected to be particularly negatively impacted. The poorest quintiles and vulnerable communities, including refugees, are already showing significant income reductions and increased food insecurity.

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### **1.24 Commercial Banking and Microfinance**

As of April 2018, Uganda had 26 licensed commercial banks, with about 544 branches and 5.5 million accounts. The commercial banks hold about 80 percent of the total assets of the financial system and the National Social Security Fund (NSSF) holds the remaining 20%. SACCOs and MFIs are still experiencing weaknesses in regard to their sustainability, due to the low mobilization of savings from the public, over dependence on Government through the Uganda Micro Finance Support Centre, lack of regulation and also the fraudulent activities that are a vice to the people's savings. Combined with the high costs of financial transactions in Uganda, real interest rates charged by the banks are very high. It is quite common for commercial banks to charge interest rates in the range of 19 to 23 percent for investment projects.

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### **1.25 Access to Credit**

Uganda Census of Agricultural survey data shows that at national level, only 11.3 percent of total 3.9 million agricultural household's accessed credit. Of these, 61% accessed credit through informal, 29% semi-informal and 10% formal financial institutions. Access to agricultural credit by smallholder farmers remain low. This is because of supply factors include weak institutional framework, policy inconsistencies on agricultural financing, high interest rates, and limited financial literacy. And demand side factors such as lack of collateral, lack of bankable projects and high risk of agricultural credit to farmers. Regional data shows that, Western Uganda had the highest proportion of households reporting access to financial institutions at about 16% Eastern 11%, Central, 9% and Northern 7%. Informal sources of credit dominated.

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### **1.26 Agriculture**

The Uganda Vision 2040 identifies agriculture as one of the key sectors in the delivery of the 10% annual economic growth rate envisaged under the economic pillar. This will be achieved through an innovative, commercially oriented and modern agriculture, livestock and fisheries sector. The agriculture sector development strategy aims at transforming agriculture into a modern and commercially viable sector.

Agriculture remains the backbone of Uganda's economy. In 2012/13, the agriculture sector in Uganda contributed 25.3 percent of the country's GDP up from 24.7 percent in 2010/11. The contribution of the sector to GDP in 2013/14 using current prices stands at 24.8 percent. Agricultural exports amounted to USD1.3 Bn in 2013/14. It employs about 72 percent of the total Labour force (including disguised Labour), 77 percent of whom are women, and 63 percent are youth most of whom reside in the rural areas. Its

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<sup>5</sup>Uganda Bureau of Statistics and World Bank (July 2020).

Source: Uganda Investment Authority(UIA)Database,July2019



contribution to total goods export earnings in 2012/13 was 40 percent. The sector provides food to the population, raw materials for industries and generates foreign exchange earnings.

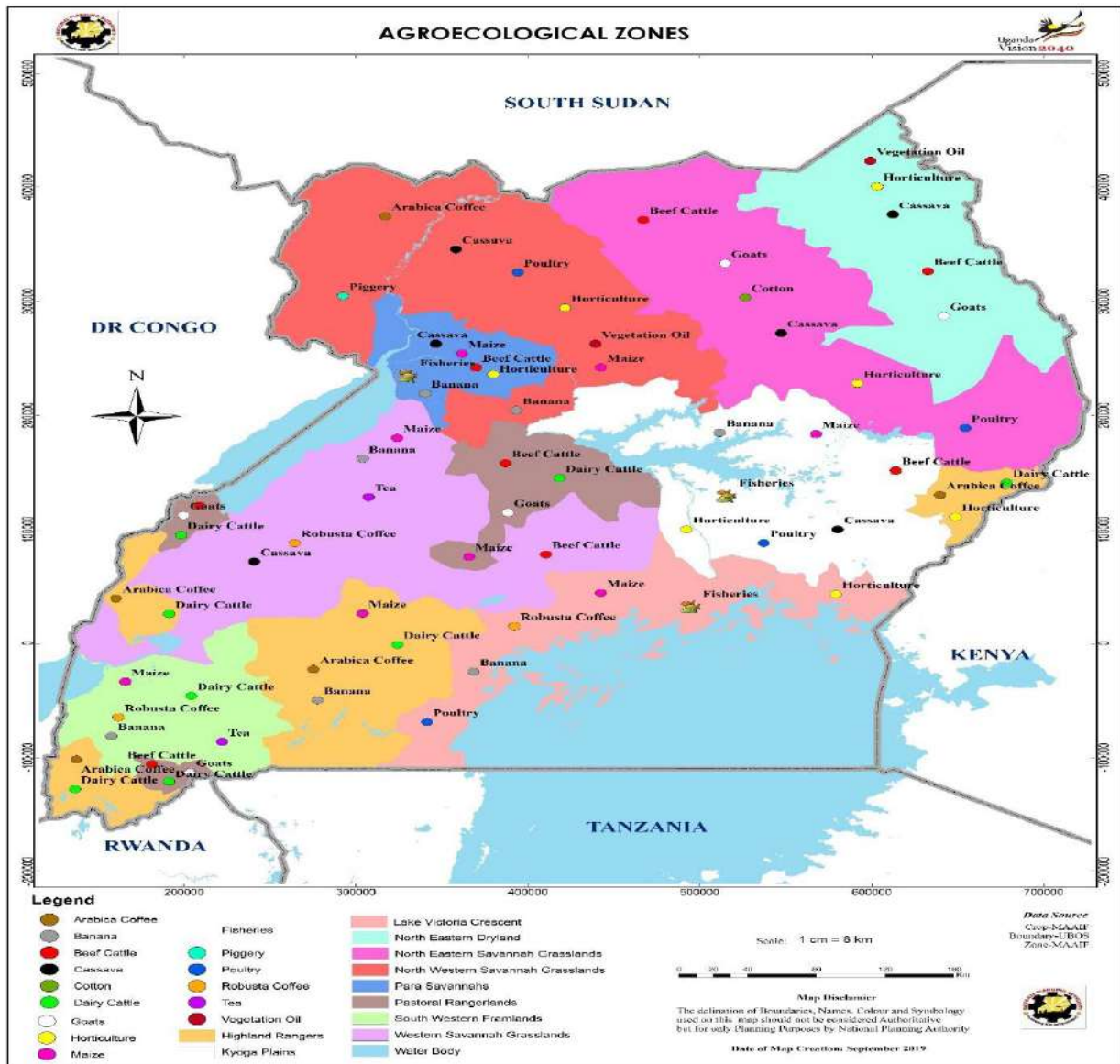


Figure 0-5: Agricultural Production Zones of Uganda (Source, MAAIF, Agriculture zones, 2016)

The country is divided into ten agro-climatic zones based on a ratio between annual rainfall and potential evaporation, and temperatures as depicted in the figure 2-3 below. Crop and livestock production is practiced in all the agro-climatic zones depending on many other factors key among them being rainfall amount and its distribution, soils and other climatic factors, social cultural factors, market demand, and cost of production. According to the World Bank, about 14,417,388 ha, or 71.9 percent of the national territory, is agricultural land, defined as having agricultural potential.

The sector is dominated by food crops, forestry, and livestock production accounting for 51.6 percent, 18.2 and 17.8 percent respectively in 2013/14. In addition, cash crops accounted for 7.2 percent, fishing 5.1 percent and agriculture support services accounted for 0.1 percent of the sector gross value added in

2013/14. The country is one of the leading producers of coffee and bananas in the World. It is also a major producer of tea, cotton, tobacco, cereals, and livestock and fishing products among many others<sup>5</sup>. The ASSP seeks to develop 12 priority commodities i.e., bananas, beans, maize, rice, cassava, tea, coffee, fruits and vegetables, dairy, fish, livestock (meat), and four strategic commodities, namely, cocoa, cotton, oil seeds, and oil palm. In the INVITE’s operational areas, farmers undertake different cash and food crops.

Table 4-3: Mapping of Priority and Strategic Commodities in Uganda’s Agricultural zones

Commodity		Agricultural Zones									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Banana										√	
Beans				√							
Cassava		√	√		√						
Cocoa											
Coffee				√	√		√	√		√	√
Cotton											
Irish Potatoes										√	√
Sweet Potatoes			√	√		√		√			
Fruits & Veg.	Apples										√
	Citrus					√					
	Mango										
	Pineapples					√		√			
	Vegetables			√		√	√	√		√	√
Maize						√		√			
Rice											
Sorghum*		√	√			√			√	√	
Tea								√		√	√
Beef Cattle		√						√	√		
Dairy Cattle							√		√		√
Fish	Aquaculture					√	√				
	Capture										
Goats		√	√						√		
Poultry			√	√	√	√	√				
Piggery*				√		√	√	√		√	√
Oil Palm							√				
Oil Seeds			√	√	√	√		√			

Source, MAAIF, Agriculture zones, 2016

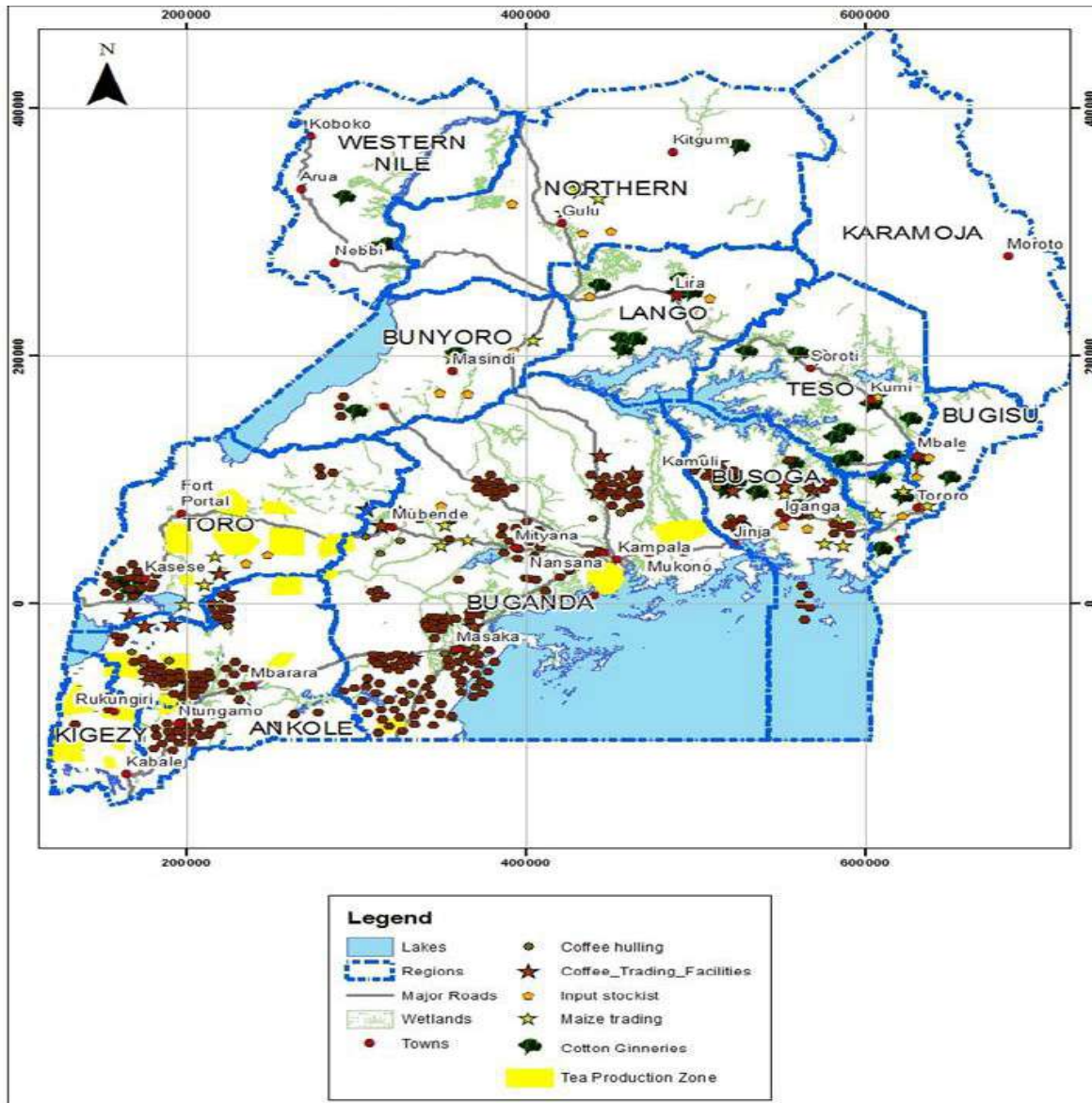


Figure 0-6: Agricultural Facilities (Source, MAAIF, Agriculture zones, 2016)

Agricultural production is mainly dominated by smallholder farmers engaged in food and cash crops, horticulture, fishing and livestock farming using rudimentary techniques. Farmers that are categorized as subsistence are estimated to deliver between 75–80 percent of the total agricultural output and marketed agricultural produce. Smallholder/ enterprises, commercial farmers and estate operators are about 15 percent, 3 percent and 0.5 percent of farmer’s respectively<sup>6</sup>. There has been very slow movement to commercial agriculture and therefore little value-added production achieved. Fishing is also an important agricultural activity with Lake Victoria accounting for 53% of total fish catch in Uganda.

The agricultural sector registered improved growth rates over the last five years averaging 3.4 percent per annum. Notable improvements were especially observed in the food crops sub-sector (maize, cassava and bananas) that grew at an average of 3.7 per cent. The cash crop sub-sector (coffee, cotton, tea) averaged growth rates of 6.4 percent. The livestock sector was the least performer and grew at 2.1 percent. The fisheries sub- sector recovered from a slump of -2.1 percent in 2017/18/ to grow at 11.3 percent in 2018/19, due to strict enforcement of fishing regulations. However, the agricultural sector growth rate falls short of the 6.0 percent targeted under the Vision 2040 and NDP II.

**Table 4-4: Uganda’s top 10 agricultural products exports by shares of total exports (%), 2018**

S/N	Commodity	% share of total exports
1	Coffee	10.5
2	Fish and fish products	5.9
3	Dairy	3.4
4	Horticulture	2.6
5	Tea	2.2
6	Cocoa	1.9
7	Maize	1.7
8	Cotton	1.4
9	Vegetable oil	1.1
10	Bananas	0.2

*Source, UBOS, 2018*

## 1.27 Industrial Sector

Uganda’s economy is recognized to have already begun the transition towards becoming an industrialized economy, with associated higher living standards. Ugandan manufacturing has historically been dominated by last stage (end-product) assembly and raw materials processing, a high share of which is food processing, both of which are low value-added activities. The industrial sector, which includes mining and quarrying, construction and manufacturing, accounted for 20.6 percent, in 2012/13.

There are over 2,000 registered enterprises, engaged in; Agro-processing (63 percent), Metal fabrication, furniture, bricks and tiles (12 percent), Pharmaceuticals and other chemicals (6 percent), Paper, plastics and cosmetics (6 percent), Confectioneries (3 percent), Electricals and electronics (3 percent) and others (10 percent). A move towards greater industrialization is a key objective of the Vision 2040 and recognized as essential for national development. Almost half of Uganda’s manufacturing businesses are located in Kampala, but there is good potential for increased decentralization to other regions.

Existing manufacturing is running at about 50% of installed capacity with much of the inefficiency attributed to poor supporting infrastructure including lack of reliable power. Significant planned hydro and geo-thermal power production along with strengthened transport networks in all the regions will make all the regions attractive for greater investment.

It is difficult to make a sweeping generalization on the type and quality of technology being employed in the agro processing industry in Uganda. This is because some factories are using state of the art modern technology while others are using old technologies. In other situations, although the technology being used by some may appear old, it may be the most appropriate technology under the prevailing conditions of market size, labour, business, and raw materials. But such industries have to contend with the problems often associated with high maintenance cost of old machinery and equipment. Since the cost of labour is rather low, many agro-processing factories appear to have opted for labour intensive and semi-automated technologies. In general, the more recently commissioned factories, especially large-scale industries (such as Cassava Plant), have installed modern automated systems.

In some factories/old establishments, there are on-going rehabilitation activities and/or expanded their facilities. Some of the private processing facilities, commissioned more recently, may have installed reconditioned processing lines. The technology or machinery and equipment have for the most part been imported from Europe. Other enterprises have tended to source from lower cost countries such as India for their machinery.

Table 4-5: List of Types of Agro processing industries in Uganda

No	Industrial Group	Product Lines
1.	Flour mill and bakery products manufacturing plants	Grain milling and allied industries produce flours of various grains, particularly rice, maize, cassava, pre-cooked beans, and wheat for making bread.
2.	Sugar & Sugar confectionery	Besides sugar and confectionary, the sugar industry supplies molasses and bagass as by-products
3.	Dairy industries	Dairy products, pasteurized milk, cheese, butter, and yogurt are the main items processed by the dairy industry
4.	Fruit and vegetable processing industry	Fruits and vegetables are supplied in the form of canned jams, marmalades, juices, nectars, pastes, etc. Vegetable oils are produced for cooking. Tomato juice and Tomato paste made out of tomatoes.
5.	Meat processing factories	Meats are being produced in the form of chilled carcass, frozen meat, and canned meat products
6.	Coffee processing plants & Coffee washing stations	Cherries, Parchment Coffee, Green Coffee and Roasted Coffee/finest coffee
7.	Tea factories	Packed tea leaves and Tea bags
8.	Beverages	Bottled beer, Malt, soda and other soft drinks, Spirits, Wines
9.	Fish processing plants	Fish Fillets
10.	Edible oil mills	The three major edible oil products consist of crude oil and refined oil for human consumption and oil cake for animal feed or for making soap. Animal fats produce tallow used in making soap.



## Manufacturing and Agro-processing in Refugee settlements

Agro-processing in Refugee camps is dominated by Diesel powered Grinding machines, these are mainly involved in providing grinding services for the refugee communities at a small fee. In Bidibidi Refugee Settlement, UNHCR established a Soap manufacturing factory under the management of Bidibidi Soap Processor's Cooperative Society. The SACCO is made up of both Refugees and Host Community with a total of 30 members and fully registered by Registrar of Cooperatives. The factory was mainly established to reduce the expenses of purchasing soap distributed to refugees. The soap factory currently employees a total of 16 people and out of which 7 are women and the rest men, Factory has a capacity of producing 300 bars of soap per hour and currently and its operations are still supported by UNHCR until the SACCO has obtained enough liquidity to manage its operations.



Figure 0-7: Soap factory employee explaining how the boiler works, (Photo by JBN, Nov. 2022)



Figure 0-8: Finished product (soap) ready for the market (Photo by JBN, Nov. 2022)



Figure 0-9: Production Line at the Bididi soap factory in Yumbe District, (Photo by JBN, Nov. 2022)

## Overview

Stakeholder engagement is an inclusive process that will be conducted throughout all the stages of the project. It is aimed to support the development of strong, constructive and responsive relationships which are important for the sustainability and acceptability of the project. Stakeholder engagement is most effective when initiated at an early stage of the project development process and is an integral part of early project decisions and the due diligence assessment, management and monitoring of the project's environmental and social risks and impacts.

As seen under the ESS10 Stakeholder Engagement and Information Disclosure under the ESF, stakeholder consultation recognizes the importance of open and transparent engagement with project stakeholders. Success of any project is hinged on the level and quality of stakeholder engagement, which is to be an inclusive process expected to occur throughout the project life cycle. Effective stakeholder engagement can improve the E&S sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. Initial stakeholder consultations have already been undertaken as part of preparation of the INVITE project and development the draft Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), Stakeholders Engagement Plan (SEP), and Vulnerable and Marginalized Groups Framework (VMGF) in 2021. Table 5-1 provides summary of stakeholders consulted during the preparation of the project in 2021 and during the update of the ESMF in 2022. Stakeholders have been consulted in a culturally appropriate manner, using appropriate languages and cultural and educational references.

During implementation, the project will allocate an adequate budget to undertake implementation of the environmental and social mitigation measures and ensure continuous and meaningful stakeholder engagement with all of the project stakeholders throughout the life cycle of the project.

Table 5-1: Summary of Project Stakeholders Consulted

S/N	Stakeholder category	Stakeholder Group
1	The Refugee Host Communities	Business Communities/MSMEs/Firms/Local Leaders
2	The Refugee Communities	Business owners/SMEs/Firms/Local Leaders
3	The Manufacturing and Exporting firms	Micro, Small and Medium Enterprises (MSMEs),
4	The Financial Institutions such as tier III and IV in country	FIs (SACCOS, MFI, Commercial Banks)
5	The Local Governments	District, and Sub County Political and Civics Leaderships



S/N	Stakeholder category	Stakeholder Group
6	The National Government	OPM, MoGLSD, MTIC, NEMA, etc
7	UNHCR	Field offices

### Additional consultations on non-discrimination and inclusion

In January 2024, additional consultations were undertaken on the project to specifically discuss the vulnerability of some individuals or groups to exclusion or discrimination based on their status under the AHA. The Minutes from the consultations are included in Annex 12.

During the consultations, key issues raised relating to INVITE included:

- a. Can the Uganda Bureau of Statistics collect information on vulnerable and disadvantaged groups? There is not enough data about us.
- b. What is being done to ensure behaviour change in communities is going to be a continuous conversation – sustainability plan?
- c. What measures will be put in place to ensure job security for persons hired by the project?
- d. Around community safety there needs to be a long-term consideration included in the mitigation measures.
- e. We fear that people will not participate in projects because of lack of trust.
- f. If we agree learning is a long-term process- why don't we directly get involved in these projects? for example, in delivering the trainings?
- g. More detail is needed on what will be done in the trainings.

The approach to managing these issues and other issues raised during the consultations are found at section 6 of this ESMF.

### Objectives of Stakeholder and Community Consultations and Engagement

The consultations with stakeholders and communities were carried out to specifically achieve the following objectives to:

- a. Build and maintain a constructive relationship with stakeholders, in particular project host communities and beneficiaries;
- b. provide information about the project and to tap stakeholder information on key environmental and social baseline information in the project area;
- c. provide opportunities to stakeholders and PAPs to discuss their opinions and concerns respectively;
- d. solicit the stakeholders' views on the project and discuss their involvement in the various project activities;
- e. assess the interest of the stakeholder on the project and discern the attitudes of the community and their leaders towards the project so that their views and proposals are taken into consideration in the formulation of mitigation and benefit enhancement measures;
- f. identify specific interests of and to enhance the participation of the poor and vulnerable groups; and

- g. Inform the process of developing appropriate management measures as well as institutional arrangements for effective implementation of the Project.

### **Engagement with Stakeholders**

The following key methods of engagement were used to inform the various stakeholders and public about the proposed INVITE Project, specifically its key components and activities. The initial public consultations were carried out as part of preparation of the project and draft E&S instruments in 2021 and additional consultations were undertaken as part of update of the said instruments in 2022 with specific focus to RHDs where PSFU Subcomponents are implemented. The process served to provide information about the project and the purpose of the ESMF as well as a framework plan for environment and social compliance during project implementation. Introductory meetings were held with the PSFU Project Team (Project Coordinator and Project Officers). PSFU and OPM sent letters of introduction to the identified stakeholders, introducing the project and JBN consultants undertaking the update of the E&S instruments.

### **Issues of Focus During Stakeholder Engagement**

The stakeholders were invited to respond to specific questions relating to the proposed INVITE project and were also encouraged to make additional comments after the consultation process. Some of the key issues discussed with stakeholders regarding the project are summarized here below:

- Provision of information on the project to the stakeholders i.e. its development objective, key components, activities to be undertaken;
- Target beneficiaries of the project;
- Likely E&S impacts of project activities, including health and safety during construction phase and operation phase;
- Suggestions on how best the project could be implemented while ensuring sustainability; and
- Any other suggestions to improve project plans and its implementation.

### **Face to Face Consultations and Issues Raised about INVITE**

Where this was feasible and safe and in line with Ugandan Ministry of Health Guidance on Public Consultations, the Consultant conducted face to face engagements especially with stakeholder Government Ministries, Agencies, Departments and selected districts, refugees and refugee host communities. This was done through initial written requests for such meetings and upon receipts of such requests, meetings were scheduled.

The stakeholders raised some concerns summarized below and details of the meetings are in Table 5-3 and Annex 8 and 9:

- ❖ Participation of District Local Governments to monitor private sector projects is limited by financial resources;
- ❖ Stakeholders prefer low/ NO interest loans – such stakeholders can explore the possibility of applying for grants;
- ❖ Need to engage districts during project implementation;
- ❖ Many SACCOs and PFIs exist and offering loans in different sectors; these should be considered as entry points;
- ❖ Need for adequate involvement of diverse stakeholders taking into consideration gender and related vulnerabilities, with specific targeting of women-led enterprises;

- ❖ Need for continued sensitization and mobilization of the communities;
- ❖ PSFU should note that land belongs to people and therefore, should make sure that transparency is in place, and where need be, land should be legally acquired;
- ❖ Most of the manufacturing sector investments generate E&S impacts especially waste (both solid and effluent), workers health and safety, and yet they do not have required statutory approvals.

Table 0-2: Summary of stakeholder issues during the first consultations in 2020

Date	Stakeholders met	Summary of Key Issues and Concerns Raised during Consultations	Responses and comments
08/12/2020	Office of the Prime Minister (OPM)	<ul style="list-style-type: none"> <li>• There are currently no known financial institutions supporting refugees except self-help Groups and NGO supported SACCOS. This information needs to be enriched through rapid assessment.</li> <li>• The office of the OPM is very key in the INVITE project and has been involved with World Bank as part of the preparation appraisal document.</li> <li>• They have been involved in the process of ESMF, PRF and VMGF with the WB and are familiar with the issues and process. There is capacity to ensure environmental and social safeguards are adhered to through the OPM settlement structures however there is need for training and equipping the ground teams on what is expected of the teams, implementation strategies etc.</li> <li>• Have logistical problems in terms of reaching the refugees in host district communities and there is strong need to have the capacity of OPM strengthened through INVITE project.</li> <li>• Capacity building and environmental awareness in terms of ESMF, GRM issues in these areas have to be addressed by money being budgeted for OPM's interventions.</li> <li>• OPM to be part of the implementation monitoring and evaluation.</li> <li>• The challenges include refugees being used to hand outs, high numbers of refugees and limited land, limited financial literacy hence the need to mobilize both refugees and host communities to embrace self-reliance and engage in other viable economic ventures other than crop farming.</li> </ul>	<ul style="list-style-type: none"> <li>• The invite project will ensure that the beneficiaries are supported through this program.</li> <li>• Training has been integrated in the project and shall start with project launch workshop</li> <li>• Participation and involvement of all stakeholders shall be undertaken while considering their specific role/s</li> <li>• The project is designed to benefit both refugees and host communities</li> </ul>

Date	Stakeholders met	Summary of Key Issues and Concerns Raised during Consultations	Responses and comments
			while enhancing self-reliance
11/12/2020	UNHCR	<ul style="list-style-type: none"> <li>• There a number of Refugee camps all over the country including in the districts of Arua, Koboko, Nebbi, Obongi and Moyo in the West Nile, Kyagwali in Hoima, Kyaka, and other in the south Western Uganda.</li> <li>• The Refugees have right to get all the basic services except they do not have right to vote. They are free to engage in business in areas where they stay and a number of businesses with their camps and out of camp. A number of these business have been observed to be mushrooming within the camps and in other areas having been started by the refugees.</li> <li>• It was also noted that the Government of Uganda provides land for their safety and also some portions of land are provided for cultivation especially where land is available, but they are also provided with food rations. Some of the other activities involved include: <ul style="list-style-type: none"> <li>✓ Trading/businesses</li> <li>✓ Can negotiate with host communities to avail land (rent, free of charge)</li> <li>✓ Involve in cottage industries, among others.</li> </ul> </li> </ul> <p>UNHCR has engaged the commercial banks and credit facilities are being extended to the refugees, including centenary Bank, UGAFORD and Equity Bank. But they are also limited. One of the limitations is to have access to the credit as in case of the transit nature of the refugees.</p>	INVITE project through BOU/PSFU will ensure that the refugees who are involved in business are supported in line with the project design and objectives
08/12/2020	Uganda Development Bank (UDB)	<ol style="list-style-type: none"> <li>1. They have given out loans and are familiar with their appraisal procedures and World Bank environmental social safeguards will have to be adhered too.</li> <li>2. UDB has already done an Environmental and Social Commitment Plan (ESCP), Environmental and Social Management Systems (ESMS) in fulfilment of requirements of previous facility funded by the World Bank.</li> <li>3. A draft stakeholders engagement plan is in place of which was prepared in</li> </ol>	<p>The information was helpful in assessing capacity of UDB in terms of environmental and social aspects. UDB has experience implementing the World Bank projects.</p> <p>Project launch workshop will be undertaken and will among other topics</p>

Date	Stakeholders met	Summary of Key Issues and Concerns Raised during Consultations	Responses and comments
		<p>conjunction with PSFU and this also has informed the preparation of the ESMF, RPF and VMGF</p> <ol style="list-style-type: none"> <li>4. The documents that are relevant to INVITE were received and analysed.</li> <li>5. The discussions also revolved on UDDB's environmental policy, processes, screening, guidelines, and differences with the World Bank.</li> <li>6. Eligibility criteria and list including those activities that you do not give loans, types of SMES and likely receipts and activities.</li> <li>7. Capacity of UDDB in relation to environmental and social framework and modalities are likely to require additional specialists to be recruited.</li> </ol> <p>Training on WB environmental and social framework for FIs that will apply for the loans will have to be undertaken under INVITE project.</p>	<p>cover ESF-ESSs requirements during implementation.</p>
11/12/2020	Uganda Free Trade Zones Authority (FTZA)	<ol style="list-style-type: none"> <li>1. Discussions centred on the activities of Uganda Free Zones Authority (UFZA) which is mandated to establish, develop, manage, market, maintain, supervise, and control Free Zones. There are also developers who were affected by COVID 19 and would be beneficiaries of the INVITE project.</li> <li>2. It was also indicated that most of the free zones are involved in mineral development, transport, and logistics.</li> <li>3. The following has been achieved so far. <ul style="list-style-type: none"> <li>✓ 25 private entities are within the free zones.</li> <li>✓ There are about 22 Free Trade zones and most of the free zones are within Central Uganda, in the districts of Wakiso, Mukono and Kampala.</li> <li>✓ Other free Trade zone in the different regions in Uganda include, Eastern 3 (2 Jinja, 1 Tororo), Western -1, Northern -1, and West Nile 1(one) but not yet operational.</li> </ul> </li> <li>4. Employment creation, Program Diversification and Expansion of Export Markets to foster increased Export</li> </ol>	<p>Their concern of being part of INVITE was well noted and capacity in terms of environmental and social issues will be addressed by PSFU and BoU offering the required guidance and support.</p>

Date	Stakeholders met	Summary of Key Issues and Concerns Raised during Consultations	Responses and comments
		<p>Earnings and the ESMF of INVITE will ensure that t some activities which are with the Zone may benefit as per the UDB list of services not allowed.</p> <ol style="list-style-type: none"> <li>5. UFTZA have environmental guidelines which all the developers have to follow and ESIA's have to be undertaken.</li> <li>6. Requested for environmental capacity building, training, and environmental monitoring from INVITE as they do not have in house staff specifically to handle environment issues as they rely on NEMA of which also is thin on ground.</li> <li>7. There are gaps which emerged showing a lack of adequate knowledge of WB Safeguard Policies, policy requirements the ESMF, monitoring procedures as well as screening and scoping procedures and impact identification.</li> </ol>	
09/11/2020	National Environment Management Authority (NEMA)	<ol style="list-style-type: none"> <li>1. NEMA has regional offices and this could liaise with BOU and PSFU to closely liaison with FIs and fasten the process of reviewing and clearance for approvals.</li> <li>2. As World Bank requirement for ESMFs could have some gaps with the Uganda's procedures but in such case then the WB takes precedent.</li> </ol> <p>As for the disclosure the Uganda law is not mandatory but if required by the bank INVITE would disclose on NEMA website</p>	Close collaboration with INVITE on approval process time to be hastened and follow-up monitoring to be undertaken by NEMA as and when necessary.
09/12/2020	Uganda Investment Authority (UIA)	<ol style="list-style-type: none"> <li>1. UIA has an environment and social safeguard unit and could be overwhelmed with the number of SME's and MSMEs which could necessitate more staff to be able to handle and monitor environment aspects.</li> <li>2. The small medium businesses affordability of undertaking ESIA or project brief could hamper their efforts to benefit from the loans.</li> <li>3. UIA has serviced land serviced and organization capability of ensuring that there are no land disputes in terms of ownership.</li> <li>4. There exists an environmental and social unit hence need to have it as part of the INVITE ESMF in terms of screening and when undertaking ESIA within the park.</li> </ol>	<ul style="list-style-type: none"> <li>• The worry of numbers of ESIA's to be undertaken to be closely linked with BOU and PSFU with UIA to work out a mechanism of supporting the MSMEs .</li> <li>• Gender equality and especially women business will be supported</li> </ul>

Date	Stakeholders met	Summary of Key Issues and Concerns Raised during Consultations	Responses and comments
		<p>5. Capacity building and enhancement especially on environmental monitoring and annual audits</p> <p>6. The authority has encouraged women, disabled to be part of the UIA activities and the following has been specifically been provided services for:</p> <ul style="list-style-type: none"> <li>✓ Small business</li> <li>✓ Marketable rental space</li> <li>✓ In-house training</li> <li>✓ Offer services for business registration, tax training.</li> <li>✓ Employ women.</li> <li>✓ Outsourcing services like training facilities.</li> </ul>	
10/11/2020	Consultations with Sun shines millers in Lira	<ul style="list-style-type: none"> <li>• Poor post-harvest handling by farmers leading to poor grain quality.</li> <li>• Price of seed is very expensive for farmers.</li> <li>• There is a need to develop capacity among farmers to produce quality seed.</li> <li>• Adulteration of oil by businessmen.</li> <li>• There is no functional association of millers which regulates milling practices.</li> <li>• Expensive oil seed Vs price of grain</li> <li>• Limited time and land allocated to food production by farmers.</li> <li>• Uncontrolled and poor application of agrochemicals by farmers.</li> <li>• Poor disposal of agrochemical containers.</li> <li>• Unequal sharing of proceeds at household level between men and women –leading to gender-based violence.</li> <li>• High risk of borrowing money for production due to climate change and lack of agriculture insurance</li> </ul>	The concerns well noted and limitations to be addressed for specificities for each project activity through the various project safeguards instruments, ESMF & ESMS.
09/11/2020	Ministry of Labour, Gender, and social Development (MLG&SD)	<ul style="list-style-type: none"> <li>• Issues of occupation health and safety for workers should be adhered to i.e., PPEs.</li> <li>• Permits to be obtained for workplaces.</li> <li>• Registration of workplaces</li> <li>• Gender considerations for women should be taken into to constitute 30% of the work force.</li> </ul>	<ul style="list-style-type: none"> <li>• Have been incorporated and implementation mechanism and monitoring costed as part of the INVITE environmental costs.</li> </ul>

Date	Stakeholders met	Summary of Key Issues and Concerns Raised during Consultations	Responses and comments
		INVITE should closely work with the Ministry of Labour gender and social Development for ensuring that compliances and audits are strictly enforced.	Occupational health and safety shall be taken into consideration as part of the project safeguards instruments.
7/11/2020	Batwa vulnerable and marginalized group	<ul style="list-style-type: none"> <li>• High poverty levels in the community caused by highly undependable climate, low produces, and low market prices, for their produce even if the community would depend farming.</li> <li>• There are very much segregated rated in terms of business opportunities.</li> <li>• The Batwa commonly known as beggars have received many initiatives from various NGOs including BPD, BMCT, and UOBDU, but have not yet embraced self-reliance. Kanungu District, for instance, has persistently provided various crop seeds through their agricultural initiatives but the Batwa have in turn sold such agricultural inputs.</li> <li>• Although they are known as hunters, they also do other forms of labour at low pay. Some do basic jobs or agriculture, while others make handicrafts and jewellery for sale to locals and tourists.</li> <li>• They also do sing, and dancing as form of entertainment for payment by visitors. Tourists pay some money to the dancing groups to been entertained.</li> </ul>	<ul style="list-style-type: none"> <li>• Sensitisation and awareness very crucial</li> <li>• Business opportunities under INVITE are very encouraged</li> <li>• Employment opportunity is very much part of the INVITE objectives</li> </ul>
12/12/2020	Ik-Vulnerable	<ul style="list-style-type: none"> <li>• The Ik are hunter-gatherers and they depend on honey and fruits from the forests. Those who are able to slope downhill are practice subsistence farming with small I portions of maize and beans. The Ik are not pastoralists and as a result, they have limited movements and have remained neutral in cattle rustling and other movement related conflicts affecting their neighbours.</li> <li>• Although the Ik community is positive to development, education levels have remained very low with high rates of school drop-out due to limited number of schools in the area and long distances to schools. There is not much economic activity in the Ik land due to poor roads</li> </ul>	<ul style="list-style-type: none"> <li>• Sensitisation and awareness very crucial</li> <li>• INVITE will endeavour to support livelihoods of the IPs.</li> </ul>



Date	Stakeholders met	Summary of Key Issues and Concerns Raised during Consultations	Responses and comments
		<p>and accessibility of the area. The Ik sell honey, which they harvest from the forests. Forests are an important preserve and source of means of survival and preservation of their unique identity.</p> <ul style="list-style-type: none"> <li>• There is high prevalence of alcohol abuse.</li> </ul>	

Table 0-3: Summary of stakeholder issues during the second consultations in 2022

Details of Stakeholder	Issues of concern / views raised	How the Project Design has addressed the issue
<p><b>District Natural Resources Officer</b> 5<sup>th</sup> November 2022</p>	<p>All development projects require preparation of Environment and Social Safeguards. In Yumbe the Natural resources and Community departments are always involved by development partners in preparation of environment and social safeguards.</p> <p>Currently the Yumbe district is implementing DRDIP project in partnership with OPM and the Community.</p> <p>The project has a component of environment restoration of degraded areas where communities are provided with grants to establish woodlots and tree nursery beds.</p> <p>In Yumbe the Natural Resources and Community departments are adequately staffed though financial envelope is still small to allow supervision of all projects.</p> <p>The Natural Resource department rarely regulates the private sector due to low funding and also most enterprises have low capital to implement safeguards for example very few provide employees with PPE.</p> <p>INVITE Project should in place structures to link private developers with the local government authorities in order to monitor safeguards implementation in their operations.</p>	<p>INVITE Project has developed the ESMF to facilitate integration of environmental and social risk management in subprojects to be supported both in public and private sector. District Local Governments shall be involved in E&amp;S screening and monitoring implementation in line with their mandate provided in the Local Governments Act.</p>
<p><b>Commercial Officer</b> 5<sup>th</sup> November 2022</p>	<p>The department of Trade mainly works with the private sector through providing advisory services and training of individuals and groups on enterprise management including bookkeeping, registering of businesses etc.</p> <p>Many SACCOs have been registered with the Registrar of Cooperatives for instance Yumbe Women Effort for Development, Bidibidi Soap</p>	<p>There are opportunities to support the manufacturing sector and also provide low interest rate</p>

	<p>Processors Cooperative Society, Yumbe Mango Farmers Association, Yumbe Ex-Combatants SACCO in Bidibidi.</p> <p>Yumbe District, the Private sector mainly comprises of retail businesses including dealers in common merchandise, grinding machines, carpentry and food stuff stalls.</p> <p>Women led enterprises are mostly dominated by food stuff vending, mobile money kiosks, small restaurants.</p> <p>Manufacturing is still low in the district due to high poverty levels and inadequate power supply. Most investors have preferred setting up factories in Arua City.</p> <p>Government through ACDP project implemented by MAAIF and funded by the World Bank has established Cassava Processing plants in 4 sub-counties to increase cassava production and value addition.</p> <p>The INVITE project should be informed that Yumbe district has a large population of the Moslem Community and some of these people do not accept credit with interest. The Commercial Office is working with Microfinance Support Centre to introduce Islamic Banking in Yumbe district.</p> <p>Many small-scale businesses obtain loans from Banks and Microfinance Institutions but their interest rates are very high, sometimes people fail to pay and end up closing the businesses.</p>	<p>loans to SACCOs and other beneficiaries, and this is line with the project design and objectives.</p>
<p><b>Director Blessed Bee Honey Company</b> <b>7<sup>th</sup> November 2022</b></p>	<p>Company processes honey, beeswax, and also manufactures modern Bee Hives.</p> <p>The company was severely affected by COVID19 as products could not easily be transported to Kampala the biggest market. A total of 250 Cartons of Honey were lost due to an accident during COVID19 period.</p> <p>Company works directly with over 2000 small holder farmers through purchasing honey and also providing extension services.</p> <p>The company is promoting growing of trees and crops that provide the best bee forage for the entire year, these include oranges, Avocado, Sunflower.</p> <p>The company also advising farmers to reduce chemical use on their farms as this affect Apiary production.</p> <p>The company is affected during the peak honey harvesting season (January – May) as some farmers are not willing to supply honey on</p>	<p>The company has opportunities and is encouraged to be a beneficiary of INVITE project and offer more jobs to the host community and refugees.</p>

	credit and end up selling to however offers cash, thereby affecting operations during off peak seasons.	
<b>District Community Development Officer</b> <b>5<sup>th</sup> November 2022</b>	<p>Department has implementing projects such as UWEP, Youth Livelihood fund, SFG for people with disabilities.</p> <p>Women led enterprises are picking up in the district especially dealers in food stuffs, agro-processing, supply of raw charcoal.</p> <p>Many people in Yumbe are used to interest free loans such as in Youth Livelihood Fund, EMYOOGA and PDM.</p> <p>The INVITE should put more emphasis on sensitisation of the communities and also eliminate political actors if it's to succeed.</p> <p>Some women are undertaking value addition enterprises in the district for example Shea nut processing factory in Goboro, Midigo and Odravu.</p> <p>Women are more compliant in terms of paying back loans compared to their male counterparts and always priotise business growth.</p>	The project has developed a SEP to facilitate meaningful and effective stakeholder engagement and involvement during preparation and implementation of the project. The project design targets women-owned businesses and will accordingly be prioritized during selection of the subprojects.
<b>Goboro Shea Nut Processors</b> <b>Goboro Shea Nut Processing</b> <b>7<sup>th</sup> November 2022</b>	<p>The factory was established with support from DCA an NGO working both refugees and Refugee host communities to uplift livelihood of rural women.</p> <p>The factory was established to help conserve the Shea Nut tree that's threatened by Charcoal burning in the area by providing the community with an alternative income source of collecting shea nut seeds and selling them to the factory.</p> <p>The small-scale factory processes raw shea nut into shea nut butter, currently the shea nut butter is marketed by DCA.</p> <p>The women need skills training in making cosmetics to increase income from the shea nut butter and make more profits from the enterprise.</p> <p>The cost of shea nut processing is high since cooking gas is used for heating the extracted product. This is expensive as gas refilling services are only available in Koboko Town about 100km away.</p>	The company has opportunities and is encouraged to be a beneficiary of INVITE project and gain access to cheaper capital/loans for expansion and offer more jobs to the communities that are recovering from impacts of COVID-19. The company should explore avenues of gaining access to grants facility in the project.

<p><b>Senior Livelihood &amp; Economic Inclusion Associate, UNHCR</b></p> <p><b>7<sup>th</sup> November 2022</b></p>	<p>From 2019 to date UNHCR has introduced Block farming in Refugee settlements to uplift the livelihood of refugees.</p> <p>UNHCR has also partnered with other organisations to help refugees for instance currently there is a Japanese Organisation called ITOCHU promoting growing of cotton in refugee settlements in Bidibidi.</p> <p>INVITE project should also focus on supporting the farmers (producers) especially the Refugee Hosting Communities as the manufacturing/agro-processing sector mainly depends on these people. This can be done through promoting affordable simple hand tools to increase productivity from the farms, water for production, storage facilities and extension services.</p> <p>Most financial institutions in Uganda have high interest rates on their loans making them unaffordable especially to vulnerable refugees who do not even own the land where they are settled.</p> <p>Financial institutions should be engaged to drop those high interest rates on loans and also provide businesses with enough grace period.</p> <p>The project should also focus on capacity development through engaging professionals to train the private sector in business management and human resource development. Also provide technical skills to lower local leaders as they are trusted by the people.</p> <p>The project should also consider strengthening the capacity of Rural farmers Associations as these can easily trace the loan defaulters.</p>	<p>The project has been prepared in consultation with UNHCR who happen to be a member of the INVITE Project Advisory Committee for Refugees. INVITE has therefore been designed taking into consideration and targeting the unique requirements of RHDs and Refugees. Besides the low interest loans, the project also contains the grants window specifically for RHDs and refugees communities.</p>
<p><b>Asst. Development Officer, UNHCR</b></p> <p><b>7<sup>th</sup> November 2022</b></p>	<p>Refugee communities are a vulnerable population with financial limitations, socially undermined and traumatised therefore should dealt with consciously.</p> <p>The project should look at providing short term loans as refugee communities are always on the move.</p> <p>Credit facilities should focus on productive enterprise that can generate daily incomes for the refugee women.</p> <p>Refugees do not own land, therefore any enterprises that will established on land should include the landlords who have a MoU with government.</p> <p>For sustainability, the project should be implemented in a group model rather than individuals. Group dynamic training enables management of groups.</p> <p>The project should define roles and responsibilities of each stakeholder during project implementation.</p> <p>Project should offer financial management to mitigate the risks involved.</p>	<p>INVITE has been designed taking into consideration and targeting the unique requirements of RHDs and Refugees. Besides the low interest loans, the project also contains the grants window specifically for RHDs and refugees' communities.</p> <p>The project is designed to target women-</p>

	<p>Safeguards</p> <p>Project should be inclusive in Gender, Age and Diversity. Active involvement of all stakeholders should be considered.</p> <p>The project should engage some of the implementing partners involved in livelihood improvement activities.</p> <p>Involvement of landlords in the project by clearly defining the roles.</p> <p>State clearly the time frame in land use agreements and define the role of each.</p> <p>Clear stakeholder matrix should be clearly be developed and every stakeholder should be aware of their role.</p> <p>Put into consideration the language factor – accessible to every stakeholder.</p> <p>Selection of beneficiaries should be developed and clearly defined.</p>	<p>owned businesses.</p> <p>The ESMF has provided sample document/ land-donation agreement that can be used to gain access to land for production.</p>
<p><b>Project Manager</b> <b>DCA, Yumbe Office</b> <b>7<sup>th</sup> November 2022</b></p>	<p>DCA implements activities in livelihood, energy and environment in both refugee settlements and refugee hosting communities.</p> <p>DCA has supported women groups in Gaboro, Odravu and Bidibidi in livelihood improvement activities including shea nut processing, briquette making and farming.</p> <p>Market for processed products is available in Yumbe but raw materials are inadequate.</p> <p>DCA has partnership with Mukwano to promote the growing of Oil Seeds including Soya bean, Sunflower and simsim.</p> <p>DCA engaged with Equity Bank, Post Bank and Vision Fund to provide credit to women groups in Refugee Host Communities and Refugees at subsidised interest rates so that communities can access capital to undertake productive enterprises.</p> <p>Vision Fund works with Refugee Communities by organising them in Groups of 30 individuals, since refugees have no collateral the group acts as a Security in case an individual fails to repay the loan.</p> <p>The project should involve government structures in Refugee Host Communities and OPM in Refugee Settlements.</p> <p>Engage communities through their local leaders as channels of communication.</p>	<p>The INVITE project will make use of existing structures in following the project's design and Project Operation Manual. Government structures in Refugee Host Communities, OPM and Refugee Settlements have been consulted and shall continue to be involved during project implementation.</p>
<p><b>Chairperson LCIII, Sub-County Chief, Production Officer, Aria S/C</b> <b>7<sup>th</sup> November 2022</b></p>	<p>The project is welcome and will go a long way to uplift the community from the current poverty situation.</p> <p>Local leaders should be involved in selection of beneficiaries.</p> <p>Currently government has established two Cassava processing plants in the sub-county to increase cassava growing in the area and also add value on the harvested crop.</p>	<p>INVITE has been designed taking into consideration and targeting the unique requirements of RHDs and</p>

	<p>Many projects offering credit to communities are failed by high interest rates, therefore let the project provide loans with low and / no interest rates.</p> <p>The project should use structures like Village Savings Loan Associations since each village in Yumbe has one and most of them are constituted by women.</p> <p>The project should also consider large scale production since land is freely available in Yumbe.</p> <p>Roles of different stakeholders should be clearly defined to prevent contradictions.</p>	<p>Refugees.</p> <p>Besides the low interest loans, the project also contains the grants window specifically for RHDs and refugees' communities.</p> <p>The project design includes participation and involvement of Local Government Leaders during project implementation. Component 2 of the project targets large scale manufacturing.</p> <p>The ESMF has provided some basic roles of key stakeholders and the POM will provide clearer definition of the roles of the different stakeholders.</p>
<p><b>Production Manager Bidibidi</b> <b>8<sup>th</sup> November 2022</b></p>	<p>Bidibidi Soap processors Cooperative is fully registered with the registrar of Cooperatives.</p> <p>The cooperatives comprise of 30 members from both Refugee Host Community and refugees, 70% of which are refugees.</p> <p>Members pay 50000/= as subscription fee and 10000 to buy shares.</p> <p>The Soap Factory was established by UNHCR to reduce on the cost of buying soap from outside sources and also provide skills and knowledge to refugees.</p> <p>The factory is currently supported by UNHCR in all its operations until has obtained a liquidity threshold to sustain itself.</p> <p>The cooperative is interested in obtaining credit to expand the production process, for instance the factory needs a Spray Drier.</p>	<p>The Cooperative has opportunities and is encouraged to be a beneficiary of INVITE project and gain access to cheaper capital/loans for expansion and offer more jobs to the communities that are</p>

		recovering from impacts of COVID-19.
<b>Commercial Officer</b> <b>8th November 2022</b>	<p>Private sector is still underdeveloped in Adjumani due to low production of raw, materials though the market potential is available.</p> <p>The district in partnership with GIZ organises Annual Trade Fair to enable MSMEs show case their products to potential clients.</p> <p>The commercial office works with private sector mainly through regulation making sure businesses are registered and also providing advisory services where possible.</p> <p>Manufacturing is mainly dominated by small grinding machines processing cereals like maize, millet and cassava.</p> <p>Most community members are reluctant to pay back loans provided by government claiming its their turn to eat.</p> <p>Under UWEP, women are provided interest free loans and they willing paying back compared to male counterparts under MYOOGA SACCOs.</p> <p>The project should first consider knowledge transfer to the private sector before offering credit and clearly explain the payment plans.</p> <p>The project should also include the service sector like hotels, Local Tourist companies.</p>	The project targets multiple sectors to participate and obtain low interest loans or grants depending on the eligibility criteria. Women owned/ led businesses are specifically targeted by the project.
<b>DCDO Adjuman</b> <b>8th November 2022</b>	<p>The private sector in Adjuman is not very vibrant especially processing and manufacturing. Agro-processing is mainly dominated by small scale grinding machine for maize, millet, sorghum and cassava.</p> <p>The project should start with capacity building of potential investors since most of them are illiterate especially with matters concerning financial management.</p> <p>The project should involve current structure in engagement of the community especially local leaders like L.C1 Chairpersons.</p> <p>The community department is not well facilitated to engage the private sector especially mobility,</p> <p>The project implementors should be strict with commercial banks as these hide information about government projects from the community.</p>	<p>The project shall engage the existing government structures and private structures in line with the guidance provided in the project's SEP.</p> <p>All beneficiaries shall be assessed in accordance with the set criteria.</p>
<b>Senior Commandant OPM Adjuman</b> <b>8th November 2022</b>	<p>The project is timely because OPM and UNHCR are facing financial constraints and food rations and cash handouts for refugees have drastically reduced.</p> <p>Many households in Host and refugee communities have joined to form VSLAs so this should be used as a starting point for the project.</p>	The project is designed to benefit RHDs and refugee populations. So, the proposals shall be considered as



	<p>Project should put in place mechanism to monitor the Enterprises being selected to obtain credit as some people borrow money and use it for unintended purposes.</p> <p>Many people have run away from settlements due to failure to pay loans leaving behind children who are becoming a burden to the authorities in the settlements.</p> <p>There are some financial partners that have been working with refugees' business community offering short-term loans including Beyond Borders and Vision Fund. These should be consulted during project implementation to provide lessons learnt from working with refugee communities.</p> <p>Group farming should also be considered among the enterprises to be selected so as to complete the supply chain.</p> <p>Under DRDIP project, OPM has been able to provide business Grants to 41 villages in Adjuman district, groups are formed at village level and each group receives 55million shilling as Revolving Fund.</p>	per project operational manual.
<p><b>DNRO, Adjuman</b> <b>9th November 2022</b></p>	<p>Access to land – selected investors acquire land legally without causing conflicts in the community.</p> <p>Issues of waste management from manufacturing and processing both liquid and solid should be considered in project implementation to avoid polluting the environment.</p> <p>Access to energy – evacuation of power to agro-processing and manufacturing industries should be done before environmental assessment and approval from NEMA.</p> <p>Labour issues – employees working in the private sector should be treated according to the labour act.</p> <p>Issues of GBV and child labour due to sprouting of industries within the district.</p> <p>Provision of security at manufacturing facilities to prevent vandalism.</p> <p>Put in place mechanisms of handling land conflicts in case they arise during project implementation.</p> <p>Destruction of natural vegetation due to opening up large farms to supply the increased agro-processing plants.</p>	The project has prepared ESMF to facilitate assessment and management of E&S risks and impacts during implementation. All the issues raised shall be handled as guided in the project ESMF.
<p><b>Senior Environment Officer, Gulu</b> <b>9th November 2022</b></p>	<p>Issues of environmental and social safeguards are always neglected by the private sector, even monitoring their activities is not easy.</p>	The project has prepared ESMF to facilitate assessment and

	<p>The project should put conditions for potential beneficiaries like most World Bank projects to recognise and implement environmental safeguards.</p> <p>Safety of employees in agro-processing and manufacturing industries should be priority.</p> <p>Management of solid and liquid waste by manufacturing facilities is still wanting as some of them release pollutants into the environment before treatment.</p> <p>The project implementors need not to overlook local government staff especially when it comes to issues of safeguards implementation.</p>	<p>management of E&amp;S risks and impacts during implementation. All the issues raised shall be handled as guided in the project ESMF.</p>
<p><b>DCDO, Gulu</b> <b>10th November 2022</b></p>	<p>Project implementation should involve key stakeholders right from the village level to uppermost level.</p> <p>Communities should be engaged and trained on how the project will be implemented.</p> <p>The project should include all gender to avoid issues of GBV as women are supported, their spouses may become agitated.</p> <p>Financial institutions should be involved as these have already established loan recovery structures.</p> <p>Project should be introduced as a government project because politicians will take it over and intended benefits may not be realised.</p> <p>The department is well staffed but poorly funded in terms of the operating budget and other resources. Many staff at lower local governments have no mobility means.</p> <p>Project should focus on women led enterprises that already in existence and women Savings groups can be a starting point.</p>	<p>The project has developed a SEP to guide stakeholder engagement and shall be followed and used during project implementation.</p> <p>Project implementation shall use local government structures as per their mandate provided in the Local Governments Act. Women owned/ led businesses are targeted by design and accordingly shall be prioritised.</p>
<p><b>Commercial officer,</b> <b>Gulu City</b> <b>10th November 2022</b></p>	<p>Many businesses collapsed during COVID19 lockdown and some of these had loans which they failed to pay.</p> <p>The project will be a saviour to the private sector in Gulu who depend on commercial banks and Microfinance Institutions for credit facilities, where interest rates are so high.</p> <p>Assessment of potential beneficiaries should be done in collaboration with local government technical staff to prevent choosing the wrong people.</p> <p>The project should all vital stakeholders like the Gulu Chamber of Commerce and Association of Agro-processors.</p>	<p>The project is designed to provide low-interest loans and implementation shall be guided by the procedures clearly set in the Projects Operational Manual.</p>

	Modalities of group formation should not involve politicians as these may sabotage the project.	
<b>Environment Officer, Lira</b> <b>11th November 2022</b>	<p>Project should undertake sensitisation of all stakeholders and beneficiary communities especially on the benefits of implementing environment and social safeguards.</p> <p>Pollution from emerging manufacturing factories especially in urban centres.</p> <p>Land Conflicts may crop as more factories built in Lira.</p> <p>Waste management issues especially with manufacturers and agro-processors.</p> <p>INVITE project should involve the local government technical staff in implementation of safeguards.</p>	The project ESMF and SEP provide guidance on handling and management of all the E&S issues raised pertaining to stakeholder engagement, resource efficiency and land issues.
<b>Commercial Officer Hoima City</b> <b>14th November 2022</b>	<p>The commercial office should be involved in project implementation as it regulates and monitors activities of SACCOs.</p> <p>MSMEs to benefit from the project should be clearly assessed to ascertain their productivity in terms of business.</p> <p>Hoima city has several agro-processors including Rice processors, Maize Mills, Coffee Processing and some cotton ginneries.</p>	District structures shall be involved and engaged in line with their mandate as per the Local Governments Act.
<b>Community development officer</b> <b>14th November 2022</b>	<p>The project should engage all stakeholders including the Technical, political and community before implementation.</p> <p>Hoima City community department is underfunded, the project can help in providing some resources like transport.</p> <p>The department handles all complaints from the community but most common one are land related.</p> <p>Grievance redress committee is in place composed of 5 members and headed by the Deputy Town Clerk.</p> <p>The private sector especially agro-processors do not provide a conducive working environment for their employees especially providing PPE and regular paying of salaries.</p> <p>Women led enterprises should provided with a special grant free of interest to enable them compete effectively with their male counterparts.</p>	<p>The project ESMF, SEP and Operational Manual will provide guidance on handling and management of the raised E&amp;S issues.</p> <p>By design, the project will target and prioritise supporting women-led enterprises.</p>

<p><b>Environment Officer Kikuube district</b> 15th November 2022</p>	<p>The project should select manufacturers who established their factories following the district physical plan.</p> <p>Noise exposure to workers and neighbouring communities to agro-processing/manufacturing facilities.</p> <p>Gender sensitivity – workforce for the manufacturing industries should be inclusive.</p> <p>Safety of the workforce should be prioritised; provide PPE, First AID Kits at the facilities.</p> <p>Compensation of workers injured at these processing/manufacturing facilities.</p> <p>Agro-processing may have indirect negative impacts on the environment for Increase in the Rice Hullers has encourage farmers to grow more rice and there encroaching on wetlands.</p> <p>Waste management – Kikuube district does not have a designated solid waste landfill, increase in agro-processing/manufacturing leads to accumulation of waste,</p>	<p>The project ESMF has provided the required guidance for assessing and managing all the raised E&amp;S issues.</p>
<p><b>Senior Environment Officer Mbarara City</b> 17th November 2022</p>	<p>All investments within the city have to approved by physical planning committee and should be in line with City Physical plan.</p> <p>All investments to be funded under the project should carry out environment assessment and approval from NEMA.</p> <p>The department is underfunded compared to the activities implemented.</p> <p>Small scale agro-processors are ignorant about environment and social safeguards therefore serious sensitisation is required regarding safeguards.</p> <p>Capacity building in form of training on environment and social safeguards is required for all technical staff in the city to bring to speed.</p> <p>City Environment personnel sometimes find it difficult to monitor and supervise large manufacturing plants as these deny them access to the factory premises.</p>	<p>The project ESMF has provided the required guidance for assessing and managing all the raised E&amp;S issues.</p>

	<p>Private sector (Agro-processors and manufacturers hide information from the environmental officers during monitoring.</p> <p>The department lacks gadgets to measure air quality pollution, water quality and Noise.</p>	
<p><b>District Community Development Officer Mbarara</b> 17th November 2022</p>	<p>Department rarely regulates the private sector unless issues have been report in the office.</p> <p>Department has a mandate of monitoring social safeguards for government projects especially construction projects.</p> <p>The department is not adequately funded, so the project should spare resources for monitoring activities.</p> <p>The ministries stop alienating local government staff from project implementation as if they don't exist.</p> <p>The project should provide a budget for social safeguards implementation.</p>	<p>The project ESMF has provided the required guidance for assessing and managing all the raised E&amp;S issues. During implementation, the provide will explore and consider avenues of improved coordination of institutions on E&amp;S management.</p>
<p><b>Commercial Officer Mbarara District</b> 17th November 2022</p>	<p>The commercial officer regulates the private sector through training and guiding on the best practices for management of enterprises.</p> <p>The project should provide funds for training the private sector as many are illiterate about regulations and laws governing the sector.</p> <p>Beneficiaries should be selected in consultation with Commercial Office as the office is well versed with the business environment in Mbarara,</p> <p>The project should also look at including the service sector like tourism and hotels as these were equally by affected by COVID19.</p> <p>Resources and capacity of the Trade department is inadequate – need resources to regulate the private sector as its very big.</p>	<p>The project shall engage the existing government structures and private structures in line with the guidance provided in the project's SEP.</p> <p>All beneficiaries shall be assessed in accordance with the set criteria.</p>
<p><b>ICT Manager, Rwanyamahembe SACCO</b> 18th November 2022</p>	<p>Public owned SACCO registered by Registrar of Cooperatives and boosts of 1400 membership.</p> <p>SACCO has partnerships with Strategic Organisation in providing credit services including ABI Trust, SNV for Solar Energy, MSC for Cheap Loans.</p>	<p>The project targets multiple sectors to participate and obtain low interest loans or grants</p>

	<p>Becoming a member, a person has to buy 1 share of 10,00ugx, pay membership fee and Stationery fee.</p> <p>The SACCO is planning on planting trees in major towns where it has branches starting with Buzibwera to mitigate Global warming and climate change affecting its clients.</p>	<p>depending on the eligibility criteria. Women owned/ led businesses are specifically targeted by the project.</p>
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Consultations with District Natural Resources Yumbe



Consultation with the Director Blessed Bee Honey Company, Yumbe



Meeting with Ocea Refugee Women Group in Rhino Camp Settlement



Meeting Goboro Women Group - Shea Nut Processing Factory



Meeting with Bidibidi Soap Factory Workers



Consultation with Community Development Officer, Gulu City

## Disclosure

Consistent with the requirements of the ESF (ESS-10), and Uganda’s NEA 2019; all the environmental and social risk management instruments and reports shall be disclosed, at host communities’ level, Municipal and/or district level. Disclosure of documents shall be undertaken through the websites of PSFU, PFIs, MSMEs, SMEs, NEMA, and respective host Municipal/Town Councils, and/or Districts. Disclosure at the District and Community level shall be undertaken by the host District Environment Officers and Community Development Officers, by display of hard copies of project reports for public access at the



district Offices, or Municipal/Town Council Offices. Comments shall be compiled by the respective local governments and passed on to PSFU, and PFIs for consideration and incorporation into project design, as much as possible. The timeline for disclosure and consultation must allow time for collecting relevant feedback from the persons or groups who have accessed these documents. When major revisions to the key documents (ESA, ESMP, RAP) are required during the implementation of a subproject, the client will also be encouraged to disclose updates in the country and on Internet.

This Section presents a summary of the generic potential positive and negative environmental and social impacts, and the measures or good practices to prevent, mitigate and compensate the negative impacts. For easy comprehension and use of these guidelines, the impacts and measures are presented in a generic function of the project issues that are common in most projects' phases. Before presenting the negative impacts and their mitigation in the next Sections, here are **summary positive environmental and social impacts of the proposed project activities**:

- i) **Improved quality of life:** The project will have significant benefits in particular with regards to the improvement of earnings, resulting in improved health and wellbeing, especially in terms of being able to afford quality health services. It will offer businesses and individuals economic opportunities that include income-generating activities as well as entrepreneurial exposure.
- ii) **Employment Source:** the project is aimed at improving source of employment (including women) and generate direct income benefits to local households throughout the country, and with a lot more focus on Refugee Hosting Districts. The project will contribute to poverty reduction as well as to the improvement of socio-economic and health indicators of the project host areas;
- iii) **Benefits to Women and the girl-child:** Enhance women participation in household and socio-economic activities through sustainable water supply. This means that, women and girls do not have to spend more time collecting water which will support women's participation in social and economic activities, and girls' time to play as well as go to school is greatly enhanced.
- iv) **Improved processing of products:** Improvement in local processing of agricultural products and market access;
- v) **Access to grants:** increased access to grants resulting in increased household income; expansion and or diversification of businesses and development of agriculture and manufacturing related products and innovations.

The complete list of positive impacts is presented under Table 6-1 below.

**Table 6-1: Generic Positive Environmental and Social Impacts of the proposed project**

Beneficiary	Benefits	Enhancement Measures
2. Agriculture investments (crops and animals)	<ul style="list-style-type: none"> <li>• Increase household income.</li> <li>• Increased access to credit</li> <li>• Improved welfare indicators (education, health Increase household assets ownership)</li> <li>• Reduced prevalence of child malnutrition</li> <li>• Increased farm output (crops and animals) production</li> <li>• Better quality yields</li> <li>• Improved farmer group organisation and self-governance</li> </ul>	<ul style="list-style-type: none"> <li>• Involve extension workers from the districts to work with the farmers by encouraging good agriculture practices</li> <li>• Have farmers credit loans processed quickly and at a lower cost</li> </ul>
3. Processors/ traders/ service providers	<ul style="list-style-type: none"> <li>• Improved quality grains (no aflatoxins)</li> <li>• Increased linkage with raw material producers.</li> <li>• Expansion and or diversification of businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Training to processors and traders on quality handling of the crops and animal products by trained district support facilities</li> </ul>
4. Semi-commercial and commercial smallholders	<ul style="list-style-type: none"> <li>• Market linkages</li> </ul>	<ul style="list-style-type: none"> <li>• Cooperative unions and associations to help in market &amp; better prices for produce and products</li> </ul>
5. Women	<ul style="list-style-type: none"> <li>• Increased incomes and change in household indicators.</li> <li>• Reduced workload burden and use of mechanisation.</li> <li>• Increased decision making along the value chain.</li> <li>• Improved opportunities for capacity building in business management and financial literacy.</li> <li>• Increased production.</li> <li>• Increase access to credit.</li> <li>• Increased access to land for production (buying, hiring)</li> <li>• Diversified sources of incomes including value addition to agriculture crops and animals.</li> <li>• Increased access to quality inputs, agro-chemicals.</li> </ul>	<ul style="list-style-type: none"> <li>• Sensitization and awareness on good agriculture practices and better means of production by use of good quality seeds, mechanisation, fertilisations etc</li> <li>• Cheaper credit facilities</li> </ul>

Beneficiary	Benefits	Enhancement Measures
	<ul style="list-style-type: none"> <li>• Increased share of income from produce.</li> <li>• Increased self-esteem.</li> <li>• Reduced GBV cases.</li> <li>• Participation in farmer group and community leadership</li> <li>• Increased access to market information</li> </ul>	
6. Input Suppliers/ transporters	<ul style="list-style-type: none"> <li>• Increase linkage with producers.</li> <li>• Reduction in Transport cost</li> </ul>	<ul style="list-style-type: none"> <li>• Increase access to better roads and reduction in fuel and charges on means of transport</li> </ul>
7. Financial institutions	<ul style="list-style-type: none"> <li>• Increased linkage with smallholder producers in different crops</li> <li>• Development of agriculture and manufacturing related products and innovations</li> </ul>	<ul style="list-style-type: none"> <li>• Sensitisation and awareness on good agriculture and value additions</li> </ul>

**Sources of Negative Environmental and Social Impacts**

Grants supported activities aim to expand sustainable private sector growth implemented by the Private Sector Foundation of Uganda (PSFU). The project will be implemented countrywide and across multiple industry sectors, with the coverage of this ESMF being confined mainly to RHDs. E&S risks and impacts are expected to be influenced by various factors and characteristics that are different for each subproject. They shall therefore be analysed based on idiosyncratic features of each component and managed using specific fit-for-purpose instruments and tools that are commensurate with the level of risks and impacts, as well as specific modalities of project design.

The INVITE project may pose negative environmental and social impacts during construction, operation as well as during decommissioning phases, especially due to the following activities:

- i) The scope and type/ nature of the ongoing subproject activities to be supported by the project, including consideration of expansion and/or establishment of new subproject activities/investments;
- ii) Clearance and levelling of some areas and major earthworks;
- iii) Water supply and sanitation issues;
- iv) Improvement of existing drainage and introduction of new drainage, including culverts if required;
- v) Rehabilitation and expansion works will require demolition of existing infrastructure (and will generate rubbles and waste that will need to be disposed properly);
- vi) Both the new civil works and the rehabilitation works may require new land/additional land acquisition;

- vii) Civil works for new structures as well as rehabilitation works will affect the communities both physically (air and water pollution, nuisance and contamination etc.); and socio-economically (land use, income generation, mobility and community association);
- viii) Generation of solid waste and effluent waste from various industrial manufacturing processes and phases of project/s implementation, including impacts associated with establishment and operation of wastewater treatment facilities;
- ix) Increase in numbers of people within the project location/areas will result in depletion of natural resources, impacts on host community who may be temporarily displaced during construction period, pollution of public waters and degradation of soils. Consequently, several environmental components may be affected in one way or another by such activities;
- x) Labour influx arising from construction activities will increase interaction of different types of people resulting in social and health problems caused by various diseases transmitted among these people, GBV and social disharmony issues, insecurity, and arising from high pressure on social and health services such as medical services;
- xi) Exclusion of vulnerable or disadvantaged individuals or groups from project activities and benefits;
- xii) Operational and maintenance phase impacts including waste generation, health and safety issues, and most of the impacts described above, may occur if not well assessed and managed during implementation;
- xiii) Decommissioning and maintenance: Where temporary roads and facilities used in the construction phase are no longer required (if, for example, they are not required for maintenance) they should be decommissioned and rehabilitated in accordance with a site-specific closure plan developed in consideration of international good practice. The decommissioning process will include site clearance, removal of all equipment, appropriate disposal of waste materials, soil ripping and re-grading where necessary. Water supply systems are normally intended to operate for a prolonged period, and so it would not be appropriate for closure or decommissioning plans to be prepared until a few years prior to this occurring. In case the community is interested to maintain those access roads and/or associated infrastructure occasioned by the project, the project could consider it as an option and clearly document the takeover process, in consultation and approval of the local and regulatory Authorities (NEMA) / Government Agencies (DOSHS).

### **Description of the Potential Environmental and Social Impacts and Generic Guidance on their Management / Mitigation**

The potential negative and positive environmental and social (E&S) impact depends on the project phase and the type of sector: planning and design, construction, operation and maintenance, and decommissioning. Each of the project phases has environmental and social consequences on the different environmental and social components such as soil, water, air and society. Some of the impacts will be felt during the construction and rehabilitation phases, while others will be felt during the operation and maintenance phases. It is understood that most of the projects which will be supported by the project will be in existence and in operation. However, it is also anticipated that some subprojects may wish to expand

their operations and activities and consequently involve infrastructure related developments, especially under Component 2. This Section presents generic guidance for management of E&S impacts of in typical Subprojects, which shall be adopted and customized to specific subprojects during implementation phase.

Table 6-2 below presents potential generic E&S impacts that could arise from implementation of subprojects covering various sectors and activities, and their respective suggested mitigation measures:

**Table 6-1: Anticipated Negative impacts – Generic covering all Sectors**

Impact	Impact Mitigation/Enhancement Commitments
Vegetation clearance	<ul style="list-style-type: none"> <li>• Careful siting of all project components, to minimise extent of vegetation clearance.</li> <li>• Land clearing should be limited to within the sections of the subproject’s premises designated for construction works.</li> <li>• Upon completion of the project construction works, tree planting within the premises should be undertaken in accordance to decommissioning plan.</li> <li>• Rehabilitation of cleared areas with native species, and ecosystem restoration in habitats of conservation value, using specialist advice and input so as to maintain the integrity of the habitat, backed up by a long-term monitoring programme and corrective actions as necessary.</li> </ul>
Potential loss of fauna	<ul style="list-style-type: none"> <li>• Careful site selection and siting of all project components, with advice from biodiversity authorities/wildlife specialists.</li> <li>• Careful planning of phasing and timing of construction activities.</li> <li>• Demarcation and avoidance of areas of conservation interest (high value species, feeding or breeding sites, migration routes, etc.) where possible, and wildlife rescue and translocation where appropriate, under expert supervision.</li> <li>• Awareness creation amongst the workforce on biodiversity conservation</li> <li>• Workers to sign code of conduct to conserve biodiversity.</li> <li>• Minimize vegetation clearance at the site to leave habitat for fauna.</li> <li>• To minimize death during site clearance, attempts to scare the fauna from the sites should be done.</li> <li>• Every effort should be made to save and release any amphibian and reptiles encountered during site clearance and during construction into the environment outside the construction site.</li> <li>• If trees are to be removed, ensure that no bird is breeding from there. If birds are breeding from the trees, tree removal should be done outside the breeding season, or birds relocated under expert supervision of UWA.</li> <li>• Clearance during construction should be done cautiously and carefully as to give time and chance to small mammals to escape from their hiding places.</li> <li>• Avoid unnecessary killing of small mammals’ like rodents that may hide in construction materials deposited at the sites.</li> </ul>
Bushmeat Hunting	<ul style="list-style-type: none"> <li>• Bushmeat Hunting and Wildlife Trade Management Plan, agreed with government authorities and implemented jointly.</li> <li>• Prohibition on workforce hunting, selling, or purchasing bushmeat, and training to support this requirement.</li> <li>• Prohibition on workforce (except security personnel) having guns in work areas or accommodation.</li> </ul>

Impact	Impact Mitigation/Enhancement Commitments
	<ul style="list-style-type: none"> <li>• Sensitisation and public awareness campaigns against hunting and bushmeat the trade amongst local communities.</li> </ul>
Invasive Species	<ul style="list-style-type: none"> <li>• Invasive Species Management Plan, which should be developed and implemented in consultation with authorities, including appropriate eradication measures for different species/groups of species.</li> <li>• Staff training and awareness raising in communities.</li> <li>• No introduction of exotic species (e.g. for site rehabilitation) without specialist vetting and government approval.</li> </ul>
Water Resource use	<ul style="list-style-type: none"> <li>• Water study prior to any abstraction, to inform a Sustainable Water Management Plan.</li> <li>• No abstraction without prior approval of relevant authorities at all locations.</li> <li>• Promotion of water efficiency (including leak detection, preventative maintenance of equipment) and water recycling.</li> </ul>
Impacts on Physical Cultural Resources	<ul style="list-style-type: none"> <li>• Careful site selection and siting of all project components, taking account of community consultation/specialist surveys.</li> <li>• Development of a Cultural Heritage Management Plan covering tangible and intangible (e.g. local traditions and practices) cultural heritage.</li> <li>• Preparation and Implementation of a “Chance Finds” procedure during construction.</li> <li>• Monitoring for all ground disturbing activities shall be undertaken by the environment and social safeguards team.</li> <li>• The contractor shall halt construction activities if earthworks encounter PCR.</li> <li>• include “chance finds”/ archaeological features on toolbox talks for workers.</li> <li>• Avoid undue disturbance to areas outside approved construction areas.</li> </ul>
Soil erosion and Sedimentation	<ul style="list-style-type: none"> <li>• Early installation and regular maintenance of drainage and diversion structures, silt traps, etc; drainage outlets to discharge into vegetated areas if possible; vegetation along watercourses and drainage lines to be retained if possible.</li> <li>• Retention of topsoil for restoration (including tilling and revegetation) as soon as practicable.</li> <li>• Minimisation of cleared areas and soil disturbance, with revegetation as soon as feasible (with native species if not crops).</li> <li>• The project site should be cordoned off during the project implementation phases.</li> <li>• If possible, site clearance should be undertaken during the dry season, with watering down of surfaces to avoid dust nuisance.</li> <li>• Need to attend to storm water drainage on construction site, to prevent flooding.</li> </ul>
Impacts relating to construction materials extraction and transport	<ul style="list-style-type: none"> <li>• Sourcing materials from sites operating in compliance with national environmental and social requirements e.g. having NEMA EIA Certificate, having undertaken mandatory Annual E&amp;S Audits, clearance from the Local Authorities, having operational &amp; effective GRM in place, etc.</li> <li>• Adequate and appropriate road signs should be erected to warn road users of the construction activities. For example, reduced speed near the construction site access road.</li> </ul>

Impact	Impact Mitigation/Enhancement Commitments
	<ul style="list-style-type: none"> <li>• Raw materials such as stones and sand should be adequately covered within the trucks to prevent any escaping into the air and along the roadway.</li> <li>• Trucks transporting raw materials should be made to enter the proposed site through one access point and leave through another.</li> <li>• The trucks should be parked on the proposed site until they are off loaded. This will prevent the build-up of trucks along the access roads.</li> <li>• The use of flagmen should be employed to regulate when trucks have access to the construction site.</li> <li>• All machine operators and drivers to sign separate code of conduct requiring them to comply with traffic rules and project specific requirements, no speeding, no work under the influence of drugs/alcohol, to always inspect their vehicles before and after work every day and report any anomalies for repair in time, ensuring they do not carry unauthorized passengers, etc.</li> <li>• Install speed control structures along materials haulage route/s e.g. humps, to check speed and associated risks of accidents and dust pollution impacting the host communities.</li> </ul>
Proliferation of construction waste	<ul style="list-style-type: none"> <li>• Prepare a waste management plan prior to commencement of work following the waste hierarchy, including appropriate waste storage areas, collection &amp; disposal schedule, supported by staff training. All applicable waste licenses shall be obtained from NEMA (Storage, Transportation).</li> <li>• Burning of waste on site or in waste containers should be prohibited.</li> <li>• The construction and demolition wastes should be sorted and separated to encourage the recycling of reusable wastes to reduce the waste volumes for disposal.</li> <li>• Good construction practices and site/waste management measures should be observed to ensure that all solid waste, fuels and solvents are stored in banded areas.</li> <li>• Excavated materials or other construction materials shall not be stockpiled or deposited near or on-stream banks, lake shorelines, or other watercourse perimeters where they can be washed away by high water or storm runoff or can in any way encroach upon the watercourse itself.</li> <li>• Install signage/labels indicating nature of the stored waste materials on waste storage containers or facilities. Waste storage areas shall be sheltered, paved, and banded for oil containment.</li> <li>• Licensed vehicles and waste handlers to transport wastes.</li> </ul>
Impact on Air Quality from both vehicular emissions and dust nuisance	<ul style="list-style-type: none"> <li>• Sensitive site selection and siting of construction facilities.</li> <li>• Use of modern equipment meeting appropriate emissions standards, and regular preventative maintenance.</li> <li>• Dust control and suppression measures, such as dampening, use of vegetation hedges.</li> <li>• No use of ozone depleting substances during construction.</li> <li>• Ensure appropriate manufacturer silencers and baffles are fitted for the specific project machinery.</li> <li>• Enforce vehicle speed restrictions.</li> <li>• Switch off all machinery when not in use.</li> <li>• Hoarding of sites and use of dust screens.</li> </ul>



Impact	Impact Mitigation/Enhancement Commitments
	<ul style="list-style-type: none"> <li>• Cover and/or maintain appropriate freeboard on trucks hauling any loose material such as sand, cement and bricks that could produce dust during haulage process.</li> <li>• Re-vegetate rehabilitated disturbed areas as soon as possible after clearing with native trees and lawn grass.</li> <li>• Vehicle speed restrictions 20 kph within worksites.</li> <li>• Provide appropriate PPEs (dust masks) to construction workers to mitigate exposure to dust nuisance.</li> </ul>
Noise and ground vibrations generation	<ul style="list-style-type: none"> <li>• Sensitive local access road route selection and siting of construction facilities, accompanied where necessary by noise attenuation measures.</li> <li>• Use of modern, well maintained equipment fitted with abatement devices (e.g. mufflers, noise enclosures).</li> <li>• Strict controls of timing of noisiest construction activities; prohibition on night working, restricting working hours from 7 am to 6 pm.; regulating any works into the night hours (as it may become necessary to redeem time), permission should be sought from NEMA, and local authorities and neighbours informed accordingly. Such works should majorly be tasks which don't generate a lot of noise.</li> <li>• Observance of seasonal sensitivities (e.g. breeding seasons), and alteration of activity to reduce noise levels at that time.</li> <li>• Sensitise workers on effects of noise and vibrations through toolbox meetings.</li> <li>• Truck drivers and equipment operators to switch off vehicle engines while offloading materials and when not in use.</li> <li>• Install silencers to heavy duty equipment such as the generator, compactors among others to reduce on the generated noise levels.</li> <li>• Provide earplugs or earmuffs to workers working in noisy conditions.</li> </ul>
Occupational Health and Safety Risks	<ul style="list-style-type: none"> <li>• Employment practices and working conditions should conform to International Labour Organisation (ILO) Standards and national regulations.</li> <li>• Rest and recreational facilities and time should be provided, and rules on alcohol and drugs defined and clearly communicated to workers.</li> <li>• The basis for differences in the standard of accommodation should be non-discriminatory; it should be documented and communicated transparently to the workforce.</li> <li>• Clear and comprehensive health and safety reporting and grievance procedure system should be established and be freely available to all of the workforce.</li> <li>• Contractors to undertake training of workers on how to use PPEs and why they must use them. Contractors should enforce the use of PPEs as well as undertake regular sensitization.</li> <li>• Contractors to carry out pre-employment medical examinations of workers to assess for their fitness to work basing on the hazards they are exposed to (i.e., hazard-based medical examination).</li> <li>• Health surveillance – the contractors to carry out Health surveillance for all workers to monitor their health status.</li> </ul>

Impact	Impact Mitigation/Enhancement Commitments
	<ul style="list-style-type: none"> <li>• Contractors to develop emergency plans before construction commences and also carry out awareness programs like fire outbreak among the workers especially on aspects of what to do in case of an emergency.</li> <li>• Contractors to have a human resource policy and Labour force management plans to guide the recruitment and terms of employment/contracts for all workers on the project.</li> <li>• Undertake risk assessment of all tasks before commencement.</li> <li>• Maintain an incidents/accidents log/register and undertake reporting of serious/severe cases to PSFU, MGLSD and World Bank within 24 hours of occurrence.</li> <li>• Undertake root cause analysis (RCA) of all incidents/accidents within 10 days after occurrence, develop and implement safeguards corrective action plan (SCAP) to avoid or minimize repeat.</li> </ul>
Traffic Impacts	<ul style="list-style-type: none"> <li>• The contractors should develop a traffic management plan for the transportation within and around the construction site.</li> <li>• Determine the main access and exit points for the sites throughout the project duration, along with scheduled changes in these accesses and exit points, if applicable.</li> <li>• Prepare a plan for communication with residents and businesses surrounding the construction site. Effective communication with local stakeholders is essential to minimize the grievances and inconvenience to the surrounding community.</li> <li>• The Contractor’s vehicles and equipment must be in proper working condition and have registration plates, and numbering.</li> <li>• The project drivers and Operators shall ensure proper driving discipline by through signing of a Special Code of Conduct for Drivers and Operators, and sanctions those in breach.</li> <li>• Maintain a log detailing every violation and accident on site or associated with the construction activities.</li> <li>• Use of flagmen to direct traffic especially construction vehicles.</li> </ul>
Security	<ul style="list-style-type: none"> <li>• PSFU will make reasonable inquiries to verify that the direct or contracted workers retained by the Borrower to provide security are not implicated in past abuses.</li> <li>• Adequately train security personnel (or determine that they are properly trained) in the use of force (and where applicable, firearms), and appropriate conduct toward workers and affected communities.</li> <li>• Require Security personnel to act within the applicable law and any requirements set out in the ESCP.</li> <li>• All security personnel should be trained on how to handle crowds and use of appropriate force where necessary.</li> <li>• Hoarding/Fencing of the whole sites to limit access and keep-off wrong elements.</li> <li>• The casual laborers hired at the site shall be screened with the help of the local leaders so as to screen the wrong elements.</li> <li>• Develop a Code of conduct for security guards, and workers.</li> </ul>

Impact	Impact Mitigation/Enhancement Commitments
	<ul style="list-style-type: none"> <li>• PSFU will review all allegations of unlawful or abusive acts of security personnel, act (or urge appropriate parties to act) to prevent recurrence and, where necessary, report unlawful and abusive acts to the relevant authorities.</li> </ul>
Increased risk of HIV/AIDS spread	<ul style="list-style-type: none"> <li>• Implementation of HIV/AIDS education program.</li> <li>• Information campaigns on STDs among the workers and local community.</li> <li>• Education about the transmission of diseases.</li> <li>• Provision of condoms.</li> </ul>
Risk of Contracting and Spreading Covid19 and Ebola virus disease	<ul style="list-style-type: none"> <li>• Sensitize all project employees about the signs and symptoms of COVID-19 and Ebola VD as well as the ways to control their spread.</li> <li>• Screen local employees/contractors for COVID-19 and Ebola during recruitment.</li> <li>• Management of potential COVID-19 cases</li> <li>• Wear masks</li> <li>• Practice social distancing</li> <li>• Prioritize sanitation</li> <li>• Limit physical contact</li> <li>• Enhance whole-of-society coordination mechanisms to support preparedness and response, including the health, transport, travel, trade, finance, security, and other sectors.</li> <li>• Continuously sensitize the workers and pass on any new guidelines by Government (MoH).</li> </ul>
Risk of Child labor and school dropout	<ul style="list-style-type: none"> <li>• The contractor/project proponent should have a child protection plan.</li> <li>• Ensuring that children and minors are not employed directly or indirectly on the project.</li> <li>• Communication on hiring criteria, minimum age, and applicable laws, including requiring all workers to present a valid National ID to be used to verify their age before employment.</li> </ul>
Gender-based violence	<ul style="list-style-type: none"> <li>• Safeguard women and girls from any form of sexual and exploitation.</li> <li>• Ensuring women's equitable participation in project-related public consultations.</li> <li>• Promoting employment opportunities for women and youth.</li> <li>• Paying special attention to access to the range of sanitation solutions and the affordability of services.</li> <li>• Strengthening the implementing agencies' institutional capacities for gender mainstreaming.</li> <li>• Mandatory and regular training for workers on required lawful conduct in host community and legal consequences for failure to comply with laws.</li> <li>• Commitment / policy to cooperate with law enforcement agencies investigating perpetrators of gender-based violence.</li> <li>• Creation of partnership with local NGO to report workers' misconduct complaints/reports on gender-based violence or harassment through the GRM.</li> <li>• Provision of opportunities for workers to regularly return to their families.</li> <li>• Provision of opportunities for workers to take advantage of entertainment opportunities away from rural host communities.</li> </ul>

Impact	Impact Mitigation/Enhancement Commitments
Erection of temporary material storage sites	<ul style="list-style-type: none"> <li>• Cover materials with tarpaulin</li> <li>• Hoard the construction site to avoid materials from being washed to areas outside the site.</li> <li>• Plan for demand for the materials to avoid large stockpiles onsite.</li> </ul>
Fire Risks	<ul style="list-style-type: none"> <li>• Periodic training of project staff in emergency response and allocation of a fire assembly point outside the project sites.</li> <li>• All electrical systems must undergo regular checks.</li> <li>• If appliances or equipment that can cause fire like petroleum and liquid gas may be used in the museum, then the staff must be sensitized on the fire risks they are exposed to.</li> <li>• Highly inflammable paints should be avoided in the kitchen walls and other areas where cooking activities are anticipated.</li> <li>• Incorporate a robust firefighting system such as hydrants and extinguishers within the proposed project designs.</li> <li>• Work closely with the Uganda Police Fire Brigade and ensure the unit contacts are displayed in strategic areas.</li> <li>• Ensure routine maintenance of power systems at the project areas especially the generator.</li> </ul>
Geology/Hydrogeology	<ul style="list-style-type: none"> <li>• Design to take account of local hydrological conditions (e.g. avoid crossing permanent waterways, do not hamper drainage of surface water, avoid works in areas prone to flooding especially during rainy season).</li> <li>• Minimise the loss of water caused by leaks, evaporation and infiltration through canals and reservoirs (e.g. maintain vegetation along water canals).</li> <li>• Ensure proper water management by adjusting pumped volumes annually depending on aquifer recharge, establishing fees for water users, controlling access to irrigation water for other purposes than irrigation.</li> </ul>
Pollution of Soils and Water	<ul style="list-style-type: none"> <li>• Ensure that drainage water complies with discharge standards and treat wastewater accordingly.</li> <li>• Agricultural extension to train farmers in appropriate, sustainable application of fertiliser and other agrochemicals.</li> <li>• Implementation of standard good wastewater management procedures.</li> <li>• Installation of sewage treatment to meet required standards; hygiene training for workforce.,</li> <li>• Materials handling and control procedures, use of storage and containment equipment meeting international standards.</li> <li>• Control of construction vehicle movements and prohibition of vehicle washing in watercourses, and similar practices.</li> <li>• Emergency response plans during construction (contractors and local authorities) and operation (local authorities).</li> </ul>
Physical and Economic Displacement of People, Property, Assets and Resources	<ul style="list-style-type: none"> <li>• Careful site selection and siting of all project components, avoid occupation of areas which are inhabited or regarded as of high value by communities (e.g. horticulture, community orchards) where possible.</li> <li>• Early development and sensitive implementation of resettlement planning, in accordance with national regulations and international good practice to compensate for any losses (both physical and economic).</li> </ul>

Impact	Impact Mitigation/Enhancement Commitments
	<ul style="list-style-type: none"> <li>• Develop compensation measures for affected parties, e.g. downstream water users, livestock and traditional farmers, such as developing alternative grazing areas.</li> <li>• Create a water user organisation, involving men and women, to effectively manage water resources and ensure an equitable access among users.</li> </ul>
Economic Development and Employment	<ul style="list-style-type: none"> <li>• Development of an Employment Plan in line with the project LMP, with clear employment requirements and procedures for the construction and operational/ maintenance workforce.</li> <li>• Transparent and culturally appropriate communication with communities regarding employment opportunities</li> <li>• Fair and transparent hiring and staff management procedures.</li> <li>• Employment requirements and vocational training plan to be agreed with local institutions, so that local people can be trained to meet the project’s needs in a timely fashion.</li> <li>• Development of measures to manage post-construction transition (e.g. SME development, ongoing opportunities for the workforce in water supply management, reskilling and alternative employment, e.g. in agriculture).</li> <li>• Procedures for sustainable local procurement, in consultation with local authorities and community leaders.</li> <li>• Local capacity building to foster community resilience.</li> <li>• Monitoring of local prices; exploration of corrective measures (e.g. alternative sourcing) if appropriate.</li> </ul>
Community Health, Safety and Security	<ul style="list-style-type: none"> <li>• Good construction site “housekeeping” and management procedures (including regulated site access).</li> <li>• Risk assessments and emergency response planning to consider impacts on local communities.</li> <li>• Implementation of a health management system for the construction workforce, to ensure it is fit for work and that it will not introduce disease into local communities.</li> <li>• Training and awareness raising for workforce and their dependents on HIV/AIDS and other STDs, and communicable diseases; health awareness raising campaigns for communities on similar topics.</li> <li>• Provide information, education and communication about community safety in relation with project activities.</li> <li>• Facilitate programmes/measures to ensure appropriate sanitary and medical facilities are available.</li> <li>• Implement environmental management measures for vector control: e.g. monitoring for key vectors; contact avoidance via site selection; focal insecticide and molluscicide application.</li> <li>• Adoption of a Stakeholder Engagement Plan, as a framework for early and ongoing community consultation.</li> <li>• Implementation of a Grievance Procedure (see Grievance Procedure and Redress Mechanisms guidance note Section in the ESMF).</li> <li>• Works procedures, defining a Code of Appropriate Conduct for all workers, including acceptable behaviour with respect to community interactions.</li> </ul>

Impact	Impact Mitigation/Enhancement Commitments
	<ul style="list-style-type: none"> <li>• Careful design: e.g. alignment, minimal diversion, timing of works (overall duration and seasonality).</li> <li>• Speed controls and other traffic calming measures to reduce excessive acceleration around settlements/sensitive receptors.</li> </ul>
	<b>Agribusiness Subprojects Related Impacts &amp; Mitigation</b>
<p>Grazing pressure and livestock movement routes causing degradation, fragmentation and loss of habitat, and reducing or severing animal migration routes and pathways.</p>	<ul style="list-style-type: none"> <li>• Minimisation of area impacted, clear demarcation of remaining intact areas of habitat, and prohibition of activity into those areas for any purpose; prohibit or minimise activities in the vicinity of sensitive areas.</li> <li>• Habitat rehabilitation and ecosystem restoration of areas no longer required to occur as soon as possible after construction.</li> <li>• If loss of Critical Habitat is inevitable, development/implementation of an Offsets Programme.</li> <li>• Education of workforce and local communities as to the potential damage livestock may cause to ecosystems, and on methods for avoiding damage (e.g. control of livestock, avoidance of sensitive areas).</li> </ul>
<p>Development of livestock projects in remote or undeveloped areas leading to further development, increased disturbance and pressure on natural resources through bushmeat hunting, logging, fire, etc</p>	<ul style="list-style-type: none"> <li>• Careful site selection, with advice from biodiversity authorities/ wildlife specialists to avoid remote and previously inaccessible areas where possible,</li> <li>• Where possible, instate access controls on roads leading to livestock containment areas or associated facilities in otherwise undeveloped or remote areas</li> </ul>
<p>Impacts on habitats and species from habitat alteration and degradation caused by fishing activities (e.g. anchor or net damage to subsurface habitats)</p>	<ul style="list-style-type: none"> <li>• Discourage use of destructive fishing practices, such as trawling; provide materials and training in support of sustainable and non- destructive fishing practices</li> <li>• Education and awareness-raising around potential impacts of different fishing methods on habitats and the importance of habitat conservation.</li> </ul>
<p>Direct mortality of target and non-target species, leading to depletion of their populations, including involuntary capture in lost nets</p>	<ul style="list-style-type: none"> <li>• Institute measures to ensure sustainability of fisheries, through use of quotas, seasonal and 'sensitive area' closures, compulsory permitting etc.; encouraging sustainable traditional practices and restricting harmful practices (e.g. trawling, use of fish poisons or explosives); education and awareness-raising around overfishing, sensitive species and habitats.</li> </ul>

- **s. Potential risk of exclusion or discrimination based on age, gender, ethnicity, Disability, etc. from the project benefits.** . This refers to vulnerable or marginalized individuals or groups who, by virtue of, for example, their age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, economic disadvantages, and/or dependence on unique natural resources, may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the

mainstream consultation process and as such may require specific measures and/or assistance to do so.

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### 7.3 Non-Discrimination of Disadvantaged or Vulnerable or Individuals or Groups.

The following section relates to Vulnerable or Marginalized Individuals or Groups.

There is a potential risk of exclusion or discrimination based on age, gender, ethnicity, disability, etc. from the project benefits. This refers to vulnerable or marginalized individuals or groups who, by virtue of, for example, their age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, economic disadvantages, and/or dependence on unique natural resources, may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/or assistance to do so.

The Government of Uganda notes that discrimination or exclusion of any Ugandan contravenes Article 21 of the Ugandan Constitution. The Republic of Uganda (the "Borrower") has committed to uphold the Bank's policy requirements for inclusion and non-discrimination on all World Bank financed projects. The measures outlined below are intended to ensure that mechanisms exist to identify potential discrimination and to promptly remediate its impacts. Specifically, these mitigation measures will ensure that:

- an individual or groups with concerns or grievances would be afforded appropriate avenues to submit their grievances or concerns including through the grievance mechanism corresponding to World Bank financed project.
- the operators of the referred mechanisms, the World Bank and the Government of Uganda will do what is required of them to ensure that such concerns or grievances are addressed promptly and effectively.

#### **Background and progress to date:**

Following the World Bank Group's communication of its concerns with the enactment of the AHA, the Government of Uganda issued five Circulars (see Annex 8). Of particular importance is the Circular on Uganda's Social Safeguard Policies issued on September 21, 2023, by the Ministry of Finance Planning and Economic Development, to all Accounting Officers, Ministries, Departments and Agencies and Local Governments which states that:

- "All World Bank-financed projects must be implemented in a manner consistent with the principles of non-discrimination as provided Article 21 of the Constitution of the Republic of Uganda. These projects should also be implemented in accordance with World Bank policies and applicable Legal Agreements.

- Under these projects, no one will be discriminated against or stigmatized, and the principles of non-discrimination and inclusion will be adhered to. Support should be provided to all project beneficiaries.
- All implementing entities of World Bank projects will implement specific mitigation measures to address non-discrimination.
- These mitigation measures will require enhancing project grievance redress mechanisms as well as strengthening existing project monitoring by implementing entities including third-party monitoring where applicable.
- Each project implementation entity shall develop comprehensive guidelines to address non-discrimination.”

The updated environmental and social risk management documents identify the additional risks and describes mitigation measures to address these risks. They include the implementation, monitoring, and reporting arrangements, and roles and responsibilities to assess the efficacy of the additional mitigation measures being implemented. They also include the results of the public consultations on these documents involving the Government of Uganda and civil society organizations.

Noteworthy is that the World Bank will provide support to the Government of Uganda, particularly its Project [Program] Implementation Units, to help them to implement the additional mitigation measures for this project.

## **Risks**

These risks were identified through a process of stakeholder engagement conducted from March 2023 to January 2024 with civil society organizations, donors and other interested parties. Stakeholder engagement on the mitigation measures and updating of instruments took place between June 12 and June 23, 2023, as well as between August 28 and September 22, 2023. This engagement was led by the World Bank and included meetings with government of Uganda representatives, other Development Partners and NGOs/CSOs. In addition, in January 2024, the GoU led consultations on the whole World Bank portfolio with key community stakeholders. A summary of the consultations is available on the World Bank Uganda consultations on inclusion website at: <https://www.worldbank.org/en/country/uganda/brief/consultations>.

Identified risks include:

- (i) The risk of vulnerable or marginalized individuals or groups declining to access project benefits for fear of rejection, retaliation, or being reported to the police.
- (ii) The risk vulnerable or marginalized individuals or groups being reported to the police if their status is disclosed or suspected.
- (iii) Limited capacity of project’s staff in assessing and addressing exclusion risks
- (iv) Project staff inability to ensure vulnerable or marginalized individuals or groups’ participation in public consultations and



- (v) Vulnerable or marginalized individuals or groups unwillingness to use the project's GRM for fear of retaliation, as addressing some of these complaints might cause harm to the parties involved.
- (vi) What measures will be put in place to ensure job security for persons hired by the project?
- (vii) What measures will be taken to ensure the safety and security of vulnerable or marginalized individuals or groups?
- (viii) Around community safety and there needs to be a long-term consideration to be included in the mitigation measures.
- (ix) Fear that people will not participate in projects because of lack of trust.
- (x) If we agree learning is a long-term process - why don't we directly get involved in these projects, for example, in delivering the trainings?
- (xi) More detail is needed on what will be done in the trainings.

### **Mitigation measures**

The following mitigation measures are proposed to manage the risk of discrimination of individuals and groups who may be vulnerable or marginalized.

These mitigations will be implemented by the Project Implementation Unit (PIU) with the support of an international organization (firm, agency, or consortium) to be hired by the World Bank and IFC with a strong track record of providing implementation support and monitoring project performance and knowledge of the Ugandan context. This organisation is expected to work with NGO/CSOs and country-based development partners in implementing these mitigation measures.

Specifically, the organisation will:

- Assist project teams to enhance existing project-level grievance mechanisms and develop and operate an independent mechanism that would identify, manage, and monitor cases of discrimination.
- Assist the World Bank in strengthening the capacity of Project Implementation Units, workers, and contractors, subcontractors, and service providers.
- Ensure contracts, codes of conduct, hiring procedures, whistle-blower protection protocols, and other measures, as needed, are in place to require remediation of cases of exclusion and discrimination.
- Develop a strong data management system and process that secures personal data and information in a manner that is safe, ethical, and confidential.
- Where cases of discrimination are reported through the above mechanism, the organisation will report the grievances to the Bank, propose appropriate remediation, and follow up on agreed actions to resolve the case.
- Support the WB/IFC to monitor the efficacy of the agreed mitigation measures on WB/IFC financed operations.

A more detailed explanation of the enhanced implementation supports this organisation will provide is found at Annex 11.

**Mitigation measures to be implemented by PIUs with the support from the organization listed above include:**

- Develop training, sensitization and Information, Education and Communications material on the obligations of project participants to ensure non-discrimination of individual or groups who are vulnerable or marginalized, and to ensure they have access to appropriate expertise to help them do that.
- The implementing entities will recruit project staff under the PIU that have the required experience and qualifications.
- Develop measures and protocols when appropriate that will ensure the safety and security of project beneficiaries.
- Undertake targeted consultations with external stakeholders, including as appropriate NGO/CSOs, local governments, security services and other stakeholders to ensure there is broad understanding of the obligations of project participants to ensure non-discrimination under the project.
- Review all project contracts, Codes of Conducts, human resource procedures and protocols, whistle-blower protection protocols, and other measures, as needed, to ensure they require remediation of cases of exclusion and discrimination.
- Review the project human resource procedures and protocols, whistle blower protections and other relevant policies and protocols of all project participants to ensure appropriate principles of inclusion and non-discrimination are applied.
- Augment the project Grievance Redress Mechanism includes an effective, safe, ethical and confidential referral pathway to ensure individuals or groups vulnerable or marginalized are comfortable reporting incidents of discrimination and that such grievances are addressed quickly, efficiently and appropriately.
- Facilitate the monitoring of implementation of all measures to promote non-discrimination under the project by supporting the World Bank financed organisation to ensure all measures are implemented and all reported incidents are shared with the Bank and addressed in a timely fashion.

### **Introduction:**

This section defines steps, actions and responsibilities for screening potential environmental and social (E&S) issues, classifying risk levels and accordingly undertaking the relevant level of Environmental and Social Assessment, including developing the applicable E&S instrument. The classification of each subproject under the appropriate environmental and social risk category will be based on the provisions of the World Bank ESF ESS1 Assessment and Management of Environmental and Social Risks and Impacts and this will be reviewed throughout project implementation in order to apply the adaptive provision of ESF. The screening will also be cognizant of Uganda's National Environment Act N<sup>o</sup>.5 of 2019, especially Section 113 which provides for Projects Categorization.

### **Environmental and Social Assessment Process**

The key guidance for environmental and social assessment in Uganda include the National Environment Act (NEA) 2019, the ESIA Regulations, 2020, the EIA Guidelines of 1997 and the National Environment (Audit) regulations, 2020. The Regulations apply to: (a) a project or activity for which (i) a project brief (ESMP) is required to be undertaken in accordance with Section 112 and Schedule 4 of the Act; (ii) an environmental and social impact study is required to be undertaken in accordance with Section 113 of the act and Schedule 5 of the Act; (iii) an environmental risk assessment is required under Section 114 of the Act. The regulations define the ESIA preparation process, required contents of an ESIA, and the review and approval process including provisions for public review and comment. The regulations are interpreted for developers and practitioners through the Guidelines for Environmental Impact Assessment in Uganda (1997). The Section 7.3 below illustrates the steps involved during environmental and social assessment and management process that will lead to the review and approval of subprojects under the INVITE Project as per Ugandan regulations and WB-ESF requirements. The whole ESA process is summarised under Figure 7-1.

### **Key Steps in Environmental and Social Assessment Process**

This section and Annex 2 illustrate the steps involved during environmental and social assessment and management process as per Ugandan regulations and World Bank ESF that will lead to the review and approval of environmental assessments for the INVITE Project activities, as guided by the ESMF during implementation. The following Figure (Fig. 7-1) and Annex 2 illustrate the Environmental and Social Assessment Process and procedure described under Section 7.2.

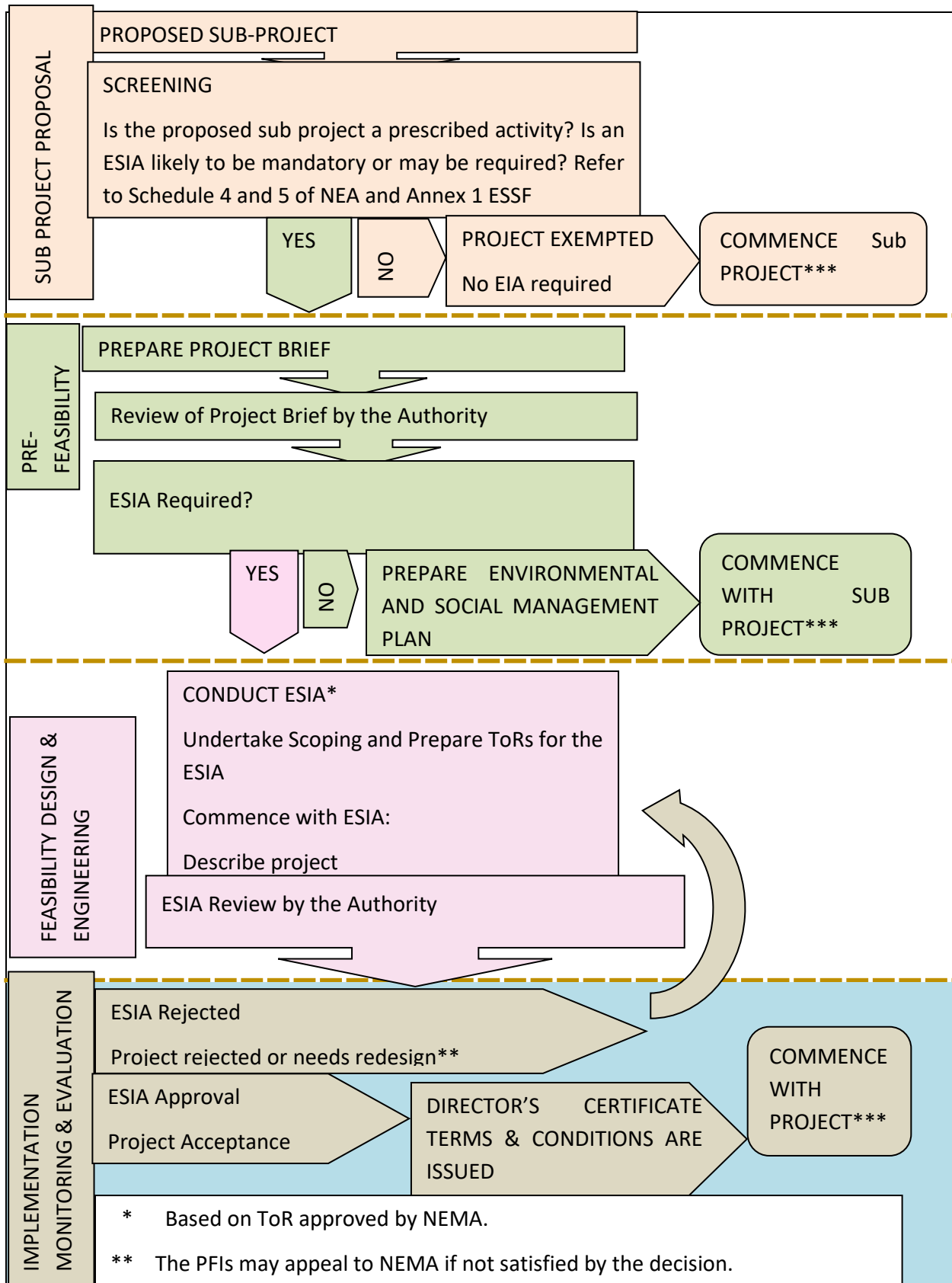


Figure 0-1: Illustration of the Environmental and Social Screening Process

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#### **7.4 Step 1: Screening of Project Activities and Sites**

Environmental and social screening is undertaken to anticipate the likely risks and it facilitates early identification of potential impacts and consequently guide on the needed level and form of assessment that is commensurate with importance of possible impacts. The screening based on World Bank's ESF also establishes a Project's Environmental and Social Risk Classification whereas on Government of Uganda's National Environment Act this establishes the form and level of assessment required. PSFU, Grants Applicants and the respective Districts, Cities, and Municipality Local Governments will carry out scoping and screening of the sub-projects using the Environmental and Social Screening Form (ESSF) in Annex 1. PSFU PIU will be composed of qualified Environmental (1) and Social (1) Specialists and the Local Government Teams shall be led by Environmental and Natural Resource Officer, Social/ Community Development Officers working closely with the Division/ subcounty extension and community development officers on-ground to undertake E&S Screening of all sub-projects proposed for implementation. The ESSF requires information that determines the characteristics of the prevailing local bio-physical and social environment with the aim of assessing the potential project impacts on it. The ESSF also shall be used to identify the potential socio-economic aspects that will require assessment, mitigation measures and or resettlement and compensation. Besides the onsite-specific characteristics and scope of project activities, the E&S screening shall take into consideration the preliminary assessments that have been provided in the ESMF under Section 1.3 (project components), Section 3.5 & Section 3.6 (Relevant ESSs and requirements), and Section 6 (Potential Impacts and Mitigation). Where necessary, the E&S Risk Classification may be adjusted based on the adaptive principle under ESS-1.

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#### **7.5 Assigning Appropriate Environmental and Social Risk Classification**

In summary, the PSFU, and Grants Applicants, in consultation with E&S Officers of Local Governments (host Authorities) will then assign the appropriate environmental category to the subproject based on the information contained in the ESSF and the national criteria for categorization. At this stage, the project is classified as SUBSTANTIAL risk based on World Bank's ESF and the Uganda's NEA 2019, explained below. Under WB and GoU requirements, and depending the specific sub-project under consideration/selection, a Full ESIA and/or ESMP/Project Brief suffices. The potential categories, in line with the National Environment Act 2019 and EIA Guidelines are further elaborated below. TORs shall be prepared by the PFIs/SMEs, reviewed and cleared by PSFU and/or NEMA, depending on the ESRC and level of ESA required.

##### **Environmental and Social Risk Classification (ESRC):**

The ESF classifies all projects into one of four classifications of Environmental and Social Risk Categorization (ESRC): *High Risk, Substantial Risk, Moderate Risk or Low Risk*. In determining appropriate risk classification, the ESF considers relevant issues, such as the type, location, sensitivity, and scale of the project; the nature and magnitude of the potential environmental and social risks and impacts; and the capacity and commitment of the Borrower (including any other entity responsible for the implementation of the project) to manage environmental and social risks and impacts in a manner consistent with the ESSs. The categorization also takes into consideration context issues which could be relevant to the delivery of E&S mitigation measures and outcomes depending on the specific project.

Context issues may include legal and institutional considerations, the nature of the mitigation and technology being proposed, governance structures and legislation, issues relating to stability, conflict, and security. Similarly, The NEA 2019 considers project type, location, sensitivity, scale and nature of E&S risks and impacts, and this in turn is used to determine the level of E&S Assessment to be undertaken, ranging from E&S Screening (*Low Risk*), Project Brief/ ESMP (*Moderate Risk*) and/ or detailed ESIA (*Substantial/ High Risk*). ESRC is reviewed and revised throughout project implementation to ensure that it continues to be appropriate. Any change in ESRC will be disclosed in WB's and PSFU's websites. The following guidance shall be used to screen and determine ESRC of subprojects:

**Table 7-1: Summary of project categorization based on the ESF**

<b>Aspect</b>	<b>High Risk</b>	<b>Substantial Risk</b>	<b>Moderate Risk</b>	<b>Low Risk</b>
Project type, location, sensitivity, scale	Complex large to very large scale in sensitive location(s).	Not as complex; large to medium scale not such sensitive location.	No activities with high potential for harming people or environment; located away from sensitive areas.	Few or no adverse risks and impacts.
Nature and magnitude of risks & impacts, available mitigation	Mitigation unproven: unable to entirely address significant risk; high residual value.	Mitigation more reliable: significant risks but possible to avoid or address.	Easily mitigated: site specific, low magnitude risks.	Nothing to mitigate- no further assessment after screening.
Borrower capacity and commitment	Challenges and concerns about track record regarding E&S issues, significant stakeholder engagement capacity, commitment, track record concerns.	Some concerns about borrower track record, engagement capacity but readily addressed.	Sufficient borrower experience, track record, stakeholder engagement capacity.	Minimal or negligible risks to and impacts on human populations and/or the environment
Context of risk relevant to ES measures	Significant effects on ability to mitigate risk - significant contextual risks outside project control impacting on E&S performance and outcomes.	Some effects on ability to mitigate risk - known and reliable mechanisms to prevent or minimize, enforcement is weak in some respects, some stakeholder engagement concerns but readily addressed.	No effects on ability to mitigate risk-no contextual risks with effects on E&S performance	Negligible risk.

**Substantial ESRC:** *The proposed INVITE project falls under this risk category of Substantial ESRC since the nature of the project is not expected to be complex, the scope and scale of activities are expected to be large to medium and shall not be undertaken at sensitive locations, and the likely E&S risks are significant but can be avoided and/or site specific and readily mitigated. The PSFU subcomponents qualify to be under the Moderate ESRC given their moderate-impact nature of activities to be supported with enhanced Environmental and Social Risk Management (ESRM) implementation capacity at PSFU and improved coordination with the district's structures.*

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### **7.6 Step 3: Carrying Out Environmental and Social Assessment**

Given the likely majority of subprojects under PSFU falling under *MODERATE* risk classification, the subprojects will be required to prepare ESMPs/ Project Briefs during Implementation by consultancy firms registered by NEMA, following the Format/Content provided under Regulation 6 of the ESIA Regs (2020). Annex 6 provides a sample of generic TORs which can be customized to specific subprojects ESIA during the implementation stage. However, Project Briefs may be prepared by non-NEMA registered persons and their approval is done by NEMA, issuing a certificate of approval of environmental and social impact assessment in accordance with Part IV of the ESIA Regulations. According to the National Environment Act, "project brief" means a summary statement of the likely environmental effects of a proposed development referred to in section 112. Unlike the ESIA, a project brief does not require a scoping report and neither submission of terms of reference for approval by NEMA. The Project Brief will for each subproject include: mitigation measures, monitoring indicators, implementing and monitoring agencies, frequency of monitoring, cost of implementation, and necessary capacity-building. In case after completing the Checklist, the Environmental and Social Specialists at the PSFU may recommend that a Substantial Risk subproject concerned should be subjected to a full ESIA, and submitted to NEMA for review and decision making. According to Regulation 6 (5) of the ESIA Regulations, a Project Brief/ ESIA report is to contain amongst others, the following:

- a. the nature of the project in accordance with the categories identified in the Fourth Schedule of the Act;
- b. the projected area of land, air and water that may be located and affected, including a map and coordinates;
- c. the activities that shall be undertaken during and after the development of the project;
- d. the design of the project, activities to be undertaken, including evaluation of alternatives;
- e. the materials that the project shall use, including both construction materials and inputs;
- f. the possible products and by-products, including waste generation of the project;
- g. the of the workforce and the economic and social benefits to the local community and the nation in general;
- h. description of alternative resettlement areas for the PAPs, if any, their associated E&S impacts, and plans for compensation to PAPs;

- i. plan for stakeholder engagement throughout the proposed project or activity development, including details on how to address potential related grievances, and evidence of stakeholder consultation undertaken;
- j. the environmental effects of the materials, methods, products and by-products of the project, and how they will be eliminated or mitigated;
- k. an environmental and management and monitoring plan developed in accordance with regulation 46, incorporating climate adaptation and mitigation plan;
- l. Any other matter which may be required by the Authority.

#### Environment and Social Management Plans (ESMP)

The Environment and Social Management Plans (ESMP) developed in accordance with this ESMF will contain specific provisions on the management of non-discrimination for vulnerable or marginalized individuals or groups. These provisions are consistent with recent GoU measures to ensure non-discrimination and inclusion in accordance with Article 21, including circulars issued by the GOU included in Annex 10.

The purpose and objective of these provisions is to ensure that in accordance with World Bank policies and the Article 21 of the Ugandan Constitution: (i) project impacts do not fall disproportionately on individuals and groups who, because of their particular circumstances, may be vulnerable or marginalized; (ii) there is no prejudice or discrimination toward individuals or groups in providing access to development resources and project benefits, particularly in the case of those who may be vulnerable or marginalized; (iii) Bank financed operations are implemented through their respective life cycles in a manner that is aligned with the inclusion and non-discrimination principles embedded in applicable Bank requirements including the Environmental and Social Standards in line with WB Policy paragraph 4 (b) ESF paragraph 28 (b) of ESS1 on Assessment and Management Environment and Social Risk and Impacts.

#### Project Implementation Manual (PIM)

To facilitate the implementation of the provisions for inclusion and non-discrimination that cover vulnerable or marginalized individuals or groups, the Project Implementation Manual (PIM) will be updated to specify how the mitigation measures will be implemented. The Project Implementation Manual will clearly lay out how the project will ensure inclusion of vulnerable and disadvantaged individuals or groups.

The Project Implementation Manual will provide details of how the mitigation measures will be implemented. Furthermore, it will specify the timelines and roles and responsibilities to implement the different mitigation measures. The Project Implementation Manual will also provide detailed information on how exactly the project will support and interact with the World Bank Enhanced Implementation Support and Monitoring. The Project Implementation Manual will be developed or updated no later than two months after the redisclosure of the project's instruments or before the Enhanced Implementation Support and Monitoring mitigation measures are agreed to and in place.



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### **7.7 Step 4: Carrying Out Public Consultations and Disclosure**

Consultations shall be conducted as part of E&S assessment process before commencement of implementation and views of stakeholders (host community, general public and lead agencies) have to be included in the ESIA report and/or Project Brief (ESMP). PSFU, and the respective host Local Governments will interact closely with beneficiary communities, Lead Investors, government departments, and NGOs, right from the early stages of the project preparation on a continuous and regular basis for developing and implementing the respective project ESIA's. For this purpose, public awareness drives shall be organized by PSFU, and the respective host Local Governments, in close collaboration with NGO's and other organizations active in the project areas. During the public awareness drives, the project team will ensure that accurate information is given about the project and its possible environmental and social impacts. The opinion/suggestions made by the community/affected groups shall be incorporated in the respective ESIA and ESMPs, and subsequently in the designs.

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### **7.8 Step 5: Review and Approval**

Following internal review of the PB/ESMP, by the respective implementing agencies/PSFU, Local Governments and clearance by the WB, these shall be forwarded to NEMA for final review and decision (approval or disapproval) and disclosed at the websites of the Implementing Agencies/PSFU, and host Local Governments and WB. If the Executive Director is satisfied that the subproject will have no significant impact on the environment and society, or that the assessment discloses sufficient mitigation measures to cope with the anticipated impacts, s/he may approve the project. The Executive Director of NEMA or his/her delegated official shall then issue an ESIA Certificate of Approval for the project. Implementation of subprojects cannot commence until the environmental and social aspects have been reviewed and appropriate mitigation measures have been adopted. As possibilities of social impacts regarding land acquisition, where necessary, the implementation of subprojects cannot proceed until the resettlement and/or compensation plans have been prepared and implemented after clearance by the Chief Government Valuer in the Ministry of Lands, Housing and Urban Development (MoLHUD).

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### **7.9 Step 6: Environmental and Social Monitoring**

The Implementation step then follows approval of the ESIA/ESMP. Environmental and social monitoring aims at checking the effectiveness and relevance of the implementation of the proposed mitigation measures. Monitoring exercises shall be undertaken in sequences and frequencies stipulated in the ESCP, ESIA, PBs/ESMPs, or RAPs. PSFU E&S Specialist and the Local Government leaders, District/Municipal Environment Officers, Community Development Officers as well as NGOs and CBOs will undertake monitoring exercises as required by the National Environmental Act (Section 122) at the District/Division and Community level. The District/Municipal Environment Officer in conjunction with the District/Municipal Community Development Officer will monitor the implementation of environmental and social mitigation measures. PSFU will have the lead role in monitoring to ensure that various project environmental and social obligations are met and will ensure that the requirement for an environmental and social audit is fulfilled not less than 12 nor more than 36 months after project completion or commencement of operations respectively in line with the National Environment Act (Section 126) and the Audit Regulations of 2020. The monitoring indicators will be developed by PSFU's project

Environmental and Social Specialists based on the mitigation measures and the ESMP. It is critical to note that NEMA has a regulatory and coordinating role in monitoring of compliance with permits, standards, regulations and all approval conditions.

If engaged, the Contractor-related E&S plans shall be prepared by the respective Contractors, building upon ESMP/s prepared for each subproject as part of respective designs that shall be drawn for implementation. In addition, the operational entities who benefit from the project to expand their operations, shall be required to update their Operational ESMPs to incorporate applicable E&S mitigation measures.

### **World Bank Enhanced implementation support and monitoring**

The World Bank will provide enhanced implementation support and monitoring to all World Bank operations on inclusion and non-discrimination to vulnerable and disadvantaged individuals and groups in Uganda. The World Bank together with IFC will hire a renowned independent entity with a strong knowledge of the Ugandan context and a track record of enhanced third party implementation support and performance monitoring. The entity will in turn hire NGO/CSOs with expertise and experience in inclusion and non-discrimination issues related to vulnerable and disadvantaged individuals and groups in Uganda.

### **Objectives of enhanced implementation support and monitoring**

The hired entity by the World Bank to support the PIU will primarily focus on:

- Enhancing implementation support in addressing grievances and concerns from beneficiaries, communities, and workers relating to discrimination or exclusion from project benefits.
- Enhancing existing project level grievance mechanisms and developing and operating an independent mechanism that would monitor and manage issues of discrimination or exclusion raised directly through this mechanism or some other channel.
- Assisting the World Bank in strengthening capacity of Project Implementation Units, workers, and contractors to address inclusion and non-discrimination, including conducting consultations on inclusion and non-discrimination with vulnerable and disadvantaged individuals and groups.
- Developing a strong IT system and process that secures personal data and information in a manner that is safe, ethical and confidential to ensure that it can't be used to discriminate against vulnerable and disadvantaged individuals and groups.

Where cases of discrimination or exclusion of vulnerable and disadvantaged individuals and groups are reported, the entity will report the grievances to the World Bank and PIU and follow up on agreed actions to resolve the case. In addition, the entity will monitor the efficacy and effectiveness of the implementation of the mitigation measures at ensuring inclusion and non-discrimination of vulnerable and disadvantaged individuals and groups and allow recourse where incidents of exclusion or discrimination are reported.

**The scope, detailed activities as well as roles and responsibilities of the Enhanced Implementation Support and Monitoring are contained in Annex 11.**

## Other Environmental and Social Risk Management Instruments Prepared for the Project

Environmental and social risks associated with the project will be managed by PSFU through guidance provided in this Environmental and Social Management Framework (ESMF) alongside the following instruments: Resettlement Policy Framework (separate), Stakeholder Engagement Plan (Separate), Vulnerable and Marginalized Groups Framework (Separate), Labor Management Procedures (LMP) (Annex 3), and Chance Finds Procedure (Annex 4), as appropriate for the project and Uganda country circumstances.

### 7.10 Stakeholder Engagement Plan

A separate SEP has been prepared to guide stakeholder engagement during project preparation and throughout implementation. Please refer to the said SEP for details. Section 5 has provided summary of stakeholder consultations undertaken as part preparation of the ESMF.

### 7.11 Labour Management Procedures

The Labor Management Procedure has been developed to set the way in which project workers will be managed in accordance with the requirements of Uganda Labor and Employment Laws and World Bank's Environmental and Social Standard 2 (ESS2) –Labor and Working Conditions. The Labor Management Procedures (LMP) apply to project workers including full-time, part-time, and temporary, etc. The LMP is applicable, per ESS2 to the project in the following manner:

- a. people employed or engaged directly by the Government (including the project proponent/PSFU and the project implementing agencies) to work specifically in relation to the project (*direct workers*);
- b. People employed or engaged through third parties to perform work related to core functions of the project, regardless of location (*contracted workers*). Third parties may include contractors, sub-contractors, brokers, agents or intermediaries;
- c. People employed or engaged to provide community labor (*community workers*) as that term is identified in paragraphs 34-38 of ESS2; and
- d. people employed or engaged by Government's primary suppliers (*primary supply workers*) – are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project identified in paragraphs 39-42 of ESS2.

***The Labor Management Procedure (LMP) has been developed to manage labor risks during the implementation of the INVITE project.*** It is recommended that the key aspects of LMP including those of other E&S instruments, shall be incorporated in the bidding documents and contracts for implementation. Details of LMP are in Annex 3 herein.

### 7.12 Managing Risks and Impacts of Corona Virus Disease (COVID-19)

During implementation of the project, there is need to be cognizant of COVID-19 pandemic though the disease is not as serious as it was in 2020-2021. The World Health Organization declared COVID-19 a global pandemic after assessing both its alarming levels of spread and severity, and the alarming levels of inaction. Consequentially, WHO issued various measures to prevent the spread of the virus, and these

measures have been adopted worldwide. In Uganda, Ministry of Health has adopted most of the WHO measures and continues to give regular updates and guidance, including popularizing and encouraging people to practice regular hand-sanitization/hygiene, social distancing guidelines among other Standard Operating Procedures. The project will continue to follow guidance issued by MoH. At the bare minimum, the following measures shall be ensured:

- a. observance of 2 meters social distance as guided by MoH, non-shaking of hands, regular use of hand-sanitizers and washing hands with soap, wearing of face masks while in public, use of temperature guns to screen project participants during project events that bring participants together, reporting protocol of any likely infection of persons, regular training of communities and leaders on COVID-19 control measures; etc.
- b. Provision of appropriate Personal Protective Equipment (PPE) to all project workers and visitors;
- c. Adopting electronic means of consulting stakeholders, whenever possible. At community Level stakeholders, telephone communication and local FM Radio Stations is encouraged;
- d. Upon guidance by MoH, the project shall adopt rapid testing of workers for covid-19 on a regular basis and depending on the prevailing conditions;

PSFU will closely work with the respective Local Governments and communities to continue operations while complying with health and safety directives by the government of Uganda.

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### **7.13 Chance Finds Procedure**

A Chance Finds Procedure to guide management of any accidental discoveries of histo-cultural resources in the process of implementing the project. The procedure will be as follows:

- a. Stop the construction activities in the area of the chance find;
- b. Delineate the discovered site or area;
- c. Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be present until the responsible local authorities and the Directorate of Museums and Monuments take-over;
- d. Notify the supervising Engineer who in turn will notify the responsible local authorities and the Directorate of Museums and Monuments under the Ministry of Tourism, Wildlife and Antiquities (within 24-48 hrs or less);
- e. The Directorate of Museums and Monuments shall be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures. This will require a preliminary evaluation of the findings to be performed by the archaeologists of the Directorate of Museums and Monuments (within 24 hours). The significance and importance of the findings shall be assessed according to the various criteria relevant to cultural heritage; those include the aesthetic, historic, scientific or research, social and economic values;

- f. Decisions on how to handle the finding shall be taken by the Directorate of Museums and Monuments. This may include changes in the layout (such as when finding an irremovable remain of cultural or archaeological importance) conservation, preservation, restoration and salvage;
- g. Implementation for the authority decision concerning the management of the finding shall be communicated in writing by the Directorate of Museums and Monuments; and
- h. Construction work can resume only after permission is given from the responsible local authorities and the Directorate of Museums and Monuments concerning safeguard of the heritage;
- i. These procedures must be referred to as standard provisions in construction contracts, when applicable. During project supervision, the Site Engineer shall monitor the above regulations relating to the treatment of any chance find encountered are observed;
- j. Construction work will resume only after authorization is given by the responsible local authorities and the National Museum concerning the safeguard of the heritage; and

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#### **7.14 Grievance Redress Mechanism**

This Section provides guidance on operation of a Grievance Redress Mechanism, also covered under the Project's Stakeholder Engagement Plan (SEP) prepared separately alongside this ESMF (*Please refer to the SEP for details*). Handling of environmental and social complaints for projects classified as Substantial risks, PSFU is required at the minimum, to set up a grievance redress mechanism while ensuring their functionality. This system will be widely advertised, in appropriate languages and forms, and be easily accessible to potentially affected people. To the extent possible, a project-level grievance redress mechanism will also work in conjunction with WB's own environmental and social complaints mechanism, the Grievance Redress Service (GRS). WB will systematically and in real time be kept informed of the functioning of the mechanism and, for each complaint, be updated on the status of the resolutions. Periodic reports are expected to mention the activity results of the client's grievance redress mechanism. WB has set up its own environmental and social complaints mechanism, the GRS, which is open to third parties. This mechanism aims to ensure an independent handling of complaints about the environmental and social impacts induced by WB-funded projects. A complaint may be submitted to this mechanism by anyone affected by an WB-funded project.

Grievance redress mechanisms provide a way to provide an effective avenue for expressing concerns and achieving remedies for communities, promote a mutually constructive relationship and enhance the achievement of project development objectives. It provides a platform for communities and individuals who believe that they are adversely affected by a WB supported project may submit complaints to existing project-level grievance redress mechanisms. Grievance redress mechanisms are increasingly important for development projects where ongoing risks or adverse impacts are anticipated. They serve to prevent and address community concerns, reduce risk, and assist larger processes that create positive social change. It has been learned from many years of experience that open dialogue and collaborative grievance resolution simply represent good business practice both in managing for social and environmental risk and in furthering project and community development objectives. The project will therefore operate Project Based GRM, briefly explained here below.

In summary and consistent with international standards, the GRM includes the following five-step procedure:

- Step 1: Receipt and Registration
- Step 2: Classification and Prioritization
- Step 3: Investigation
- Step 4: Resolution and Feedback
- Step 5: Monitoring and Evaluation

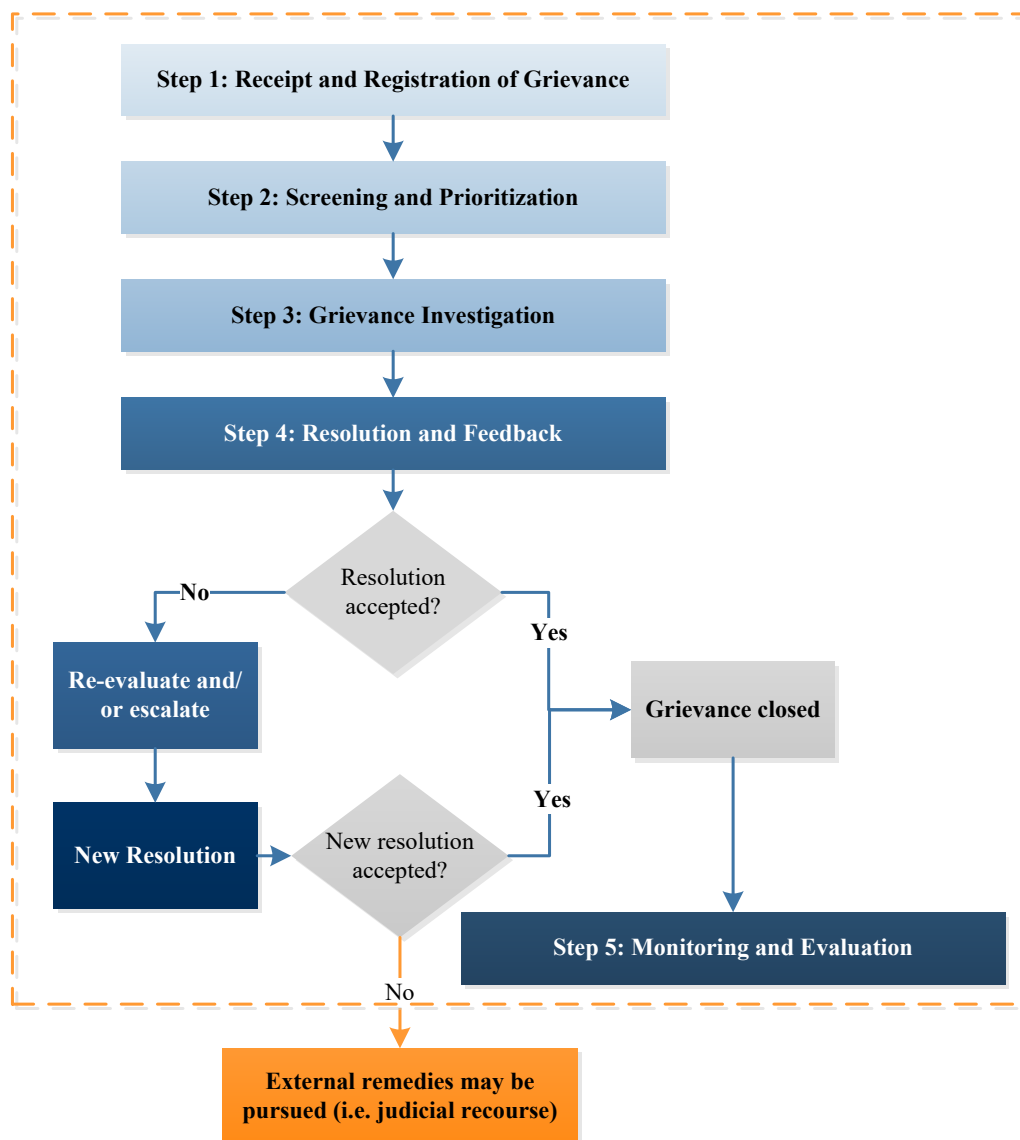


Figure 0-2: The Process Flow Chart of Grievance Redress Mechanism (GRM)

### **World Bank Grievance Redress Service**

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

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### **7.15 Resettlement Policy Framework**

A separate Resettlement Policy Framework (RPF) has been prepared alongside this ESMF to guide any resettlement related issues, including economic displacement impacts during project preparation and throughout implementation. Please refer to the said RPF for details.

## Institutional Arrangements

The project will be overseen and coordinated by a Project Steering Committee (PSC) chaired by the Permanent Secretary/Secretary to the Treasury (PS/ST) of the Ministry of Finance, Planning and Economic Development (MoFPED). The core members of the committee will include all operating units of the project and the Office of the Prime Minister (OPM), the Bank of Uganda (BoU), the Ministry of Trade, Industry and Cooperatives (MTIC), the Ministry of Gender Labor and Social Development (MoGLSD), and the Private Sector Foundation Uganda (PSFU). Other MDAs may be invited to participate as needed by the PSC.

The PSC will have the following main roles: (a) coordinate policy actions among public institutions to maximize investment for jobs; (b) provide guidance and support to the program management teams; (c) oversee the financial risks during implementation and suggest mitigating measures; (d) act as a first-stage of grievance committee for all safeguard-related complaints; and (e) act as the main focal point for interaction with development partners and other stakeholders on behalf of the project. Additionally, the PSC will host two annual meetings with the World Bank team and development partners of the MDTF to review the project results, discuss key issues, and agree on key milestones over the following six months. The review meeting will be based on a technical review conducted and led by the World Bank team. MoFPED will act as the secretariat for the biannual project review meeting and will also be responsible for organizing the meeting. The MoFPED will invite additional organizations or agencies to the meeting as may be deemed necessary.

The project is being implemented by MoFPED through an INVITE Trust, BoU and PSFU. The INVITE Trust will implement Components 1 ((sub-components 1.1, 1.2, 1.3, 2.1, and 2.2) and components 2 (2.1, and 2.2)). PSFU will implement sub-component 2.3 and Component 3 and the Multi Donor Trust Fund (MDTF). The BoU will undertake a custodial role for the INVITE Funds.

The INVITE Trust and PSFU will operate Designated Accounts (DA) in the Bank of Uganda to manage the resources of the respective project components and sub-components. The INVITE Trust and PSFU will manage the project activities according to rules, procedures, and protocols as established in this Manual and Project Agreements, agreeable to IDA.

The INVITE Trust will implement all activities transparently and manage the risks associated with the implementation of the project activities. It will hold all of the project's financial assets and liabilities.

The INVITE Trust will establish a dedicated project implementation team, satisfactory to IDA for the duration of the project. The project implementation staff will consist of: Project Manager, Risk Officer, Finance, Procurement, Environment, Social Development, IT, Monitoring and Evaluation, Communication Specialists etc. plus all the other support personnel as may be needed. The INVITE Trust implementation team will manage the day-to-day engagement, ensure the social and environmental safeguards are



applied to the components under its' implementation, and manage monitoring and evaluation. The INVITE Trust using the MDTF facility will procure technical advisory firm/s to assist it in implementation and conducting training and awareness for implementing beneficiaries.

The INVITE Trust will monitor the financial risk of the components under its implementation and ensure that the project has made adequate provisions to cover such risk at all times over the project period. In addition to implementing its responsible components, the PSFU will also provide safeguard support to all the other components. PSFU will recruit staff to implement INVITE, except for the Project Coordinator and the Financial Management Specialist who will be retained from CEDP project (for efficiency purposes and based their positive track record and experience). The other staff to be recruited will consist of at least a Social, Environment, Procurement, Monitoring and Evaluation, Communication and Refugee Specialists; Internal Audit, Exporting Firm Support team and other support staff.

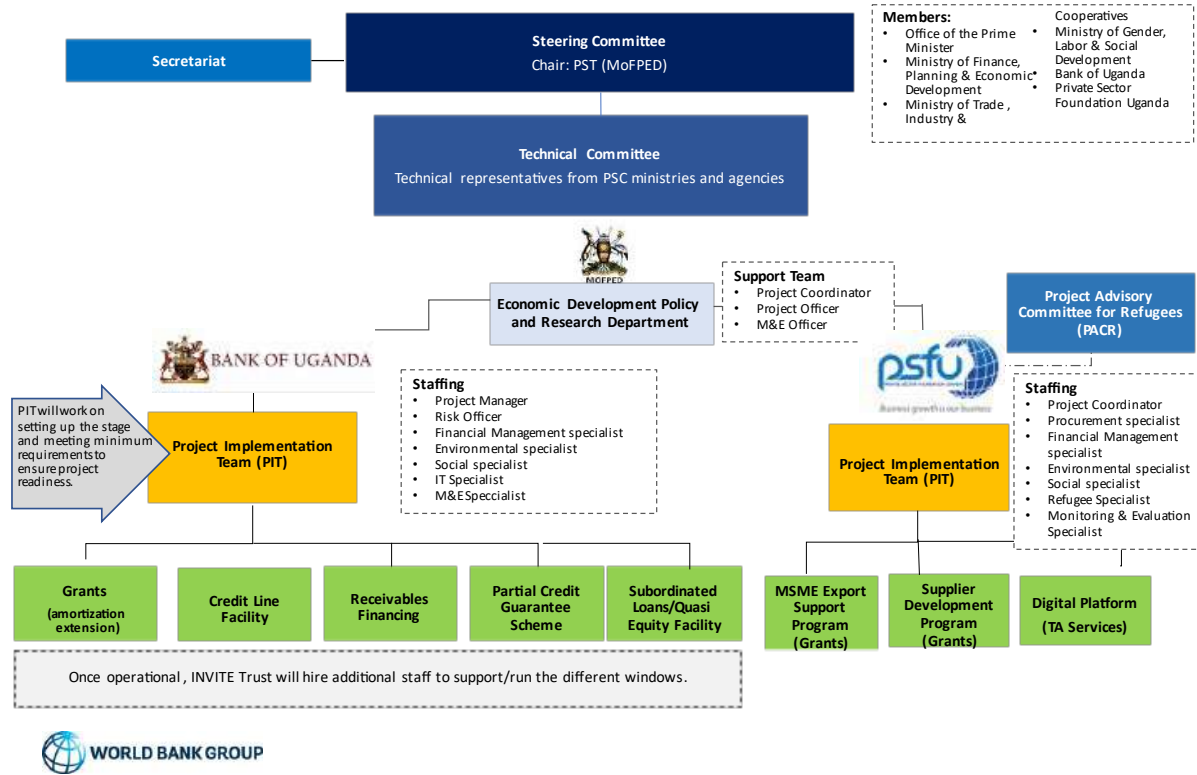
The dedicated project implementation team must be satisfactory to IDA for the duration of the project. The staff will be responsible for managing the day-to-day activities of project implementation of the sub-components: (i) project administration, reporting, monitoring and evaluations, etc. (ii) procurement, leading procurement with other agencies, participate in contract management, etc.; (iii) Financial Management: accounting, internal controls, payments, etc; (iv) environmental and social for the components under supervision and providing E&S support to other collaborating institutions; and (v) Information Technology Management: operation, maintenance, and reporting associated with secure web platform.

The PSFU, in agreement with MoFPED, will establish a Project Advisory Committee on Refugees (PACR) consisting of OPM, UNHCR, and selected representatives of other implementing agencies. The purpose of the PACR is to ensure coordination and complementarity with other implementing agencies, taking lessons learned from other project and policy initiatives, and providing feedback in the implementation of programmed RHD activities.

#### **Role of the IDA during project implementation**

IDA will provide oversight, guidance and technical support for project implementation. Periodic project implementation support missions and reviews will be undertaken for the purpose. IDA will review and provide clearances for submissions as defined in implementation arrangements. The Bank will also monitor compliance with financial management, procurement, environment and social safeguard measures

# Project Implementation Structure



Official Use

Figure 0-1: Project Implementation Structure

## Roles and Responsibilities in Implementation of the ESMF

PSFU is the lead implementing entity for the INVITE project and has the responsibility for day-to-day operations and overall project implementation. PSFU will coordinate with NEMA and the respective host local governments on ensuring that environmental and social issues are addressed effectively throughout the lifecycle of the Project.

Implementation of the ESMF will involve multiple institutions at all levels as seen in Table 8-1 below.

Table 0-1: Institutional Roles and Responsibilities for Environmental and Social Management under INVITE Project

S.No.	Organization	Mandate/ Responsibility
	Ministries	
1.	The Ministry of Finance, Planning and Economic Development (MoFPED)	The Ministry of Finance, Planning and Economic Development (MoFPED), mobilizes funds, allocates them to sectors and coordinates development partner inputs. MoFPED reviews sector plans as a basis for allocation and release of funds, and

		<p>reports on compliance with sector and national objectives. The project will be overseen and coordinated by a Project Steering Committee (PSC) chaired by the Permanent Secretary/Secretary to the Treasury (PS/ST) of the Ministry of Finance, Planning and Economic Development (MoFPED).</p>
2.	The Ministry of Water and Environment (MoWE)	<p>The Ministry of Water and Environment (MoWE) has the overall mission: to promote and ensure the rational and sustainable utilization, development and effective management of water and environment resources for socio-economic development of the country. The ministry has three directorates: Directorate of Water Resources Management (DWRM), Directorate of Water Development (DWD) and the Directorate of Environmental Affairs (DEA).</p> <p>The DWD is responsible for providing overall technical oversight for the planning, implementation and supervision of the delivery of urban and rural water and sanitation services across the country, including water for production. DWD is responsible for regulation of provision of water supply and sanitation and the provision of capacity development and other support services to Local Governments, Private Operators and other service providers.</p> <p>The DWRM is responsible for developing and maintaining national water laws, policies and regulations, managing, monitoring and regulation of water resources through issuing water use, abstraction and wastewater discharge permits.</p> <p>The Directorate of Environmental Affairs (DEA) is responsible for environmental policy, regulation, coordination, inspection, supervision and monitoring of the environment and natural resources as well as the restoration of degraded ecosystems and mitigating and adapting to climate change. DEA comprised the three departments of Environmental Support Services (DESS), Forestry Sector Support Department (FSSD) and Wetlands Management (WMD). DEA works in collaboration with the National Environmental Management Authority (NEMA) and the National Forestry Authority (NFA) and the Uganda National Meteorological Authority.</p>
3.	Ministry of Local Government-MoLG	<p>The Ministry is mandated in the Local Government Act to carry out a number of responsibilities as follows: to inspect, monitor, and where necessary offer technical advice/assistance, support supervision and training to all Local Governments; to coordinate and advise Local Governments for purposes of harmonization and advocacy; to act as</p>

		Liaison/Linkage Ministry with respect to other Central Government Ministries and Departments, Parastatals, Private Sector, Regional and International Organizations; and to research, analyse, develop and formulate national policies on all taxes, fees, levies, rates for Local Governments.
	District Environment Officer (DEO), Municipal Environment Officers and Community Development Officers (Local Governments)	The functions of Local Government Officers include advising the district/ urban councils on all matters relating to the environment and liaison with NEMA on all matters relating to the environment. The Officers shall be involved in monitoring & supervising project activities and providing guidance on implementation of mitigation measures, including reporting any event or activity, which has or is likely to have a significant impact on the environment.
4.	Ministry of Gender, Labour and Social Development	The mandate of the Ministry is to empower citizens to maximize their individual and collective potential by developing skills, increasing labour productivity, and cultural enrichment to achieve sustainable and gender-sensitive development. With reference to the project, the Ministry will be key on supervision of mainstreaming issues of OHS, gender, HIV/AIDS and issues of child labour as well as employment issues in the project.
5.	Ministry of Agriculture, Animal Industry and Fisheries	MAAIF is responsible for policy formulation, planning, setting standards on irrigation, aquaculture and water for livestock. The Crop Protection Directorate of MAAIF is in charge of all matters related to plant health, including issuance of import and export phytosanitary certificates for live plant material and horticultural crops, as well as for plant pest prevention or eradication programmes. The department is also responsible for enforcing regulations on registration and the use of pesticides and other agrochemicals.
6.	Ministry of Lands, Housing and Urban Development – Office of the Chief Government Valuer	Valuation of properties and or compensation is the responsibility of the Chief Government Valuer who also approves District Compensation Rates. A copy of these rates is available at every District. The application of the valuation exercise on ground will be done in the presence of at least two local council leaders with the participation of the affected persons. Values assigned to assets must be based on the market rates approved by the respective districts. Where this is not possible, the Chief Government Valuer (CGV) will be engaged to do this.
	STATUTORY AGENCIES	
7.	Private Sector Foundation Uganda	Private Sector Foundation Uganda (PSFU) is Uganda's apex body for the private sector. It is made up of business

		<p>associations, corporate bodies, and the major public sector agencies that support private sector growth. The PSFU will implement components, 2.3, components 3 and 4. The PSFU will also implement the Grant Executed activities under component 3 on behalf of the MoFPED. PSFU shall prepare and submit periodic implementation progress reports to WB. The PIU will recruit and maintain qualified Project Environmental Specialist (1) and Social Specialist (1) throughout the project duration.</p>
8.	Bank of Uganda	<p>The BoU will be responsible for managing components 1.1, 1.2, 1.3, 2(1) and 2(2) of the Project on behalf of MoFPED established INVITE Trust. It will, therefore, act as the appointed administrator of the INVITE Trust, thereby applying all administrative and safeguards policy on its behalf.</p> <p>BoU shall prepare and submit periodic implementation progress reports to WB. The PIU will recruit and maintain qualified Project Environmental Specialist (1) and Social Specialist (1) throughout the project duration.</p>
9.	National Environment Management Authority (NEMA)	<p>NEMA was established by an Act of Parliament (NEA) as the principal agency responsible for the management of the environment and was created as a result of the National Environmental Action Plan (NEAP) of 1994. The role of NEMA is to coordinate the input by all the different lead agencies and ensure compliance with the National Environmental Policy and Law. NEMA retains its mandatory role of coordination, supervision and monitoring environmental issues. Implementation of the different environmental issues is done through the relevant government institutions (Lead Agencies) within whose mandate the respective issues lie. As for the implementation of the ESIA process, NEMA's role will involve coordinating the review of the ESIA's of the planned interventions with relevant line agencies. Other lead agencies that would participate in the review are the Ministry of Local Government and local governments. Specifically, the Environmental Monitoring and Compliance Department of NEMA is responsible for the review and approval of ESIA's, post-implementation audits and monitoring of approved projects. Although project sponsors have a responsibility for monitoring their own activities, NEMA carries out its own monitoring largely through District Environmental Officers and environmental inspectors at NEMA's head office/ Lead Agencies.</p>

10.	National Forestry Authority (NFA)	NFA will closely monitor the activities of the project across / adjacent to forested areas, where applicable.
11.	Uganda Wildlife Authority (UWA)	UWA will closely monitor the activities of the project across/adjacent to wildlife protected areas such as National Parks, Wildlife/ Game Reserves.
12.	Uganda National Bureau of Standards	<p>The UNBS is mandated to develop and promote standardization; quality assurance; laboratory testing; and metrology to enhance the competitiveness of local industry and to strengthen Uganda's economy and promote quality, safety and fair trade. UNBS also ensures quality imports through implementation of the Import Inspection and Clearance Regulations 2002 by carrying out inspection of imports.</p> <p>UNBS will work hand in hand with MAAIF/INVITE to address issues of pesticides quality.</p>
	OTHERS	
13.	CONTRACTORS	Where used, all contractors hired to undertake project civil works shall be required to develop a Contractor's ESMP which will include among others the following aspects: the initial sub-project ESIA approved by both NEMA and WB (for supporting facilities), Health and Safety Management Plan, Traffic Management Plan, Waste Management Plan, Construction Camp and Equipment Yard Management Plan, Labor Force Management Plan which shall also include Code of Conduct for Workers, Construction Materials Acquisition Due Diligence Procedure, etc. The Contractors shall hire the following key staff to undertake project implementation: Project Manager, Environmental Specialist, Sociologist, Health and Safety Officer.
14.	SUPERVISION CONSULTANTS	<p>Where engaged, the Engineer/Supervising Consultant will be responsible for the technical and contractual implementation of the works to be undertaken. The responsibilities of the Engineer/ Supervising Consultant will include:</p> <p>Ensure that, the requirements as set out in the ESMP and any other conditions stipulated by the relevant Authorities are implemented;</p> <p>Assist the Contractor in ensuring that the conditions for ESMP are adhered to and promptly issue instructions to the Contractor;</p>

		<p>Support the Contractor in the preparation of monthly site meetings and that, such meetings have their agenda embody aspects of environmental and social compliance;</p> <p>Review and approve work method statements by the contractor to ensure environmental and social safeguards are fully addressed in works to be undertaken.</p>
15.	Beneficiary Communities	<p>The Communities are responsible for demanding, planning, contributing a cash contribution to capital cost, and operating and maintaining projects in their community. Project management committees including Grievance Redress Committees (GRCs) shall be established at each village. Being the primary beneficiaries of the project, the community will be made to participate fully in all aspects of the program including project identification, preparation, implementation, operation and maintenance.</p>
16.	Development Partners	<p>Uganda has many Development Partners supporting the private sector, Refugees agenda and general development. Development Partners provide financial and technical support to GoU, including participating in monitoring implementation of various undertakings they support.</p>

Project implementation structure and arrangements, including coordination mechanisms among the different actors shall be clearly stated in the " Project Operational Manual (POM)", to be prepared by PSFU in form and substance satisfactory to WB, containing or referring to detailed arrangements and procedures for the implementation of the Project, including: (i) management structure and organization (ii) internal and external coordination and day-to-day execution of the Project; (iii) documentation management, (iv) budgeting, disbursement and financial management; (v) procurement plan; (vi) environmental and social safeguards management, including development of Grants Application Criteria as part of the POM incorporating E&S requirements; (vii) monitoring, evaluation, reporting and communication, including in respect of environmental and social safeguard matters; and (viii) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project. The POM may be amended and/or supplemented from time to time with the prior written concurrence of WB.

**The PSFU PIU will have the following overall E&S Roles:**

- Undertake the dissemination of the ESMF to the various key actors (Project beneficiaries, MDAs, Urban Authorities (Municipalities), Districts, Sub-Counties) during project launch and throughout project implementation;
- Undertake Periodic E&S Training of all projects Implementing entities (Project beneficiaries, MDAs, Urban Authorities (Municipalities), Districts, Sub-County Extension Staff, and Community Liaison Assistants);

- Preparation of the Annual Work Plan and Budget (AWPB) of the Project, ensuring budgeting for environmental and social works including operational costs, costs of compensation (if necessary), E&S monitoring, facilitating ongoing Stakeholder Consultations and feedback, operation of the grievance management, etc;
- Undertaking Preliminary analysis / Screening activities listed in the AWPB (year n-1) against the National Check List and / or ESMF criteria (*regulatory and technical process that begins in the office and ends in the field and which allows a project / sub-project to be classified in one of the ESF ESRC (H, S, M, L) and the levels set by National law and procedures: (Exempt, Project Brief (ESMP), EIS)*): and to identify those that must be object of:
  - The development of ESIA (simplified ESIA/ESMP/Project Brief or detailed ESIA), Environmental Audit and / or RAP;
  - The environmental and social requirements, i.e. Low ESRC/ Exempt activities should be screened even if the activity is not subject to an EA, and where necessary relevant measures specified to address the minor E&S risks which may be associated with such project activities.
- Preparation of the preliminary screening & scoping report and development of ToRs for the required ESA studies;
- Share with WB the ToRs produced by the E&S Specialists for the performance of specific environmental assessments for sub-projects / activities;
- Procurement/ hiring of E&S Consultants to undertake the required ESIA studies;
- Carrying out the Study or specific studies required (ESIA, RAP, ESMP / EA), etc.), ensuring close supervision of the Consultants to deliver quality work on time;
- Review of ESIA, RAP, ESMP, EA, etc.;
- Sharing with WB for review all E&S specific instruments prepared for the sub-projects and ensuring incorporation of arising review comments;
- Undertaking Disclosure of the documents by PSFU;
- Where necessary submitting the ESA Documents for relevant Statutory Approvals by the respective Government Agencies; ensuring that all the required authorizations (Permits, Certificates, Licenses, etc.) are obtained before the start of works by Project beneficiaries;
- In collaboration with the Procurement Specialist, undertake integration of environmental and social requirements into the Grants Application Criteria following the E&S Screening or environmental and social management measures (when the ESIA is carried out) in the Bidding Documents (BD) /Contracts, where necessary and applicable;
- Sharing with the Bank for advice the Bidding Documents for works and the ToRs relating to works control/supervision, for review and No-Objection approval;



- Integrate E&S measures into Grants Applications, Bidding Documents, then environmental and social clauses in contracts;
- Monitoring-Evaluation of the implementation of environmental and social management measures, ensuring the execution of E&S measures and clauses by PFIs, MSMEs, contractors;
- Preparation and transmission of periodic reports on the implementation of environmental and social safeguards by stakeholders at different levels:
  - Project beneficiaries, Contractors or service providers (including technical structures that have signed an agreement) must send to the Project Implementation Units (PIUs) monthly or periodic reports on the implementation of safeguard measures in accordance with their specifications as well as the accident reports (within 48 hours of occurrence of the serious and severe incidents/ accidents);
  - Supervision Consultant/ (Resident Engineer/ Project Manager) must produce monthly environmental and social monitoring reports to the PIU;
  - The Project Implementation Units (PIUs) at PSFU must send: (a) to the Bank the periodic reports (quarterly and annual, or upon request) on the implementation of environmental and social safeguards and the monthly RAP implementation report (when RAP is carried out) and (b) to the Environmental Agency (NEMA) the periodic reports on the implementation of E&S safeguards according to the frequency required by national regulations.
- Ensuring conduct of periodic E&S Audits, and in any case, undertaking Project Closure E&S Audit at least 6 months before closure to allow time for implementation of any required corrective E&S measures.

### **Liaison with local governments/ Urban Authorities**

Given that the project will be implemented and hosted in the local governments throughout the country (Urban Areas/ Municipalities and Districts), these will have a key role in physical planning and oversight monitoring. To this end, each participating local government will assign a District focal person (Municipal/District Commercial Officers), assisted by relevant technical staff (Municipal/ District Environment Officer, Community Development Officer, District Labour Officer, District Gender Officer). The LG Officers will meet regularly to discuss implementation activities, as well as inspecting ongoing subproject works, with a view to providing guidance on implementation of mitigation measures.

At district level, there is only one District Environmental Officer at the district who is required to oversee all environmental activities in all sectors in the district. Districts are constrained by lack of funding, equipment, transport, and qualified staff. The newly created districts are not currently staffed with District Environment Offices, exacerbating the difficulties in operationalizing environment management. Other officers who can be engaged during implementation at district level include the Natural Resources Officer, Physical Planner, Lands Officer, Forest Officer, Fisheries Officer, Community Development Officers,

District Labour Officer, Gender Officer, Probation and Child welfare Officer, and so on, based on each sub-project at a given location.

## **Monitoring and Evaluation**

The PSFU, Project beneficiaries will put in place adequate institutional arrangements, systems and resources to ensure effective monitoring of the ESMF and the relevant plans associated with INVITE Project.

The goals of monitoring will be:

- To measure the success rate of the activities;
- Determine the effectiveness of the mitigation measures to the negative impacts;
- Determine further interventions (such as mitigation) are required or enhance the monitoring; and
- Complying with the World Bank ESSs, World Bank Group EHS Guidelines and the national environmental and social requirement.

The goal of monitoring activities is to ensure that component activities comply with the plans and procedures laid out in the ESMF. Monitoring responsibilities and inspection activities will be carried out by PIU (PSFU) and Project beneficiaries who will administer the overall project-related environmental and social monitoring and implementation as laid out in this ESMF through their Environment and Social specialists.

The overall project M&E, will be led by the PSFU on behalf of MoFPED in collaboration with all participating agencies, applying a Results Framework which includes baseline measurements and annual targets to monitor results and progress. The BoU M&E data and reporting will be consolidated by PSFU into an overall project report. The economic impact of program activities will be measured through data collection and survey implementation and through a structured impact evaluation at the conclusion of the project. All data will be disaggregated by gender, refugee, host community, and non-host community nations to ensure adequate targeting and collection of results for targeted populations.

WB expects its clients to implement the environmental and social measures set out in the various plans (ESCP, ESMF, ESMP, SEP, RAP, etc.), which are referred to in the financing agreements, in compliance with the required deadlines. Implementation of the ESMF includes monitoring, reporting and evaluation. According to the ESCP, the project will support the operational expenditures related to the management, monitoring and evaluation, in compliance with the Environmental Laws and all safeguard measures provided in the Operational Manual and specified by WB from time to time in relation to social and environmental aspects of the Project.

The Environment and Social Management Plans (ESMP) will contain provisions on the management of inclusion and non-discrimination of vulnerable and disadvantaged individuals or groups. These provisions are consistent with recent actions taken by the GOU that are highlighted and included in Annex 16.

The purpose and objective of these provisions is to ensure: (i) that project impacts do not fall disproportionately on individuals and groups who, because of their particular circumstances, may be disadvantaged or vulnerable; (ii) there is no prejudice or discrimination toward individuals or groups in

providing access to development resources and project benefits, particularly in the case of those who may be disadvantaged or vulnerable; (iii) Bank financed operations are implemented through their respective life cycles in a manner that is aligned with the inclusion and non-discrimination principles embedded in applicable Bank requirements including the Environmental and Social Standards in line with WB Policy paragraph 4 (b) ESF paragraph 28 (b) of ESS1 on Assessment and Management Environment and Social Risk and Impacts.

Guidelines on the implementation of the provisions will be developed and widely disseminated. These will address World Bank enhanced implementation support and monitoring for inclusion and nondiscrimination that cover vulnerable or disadvantaged individuals or groups monitoring to ensure the implementation of the mitigations measures for their inclusion and non-discrimination. The Project Operational Manual (POM) will provide guidelines to facilitate the implementation of these provisions.

The compliance with implementation of ESMF requirements and guidance will be monitored. The PIU at PSFU will establish a monitoring system involving coordination between their staff and respective local governments (Municipalities and Districts, as well as community groups to ensure effective preparation and implementation of the subprojects instruments in line with the frameworks prepared (ESMF, RPF, SEP, ESCP) in order to address all activities that have potentially significant impacts on the environment, occupational health and safety, and social during implementation. In addition, environmental and social monitoring shall address all possible effects that the specific subprojects may have on the environment. The monitoring, therefore, shall encompass vegetation loss, effects on natural terrestrial and aquatic habitats, erosion, air and water quality, as well as social surveys, impacts on vulnerable groups, traffic safety and health, and other occupational health and safety issues. A set of monitoring indicators will be determined during ESMP implementation and will be guided by the indicators contained in the ESMF. Appropriate monitoring formats will be prepared for monitoring and reporting requirements.

***The ESMF M&E outcome indicators should contribute to ensuring that:***

- E&S screening of all subprojects is being undertaken and issues identified in the screening are being addressed. If not, the PIUs, Project beneficiaries, contractor/ service provider (Consultant) must develop and present for approval a plan to regain and/or maintain future compliance.
- E&S instruments specific to subproject level are being prepared in line with guidance provided in the respective frameworks. Where an ESIA and or an ESMP is developed, that all the commitments with regard to impact mitigation, monitoring, training of workers, etc. have been implemented. If not, the PSFU shall develop and agree to a plan to regain and maintain future compliance.
- New environmental or social concerns that may have arisen because of the project implementation and operations are addressed and documented.
- If the environmental and social concerns identified are deemed significant the PSFU may need to modify the applicable instruments (e.g. ESMPs) to reflect a need for ongoing work to address the new impacts. Information on this new plan will be provided in the annual report and or be required shortly thereafter.
- Implementation of all the requirements specified in the ESCP, following the 10 ESSs.

**Regular Reporting to WB:** Being the main implementing and coordinating Government Agency, PSFU will on a quarterly and Annual basis prepare and submit to WB monitoring progress reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to, the implementation of the ESCP, status of preparation and implementation of E&S documents required under the ESCP, stakeholder engagement activities, and the functioning of the grievance mechanism. Besides the quarterly, implementation support mission, and annual reports, the reporting period may vary from time to time, depending on nature of ongoing activities, and this may range from monthly or activity-based reports. Depending on the nature of the intervention and availability and or need for close follow up, more frequent monitoring visits can be made to projects that show any signs of risks or impacts.

The findings from the regular monitoring and inspection for compliance on Environmental and Social risk management (monitoring reports) will be compiled by the Project beneficiaries and sent to the PIU (PSFU) for review, validation and compilation. These quarterly monitoring reports, along with a quarterly summary of the ESMF implementation prepared by the PIU (PSFU), will be consolidated by the Environmental and Social specialists at the PSFU and will share the reports with the World Bank for review, after which the reports may be shared with other interested stakeholders by PSFU.

**Reporting of Incidents and Accidents:** The respective Project beneficiaries will report all the environmental and social incidences to the PCU regularly for submission to World Bank in accordance with the World Bank Environmental and Social Incident Reporting Tool Kit (ESIRT). PSFU, Project beneficiaries shall within 48 hours of occurrence promptly notify WB of Serious/ Severe Environmental (based on the categorization provided below, Social, Health and Safety (ESHS) incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers *including* child abuse, gender-based violence, Sexual Exploitation and Abuse, fatality, hazardous spills, etc. Indicative and minor incidences will be reported to the World Bank through incidental, monthly and quarterly reports – showing number of both the cumulative and the reporting period incidents. The reports shall provide sufficient detail regarding the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and supervising entity, as appropriate. Within fifteen days after the incident/accident, in consultation with WB, PSFU & BoU in close collaboration with the Project beneficiaries shall undertake a Root-cause analysis and develop a Safeguards Corrective Action Plan to be shared with WB, and this will include measures to prevent its reoccurrence, including actions, responsibilities and timelines for implementation, and monitoring program. The RCA shall be based on existing country processes, where available. Such incidence reporting (major and minor) will be included in relevant financing/Grant agreements with Project beneficiaries.

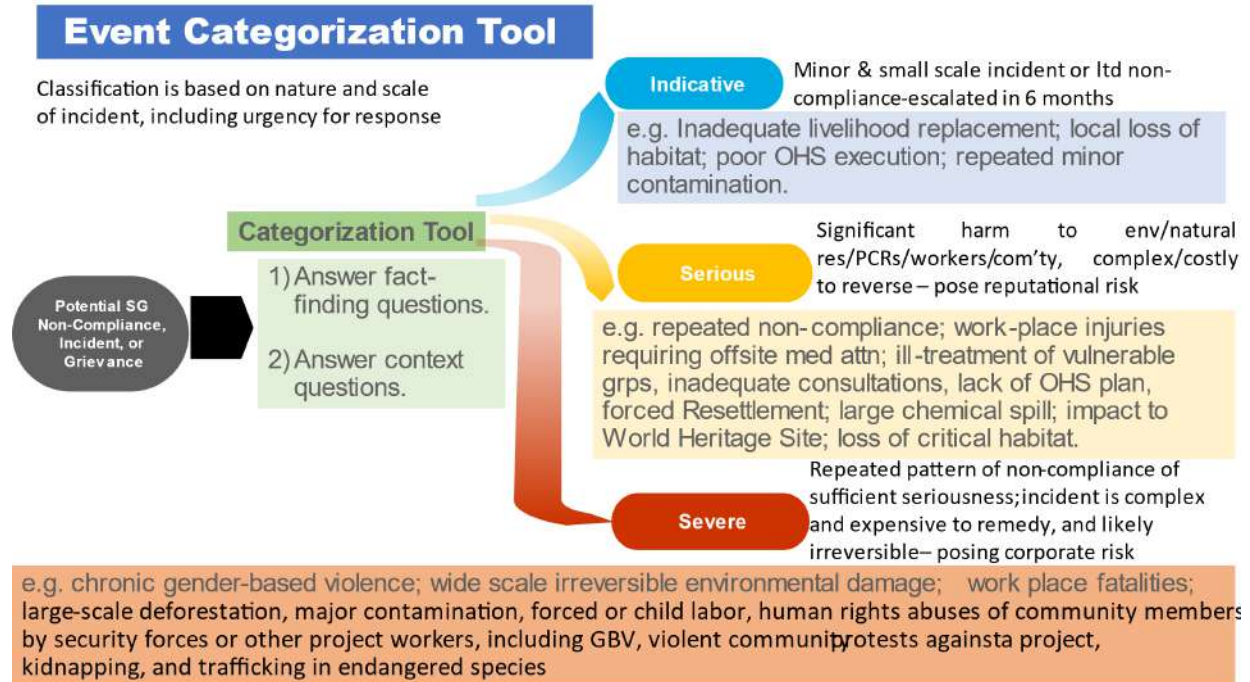


Figure 0-2: Incidents/ Accidents Categorization under World Bank, ESIRT (2018).

**Initial Communication within 24 hrs of incident should contain the following information:**

- What was the incident? What happened? To what or to whom?
- Where and when did the incident occur?
- What is the information source? How did you find out about it?
- Are the basic facts of the event clear and uncontested, or are there conflicting versions?
- What were the conditions or circumstances under which the incident occurred?
- Is the event still ongoing or is it contained?
- Is loss of life or severe harm involved?
- What measures have been or are being implemented? By who?
- Has the Government been informed? What is their response (if any yet)?

**Closure Environmental and OSH Audit:** Before closure of project implementation (six months to closure), PSFU shall commission an independent Environmental and Social Audit with a view of identifying any residual issues which will require to be addressed and/or followed up before and after project implementation.

**General Capacity Development for Management of Environmental and Social Risks and Impacts**

**7.16 Introduction**

To successfully implement the recommendations in this ESMF, it is important to ensure that key stakeholders who have a role in implementing the ESMF have basic understanding its implementation requirements and a framework in place to guide their operations and involvement in the INVITE project.

During consultations with the Key stakeholders, gaps emerged showing a lack of adequate knowledge of WB Environmental Social Framework, implementation requirements of the ESMF, monitoring procedures as well as screening and scoping procedures and impact identification. Training/capacity building is paramount during project implementation.

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### **7.17 Capacity Development and Training**

The collaborating institutions under the project will include, Project beneficiaries/ Lead Investors, SACCOs, private sector players, Government/ Public Agencies and participating proponents' groups. Each of these categories will require responsive capacity enhancement in environmental and social management based largely their levels of involvement in INVITE project activities. In addition, INVITE may request national and international university departments undertaking research in agricultural development, industrial manufacturing, or NGOs, to provide support in capacity building or providing mentoring.

Despite there being staff to handle environmental and social safeguards at PSFU, those at Government Agencies and most host local governments, there is need to augment that potential through tailor-made trainings and provision of equipment-based support in-terms of operational equipment and transport, where possible. Training will in the first instance (during Project Launch Workshop) be provided by World Bank, NEMA, Ministry of Gender, Labor and Social Development to the INVITE PCU/PIU with regard to ESMF and ESMS processes, requirements, and approvals, including preparation of safeguard documents and their implementation.

Furthermore, the PSFU, host Municipalities and Districts will undertake sensitization and awareness raising among key stakeholders and potential Project beneficiaries of the project at community levels and sensitize them on the project objectives and its implementation modalities. Special emphasis will be put on the relevance and significance of environmental and social issues all through the sub project cycle so that they are familiar enough with these issues and can make informed and specific decisions and request for technical support whenever need arises. The PIUs/ PSFU Environmental and Social Specialists will work through the CDOs, labour Officers and DEOs at the respective Municipalities and Districts to organize practical trainings to build the knowledge and awareness of potential Project beneficiaries, local government officials and local communities, on environmental and social issues related to the proposed project activities. Training will also seek to build the skills of local people to participate actively in identifying appropriate mitigation measures to avoid or reduce potential negative impacts of project activities.

The following officers and/ or institutions, among others, shall be targeted to participate in the training workshops:

- PIU-PSFU: Environment and Social Safeguards Specialists, Project Coordinator, Procurement Specialist, FM/Monitoring and Evaluation Specialist, E&S focal persons at BoU.
- DLGs: District Environment Officer, Community Development Officer, District Commercial Officer, District Agricultural Officer, District Engineer, District Labour Officer, Probation & Child Welfare Officer, and so on.

Subsequent E&S trainings will target the following, on a quarterly basis (among others):

- E&S focal persons at Project beneficiaries, SACCOs.
- Supervision Consultant/s: Resident Engineer, E&S Specialists, Clerk of Works.
- Contractors: Contract Manager, E&S Officer.

Other stakeholders to participate in E&S trainings shall be identified during the implementation phase based on the prevailing circumstances and needs at each given time. The follow-on trainings shall be developed by the E&S Specialists at the PSFU PIU in consultation with the Bank and customized as applicable.

The following are indicative capacity enhancement and training areas, which shall be reviewed and customized to each participating Client and training workshop:

- Introduction to the project, description of each project Component and Implementation requirements and coordination/ management arrangements;
- Understanding Uganda's Environmental and Social Management Process, requirements and integration with WB-ESF;
- Introduction of ESF Instruments prepared for the Project and their implementation requirements (ESMF, ESCP, SEP, LMP, GRM, ESMPs);
- Management and reporting on environmental and social aspects in projects;
- Emergency preparedness and response, including reporting of incidents and accidents, maintaining and maintaining incidents log;
- Traffic Management and general Health and Safety Management;
- Community Health and Safety;
- Stakeholder mapping and engagement;
- Contractor management on environment and social risks;
- HIV/AIDS, GBV/SEA, and gender mainstreaming in projects and reporting on such themes;
- Management of involuntary processes in projects;
- Employment and labor engagement processes;
- GRM issues in the projects and their resolution mechanisms;
- Waste Management and Disposal of hazardous materials and
- Implementation of ESMPs.

## ESMF Budget Components

Financial resources are required to support implementation of the ESMF and general environmental and social management activities. Below are budget estimates to support basic environmental and social project management activities. The project is urged to prioritize and financially fund the listed activities in order to mitigate the likely environmental and social risks and impacts of the project activities.

Under Project Component 4 of Implementation Support and Monitoring & Evaluation, the project shall allocate an adequate budget to undertake implementation of the environmental and social mitigation measures and conduct effective and meaningful stakeholder engagement with all of the project affected groups throughout the life cycle of the project. The budget shall be adjusted and adapted as and when necessary to ensure effective and efficient implementation of environmental and social risk management measures. Government of Uganda (GoU) through PSFU, and Ministry of Finance Planning and Economic Development shall commit to implement the project in compliance with World Bank's ESF requirements as documented in the Environmental and Social Commitment Plan which forms part of the Financing Agreement.

**Table 0-1: ESMF Implementation Budget**

Item	Annual Budget estimates (USD, 000)					
	Year 2022	Year 2023	Year 2024	Year 2025	Year 2026	TOTAL
Implementation of General Capacity Development Plan for Management of Environmental and Social Risks and Impacts in the project (Chapter 8.4).	000	20	50	30	10	<b>110</b>
Projects supervision by project Environmental and Social Specialists at PSFU.	000	50	100	100	100	<b>350</b>
Strengthening Grievance Redress Mechanism structures and facilitating general Stakeholder Engagement as spelt out in the SEP.	000	30	40	30	5	<b>105</b>
Facilitating and Monitoring implementation of the ESMF (Ref. 8.3)						
E&S Screening and preparation of ESIA/ ESMP/ SEP / ESMS	000	10	200	000	000	<b>210</b>
Project Closure E&S Audit					100	<b>100</b>
Hiring E&S Specialist at PSFU & BoU (4)						
<b>Total Annual Budget/ GRAND TOTAL</b>	<b>000</b>	<b>110</b>	<b>390</b>	<b>160</b>	<b>215</b>	<b>875</b>



*Note: The figures provided are lump-sum budget estimates*

Author & Year Title	Title
WB & GoU, December 2021	Project Appraisal Document for INVITE Project
WB, October 2020	Appraisal Environmental and Social Review Summary <i>(Disclosable Version)</i>
PSFU, 2021	Draft Environmental and Social Management Framework for the INVITE Project
World Bank Group, 2018	Environmental and Social Framework, 2018
World Bank Group, 2007	World Bank Group General Environment, Health and Safety Guidelines for Water and Sanitation, 2007
PSFU, October 2022	Terms of Reference for consultancy services for preparation of an Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), Stakeholders Engagement Plan (SEP), and Vulnerable and Marginalized Groups Framework (VMGF) for the Investment For Industrial Transformation and Employment (INVITE) Project.
National Environment Management Authority, 2019	National Environment (Environmental and Social Assessment) Regulations S.I. No. 143 of 2020
National Environment Management Authority, 2019	National Environment Act NO.5 2019
National Environment Management Authority, 1997	National Environment Management Authority (NEMA) (1997). Environmental Impact Assessment Guidelines for Uganda
ILO Conventions	ILO's fundamentals conventions <a href="http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:103404">http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:103404</a>

## ANNEX 1: SCREENING FORM FOR POTENTIAL ENVIRONMENTAL AND SOCIAL ISSUES

### Introduction

This form is a tool to standardize the environmental and social screening process of INVITE subprojects.

The main objective of the screening process is to identify and highlight environmental and social issues that need to be considered in further decisions, planning, and design of a project, before commencement of implementation of physical activities. The aim is to support the sustainable implementation of the planned investments under the above project.

The screening must be carried out at an early stage of the sub-project, in accordance with the guidance provided in the ESMF. The proponent must complete each section of this form, as outlined below.

### Proponent and Project Identification:

Name of Project: **INVITE Project**

Project Proponent (Company / Institution): **Private Sector Foundation Uganda**

### E&S Screening Form to be completed

Please type or print clearly, completing this form in its entirety. You may provide additional information on a separate sheet of paper if necessary. Kindly note that the information you are to provide is required by Section 110, 112, 113, and Schedules 4, 5, 6, 10, 11 of the National Environment Act, 2019, and WB-ESF.

a. Component under INVITE-Project	
b. Name of Subproject	
c. Sub-Project Objective	
d. Expected Commencement Date	
e. Location: (Urban Authority, Municipality/Division, Town-Council, Ward, Cell OR District, Parish, Village)	
f. Proposed Main Project Activities	
g. Approximate size of land area available for the sub project and Ownership Status / Evidence (Land Title, Agreement, Community Contribution/ Donation, etc)	
h. Estimated Sub-project cost UG.Shs	
i. Name, Title and Contact (Email & Tel) of Evaluator	

**Maps (in Annexes):**

- Provide a map with the geographical location of the project;
- Provide an appropriately-scaled map clearly showing:
  - (i) The project area with existing buildings, infrastructure, vegetation, and land use;
  - (ii) The project area with any planned construction, plants, lines, or access roads.

**BRIEF DESCRIPTION OF THE PROPOSED PROJECT**

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**EMPLOYEES AND LABOURERS**

Number of people to be employed: Employees and Laborers	During Construction	During Routine Operation

**DESCRIPTION OF PROCESS THAT COULD BE IMPLEMENTED**

Briefly describe the type and nature or type of the project at the site.-----  
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List the type and quantity of raw materials to be used in the project and highlight their sources and the technology and machinery to be used in the construction and operation phases:

Material	Quantity	Source
Raw Materials		
Technology/ Machinery		

**POTENTIAL ENVIRONMENTAL IMPACTS**

Please indicate environmental impacts that may occur as a result of the proposed project.

**A. The Biological Environment**

**The Natural Environment**

Describe the habitats and flora and fauna in the project area and in the entire area expected to be affected by the sub-project (e.g., downstream areas, access roads):

- a. Will the project directly or indirectly affect: Natural forest types? swamps? Wetlands (i.e., lakes, rivers, swamps, seasonally inundated areas)? Natural critical habitats (parks, protected areas)?
- b. Other habitats of threatened species that require protection under Ugandan laws and/or international agreements? YES \_\_\_\_\_ NO \_\_\_\_\_
- c. Involve drainage of wetlands or other permanently flooded areas? YES \_\_\_\_\_ NO \_\_\_\_\_
- d. Reduce the quantity of water for the downstream users? YES \_\_\_\_\_ NO \_\_\_\_\_
- e. Result in the lowering of groundwater level or depletion of groundwater? YES \_\_\_\_\_ NO \_\_\_\_\_

- f. Are there according to background research/observations any threatened/ endemic species in the project area that could be affected by the project? YES \_\_\_\_\_ NO \_\_\_\_\_
- g. Will vegetation be cleared? If yes, please state the distance/length/ha of affected area YES \_\_\_\_\_ NO \_\_\_\_\_
- h. Will there be any potential risk of habitat fragmentation due to the clearing activities? YES \_\_\_\_\_ NO \_\_\_\_\_
- i. Will the project lead to a change in access, leading to an increase in the risk of depleting biodiversity resources? YES \_\_\_\_\_ NO \_\_\_\_\_
- j. Will the project Divert the water resource from its natural course/location? YES \_\_\_\_\_ NO \_\_\_\_\_

Provide an additional description for "yes" answers:

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**Protected Areas**

Does the subproject area or do subproject activities:

- a. Occur within or adjacent to any designated protected areas? YES \_\_\_\_\_ NO \_\_\_\_\_
- b. Affect any protected area downstream of the project? YES \_\_\_\_\_ NO \_\_\_\_\_
- c. Affect any ecological corridors used by migratory or nomadic species located between any protected areas or between important natural habitats (protected or not) (e.g., mammals or birds)? YES \_\_\_\_\_ NO \_\_\_\_\_

Provide an additional description for "yes" answers:

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**Invasive Species**

- a. Introduce exotic plants or animals? YES \_\_\_\_\_ NO \_\_\_\_\_
- b. Is the sub-project likely to result in the dispersion of or increase in the population of invasive? plants or animals (e.g., along distribution lines)? YES \_\_\_\_\_ NO \_\_\_\_\_

Provide an additional description for a "yes" answer:

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**B. The Physical Environment**

**Geology/Soils**

Will slope or soil stability be affected by the project? YES \_\_\_\_\_ NO \_\_\_\_\_

Will the subproject cause physical changes in the project area (e.g., changes to the topography)? YES \_\_\_\_\_ NO \_\_\_\_\_

Will local resources, such as rocks/stone aggregates, wood, sand, gravel/murram/pebbles be used? YES \_\_\_\_\_ NO \_\_\_\_\_

Could the subproject potentially cause an increase in soil salinity in or downstream the project area? YES \_\_\_\_\_ NO \_\_\_\_\_

Could the soil exposed due to the project potentially lead to an increase in lixiviation of metals, clay sediments, or organic materials? YES \_\_\_\_\_ NO \_\_\_\_\_

**Landscape / Aesthetics**

Is there a possibility that the sub-project will adversely affect the aesthetics of the landscape? YES \_\_\_ NO \_\_\_\_\_

**Pollution**

Is the project area or its immediate surroundings subject to pollution or environmental damage caused by other (existing) activities? Yes \_\_\_\_ No \_\_\_\_\_

Will the sub-project use or store dangerous substances (e.g., large quantities of hydrocarbons, chemicals, etc)?

YES \_\_\_\_\_ NO \_\_\_\_\_

Will the project or its activities cause pollution of aquatic ecosystems by sedimentation and agro-chemicals, oil spillage, effluents, etc.?

YES \_\_\_\_\_ NO \_\_\_\_\_

Will the subproject produce harmful substances, or Create waste that could adversely affect local soils, vegetation, rivers and streams or groundwater? YES \_\_\_\_\_ NO \_\_\_\_\_

Will the subproject produce solid or liquid wastes? YES \_\_\_\_\_ NO \_\_\_\_\_

Will the subproject cause air pollution? YES \_\_\_\_\_ NO \_\_\_\_\_

Will the subproject generate noise? YES \_\_\_\_\_ NO \_\_\_\_\_

Will the subproject generate electromagnetic emissions? YES \_\_\_\_ NO \_\_\_\_\_

Will the subproject release pollutants into the environment? YES \_\_\_\_ NO \_\_\_\_\_

Provide an additional description for a "yes" answer:

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**C. The Social Environment**

**Land Use, Resettlement, and/or Land Acquisition**

Describe existing land uses on and around the sub-project area (e.g., community facilities, agriculture, tourism, private property, or hunting areas):

- a. Are there any land uses or plans on or near the sub-project location, which will be negatively affected by subproject implementation? YES \_\_\_\_ NO \_\_\_\_\_
- b. Are there any areas on or near the subproject location, which are densely populated which could be affected by the sub-project? YES \_\_\_\_\_ NO \_\_\_\_
- c. Are there sensitive land uses near the project area (e.g., hospitals, schools)? YES \_\_\_\_ NO \_\_\_\_\_
- d. Will there be a loss of livelihoods among the population? YES \_\_\_\_ NO \_\_\_\_\_
- e. Will the sub-project affect any resources that local people take from the natural environment? YES \_\_\_\_\_ NO \_\_\_\_\_
- f. Will there be additional demands on local water supplies or other local resources? YES \_\_\_\_\_ NO \_\_\_\_\_
- g. Will the sub-project restrict people's access to land or natural resources? YES \_\_\_\_ NO \_\_\_\_\_

- h. Will the project require resettlement and/or compensation of any residents, including squatters?  
YES \_\_\_\_ NO \_\_
  - i. Will the subproject result in construction workers or other people moving into or having access to the area (for a long time period (more than 1 week) and in large numbers compared to permanent residents)? YES \_\_\_\_ NO \_\_\_\_
  - j. Who is/are the present owner(s)/users of resources/infrastructures in the subproject area?
- 

**Loss of Crops, Fruit Trees, and Household Infrastructure**

Will the subproject result in the permanent or temporary loss of: Crops? Fruit trees / coconut palms? Household infrastructure? Any other assets/resources? YES \_\_\_\_\_ NO \_\_\_\_\_

**Occupational Health and Safety, Health, Welfare, Employment, and Gender**

- a. Is the sub-project likely to safeguard worker’s health and safety and public safety (e.g., occupational health and safety issues, COVID-19 risks)? YES \_\_\_\_ NO \_\_\_\_
- b. Will the project Cause poor water drainage and increase the risk of water related diseases such as malaria?  
YES \_\_\_\_ NO \_\_\_\_
- c. How will the project minimize risk of HIV/AIDS?  
\_\_\_\_\_
- d. How will the project minimize risks of COVID-19 infection and spread?  
\_\_\_\_\_  
\_\_\_\_\_
- e. How will the sub-project minimize the risk of accidents? How will accidents be managed, when they do occur?
- f. Is the project likely to provide local employment opportunities, including employment opportunities for women? YES \_\_\_\_ NO \_\_\_\_
- g. Provide an additional description for “yes” answers:

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**Vulnerable & Marginalized Groups and Stakeholder Engagement**

Are there Vulnerable and Marginalized Groups in the project area? Yes \_\_\_\_ NO \_\_\_\_

Is the project being planned with sufficient attention to local poverty alleviation objectives?  
Yes \_\_\_\_\_ No \_\_\_\_\_

Is the project being designed with sufficient local participation (including the participation of women) in the planning, design, and implementation process? Yes \_\_\_\_\_ No \_\_\_\_\_

Provide an additional description for a “yes” answer, including plan to address VMGs:

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**Historical, Archaeological, or Cultural Heritage Sites**

Based on available sources, consultation with local authorities, local knowledge and/or observations, could the sub-project alter:

Historical heritage site(s) or require excavation near the same? YES \_\_\_\_ NO \_\_\_\_

Archaeological heritage site(s) or require excavation near the same? YES \_\_\_\_ NO \_\_\_\_

Cultural heritage site(s) or require excavation near the same? YES \_\_\_\_ NO \_\_\_\_

Graves, or sacred locations (e.g., fetish trees or stones) or require excavations near the same? YES  
NO \_\_\_\_

N.B For all affirmative answers (YES) Provide description, possible alternatives reviewed and/or appropriate mitigating measures.

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***Note: At the bear minimum, if the answers to any of the above is 'yes', please include an ESMP with sub-project/ Grant Application.***



**SUMMARISED ENVIRONMENTAL AND SOCIAL SCREENING FORM**

<b>GENERAL PROJECT DESCRIPTION AND SETTING</b>		
	<b>General Aspects/Questions</b>	<b>Provision of answers to project aspects</b>
1.	Name and/or Title	
2.	Project Type	
3.	Expected start and end date (month/year) & project duration (in months) of the construction phase:	
4.	List the technology and machinery to be used in the construction and operation phases	
5.	List the materials to be used during the construction and operation phases (e.g., infrastructure, creosote treated poles, fuels and oils):	
6.	Expected number of workers during construction & operation:	
7.	Provide a map with the geographical location of the project;	
8.	Provide an appropriately-scaled map clearly showing:  The project area with existing buildings, infrastructure, vegetation, and land use if Possible;  The project area with any planned construction, plants, electricity/ICT lines, or access roads if Possible	
9.	Is the project area or its immediate surroundings subject to pollution or environmental damage caused by other (existing) activities?	
10.	Is there any other infrastructure in or close to the project area?	
<b>THE SOCIAL ASPECTS</b>		
	<b>Social issues around the project area</b>	<b>Describe the potential issues/impacts</b>
11.	Existing land uses on and around the (existing transformer)/project area	

12.	Land uses on or near the project area which will be negatively affected by project implementation?	
13.	Presence of residential/sensitive areas e.g. community facilities	
14.	Present owner(s)/users of the project area	
15.	Population density	
16.	Job opportunities (for the local people)	
17.	Effects of project on people's access to land or natural resources	
18.	Compensation to property damage	
19.	Effects of project on incomes, value of land and other economic activities?	
20.	Construction workers (number and how long they will spend in project area)	
21.	Exposure of community/public to diseases (e.g. COVID, Cholera)	
22.	Safety of workers (e.g. occupational health and safety issues)?	
23.	Public engagement (role of the project beneficiaries across all phases of the project)	
24.	Public risk to excavations	
25.	Public awareness on use of the service (water supply)	
26.	Population density	
<b>Conclusion from the screening process</b>		

<b>ENVIRONMENTAL ASPECTS</b>		
	<b>Existing environment:</b>	<b>Description –describe features and indicate sensitivity to disturbance</b>
<b>Physical Features</b>		
27.	Topography/terrain	
28.	Soil (type & quality)	
29.	Surface water (presence & quality)	
30.	Sediments/substance (Type and quality)	
31.	Ground water (local use & quality)	
32.	Air quality (any pollution issues)	
<b>Biological features</b>		
33.	Vegetation (trees, ground cover, aquatic vegetation)	
34.	Wetlands (e.g. bogs, fens and marshes)	
35.	Fish and fish habitat	
36.	Birds (water fowl, migratory birds and others)	
37.	Mammals	
38.	Special habitat areas (special designations or identifies sensitive zones)	

39.	Archaeological resources (recorded or potential for them to exist)	
40.	Special designations (parks, protected areas)	
41.	Traditional economic/cultural activities (trapping, fishing, collection of medicinal plants)	
<b>Conclusion from the screening process</b>		

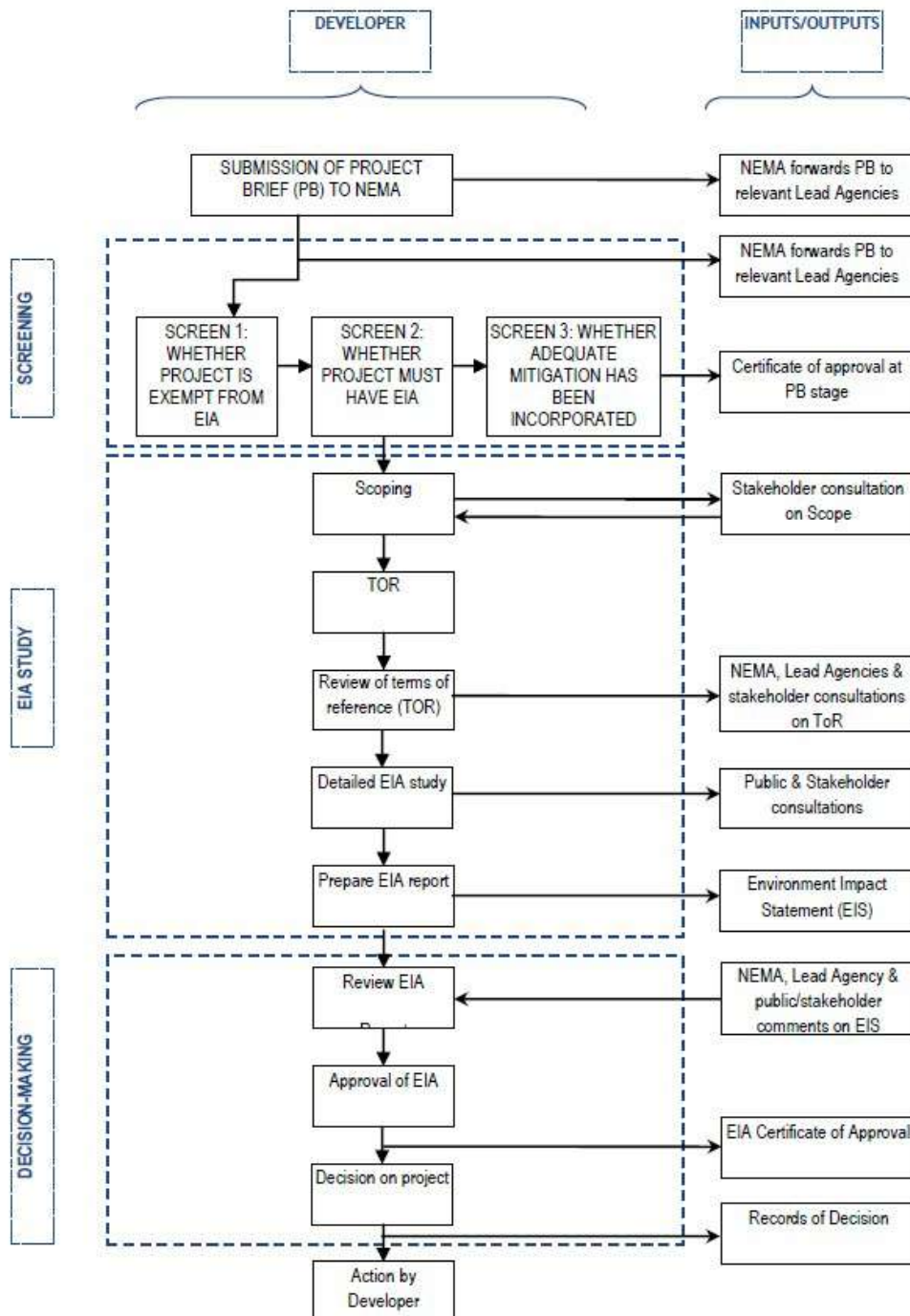
**P.T.O for Approval / Disapproval Form**





## ANNEX 2: ESIA PROCESS IN UGANDA, PREPARATION OF ESMP AND MONITORING PLAN

The ESIA Guidelines (NEMA 1997) and the ESIA Regulations 2020 recognize the following stages in an ESIA process: Project Brief formulation; Screening; Environmental impacts study; and Decision making. In addition, public consultation is required throughout the ESIA process.



EIA Process in Uganda: (Source: EIA Guidelines for Uganda, 1997)

### ANNEX 3: LABOUR MANAGEMENT PROCEDURES

Labor Management Procedure (LMP) has been developed to manage labor risks during the implementation of the INVITE Project.” The PMP provides measures for workers and community safety, including emergency procedures. The PMP forms part of this ESMF and should therefore be used in cross-reference. It is recommended that the key aspects of LMP including those of other E&S instruments, shall be incorporated in the bidding documents and contracts for implementation.

Labour Management Procedures apply to any project component where labour management aspects need consideration. For the reason that this ESMF has been prepared before full knowledge of all project details, including detailed or individual project-activities labour requirements, the labour management procedures should be revised annually to cater for any emerging labour issues not evident at this stage.

The Labor Management Procedure has been developed to set the way in which project workers will be managed in accordance with the requirements of Uganda Labor and Employment Laws and World Bank’s Environmental and Social Standard 2 (ESS2) –Labor and Working Conditions. The Labor Management Procedures (LMP) apply to project workers including full-time, part-time, temporary, migrant workers, and specifically as listed under ESS2, the following: Direct workers, Contracted workers, Community workers, and Primary supply workers. The LMP is applicable, as per ESS2 to the project in the following manner:

- a. people employed or engaged directly by the Government (including the project proponent/PSFUPFIs and other project implementing agencies/ host decentralized governments to work specifically in relation to the project (*Direct workers*);
- b. People employed or engaged through third parties to perform work related to core functions of the project, regardless of location (*Contracted workers*). ‘Third parties’ may include contractors, sub-contractors, brokers, agents or intermediaries;
- c. People employed or engaged to provide community labor (*Community workers*) as that term is identified in paragraphs 34-38 of ESS2; and
- d. people employed or engaged by Government’s primary suppliers (*Primary supply workers*) – are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project identified in paragraphs 39-42 of ESS2.

#### Overview of Labour Use in the Project

The characteristics of Project workers in terms of types, numbers and timing of the individual requirements cannot be provided definitely at this point but guiding projections can be provided to serve as a basis to guide project implementation. **Timing of Labor Requirements** will correspond to timing of implementation of each operation/ project component and/or activity.

**Workforce requirement:** the requirement of the work force at different levels and labor type will be determined by the scope of work to be undertaken under different project components. The following estimates are based on a projected workforce needs dictated by the type of sub-components, institutional capacity building aspects and involving participation of communities themselves (Pro-poor groups). The table below presents the estimated labor force for each type of worker. Most of these workers are government civil servants and Community workers. PSFU/PFIs shall ensure that the employment Contracts of all types of workers are in line with Uganda’s Employment, Labor, and OSH Acts, as well as the provisions of ESS2, in particular the provisions relating to terms and conditions of employment, non-discrimination and equal opportunity, occupational health and safety, and prohibitions on forced and child labor. Their requirements, including those specified under ESS2 shall be incorporated as appropriate and enforced.



N°	Type of worker	Estimated numbers	Remark
1.	Qualified Government Employees/civil/public servants		
	MoGLSD	02	Will take lead in monitoring labour and working conditions of project activities.
	District Local Governments/ Urban Authorities	44	Will lead overall coordination at local level, including mobilization and sensitization of communities and participating pro-poor groups.
	Lower Local Governments (Divisions, Town Councils, Sub-Counties)	72	Involved in overall coordination at Sub-county level and monitoring activities, including mobilization and sensitization of communities and participating MSME/ SME groups.
2.	Direct workers		
	PSFU	12	Provide overall leadership of the project implementation, both at National and Decentralized/District levels.
	Consultants	10	Provide technical support to PSFU/PFI for project implementation.
3.	Contracted workers		
	Civil Works	100	Some infrastructure sub-projects will require to be contracted out for implementation by MSMEs/ SME to Contractors.
4.	Community/ Voluntary Workers	50	To undertake implementation of some project activities on voluntary basis and/ or providing community labour contribution by project beneficiaries (Proppor), and eventually O&M on long-term basis. The indirect beneficiaries are the household members of the project participants and the users of the services of PSFU, PFIs.

### Assessment of Key Potential Labour Risks

The infrastructure related works of the project are expected to pose risks typically associated with construction projects such as: Possible accidents/ injuries from tools and machinery, excavations, Absence/ lack of insurance for construction workers, Generation of waste and associated resource (water, energy) efficiency issues, community health and safety, labour impacts on host communities in case there is influx, etc.

There are three principal human risk groups:

- persons exposed to occupational health and safety risks of the infrastructure developments,
- project host community health and safety arising from project activities, labour influx with its

associated social ills and associated spread of diseases.

One of the key labour risks posed by the project is related to occupational health and safety concern - Investments where civil works are undertaken amidst the host community; specifically, related to hazards from construction activities such as unsecured excavations, traffic accidents, dust and noise pollution, waste disposal, strain on community infrastructure, GBV/SEA by project workers, exclusion of vulnerable and disadvantaged individuals or groups from project related employment opportunities, etc. Managing these risks require adequate training for direct, contracted, community workers, and Government employees involved in project implementation.

Labour migration/influx will be limited in scope, due to limited contracted services and short windows of infrastructure works. However, activities under Component 2 may result in implementation of Substantial risk level infrastructure. Therefore, the risks associated with HIV/AIDS transmission and increased levels of GBV/Sexual harassment are expected to be substantial and continuous sensitization of the workers and participating communities against such evils will be undertaken by the project. In addition, all project contracts shall be required to have a code of conduct for all project workers, which will among others include aspects and clauses against SEA. The project will work closely with the local leaders and structures such as the Uganda Police to ensure the National Law requirements against SEA are respected and followed. The likely risk of employment discrimination against women and vulnerable and disadvantaged individuals or groups has been addressed in the project design which will deliberately target female beneficiaries and prioritise participation of the vulnerable pro-poor groups. In accordance with ESS2 and the Ugandan Labour Laws, the project will not recruit any labour of under 18 years of age (applicable also to community workers). In addition, the project will not employ forced labour, and all workers shall be required to have working contract/ appointment letter before assuming work. Where Community/ Voluntary workers are engaged, the project shall ensure use of a Community Agreement, containing agreed terms of engagement. Finally, the project will be implemented following the COVID-19 SOPs, as indicated under Section 7.4.3.

Additional mitigation measures will include the following:

- Training on inclusion and non-discrimination, including on vulnerable and disadvantaged individuals or groups for clients (e.g., workers, contractors, and sub-contractors) and mobilization of communities.
- Include in the contract provisions of non-discrimination and enhance CoCs (Codes of Conducts) to guard against all forms of discrimination.
- Enhance monitoring and supervision through World Bank Enhanced implementation support and monitoring.
- Principles of inclusion and non-discrimination, including based on vulnerability, included in enhanced hiring procedures (TORs, advertisements, etc.).

#### **Overview of Labour Legislation: Terms and Conditions**

Terms and conditions of employment of workers under the project shall be according to Uganda's Employment Act, 2006, Workers Compensation Act 2000 and FIDIC; in consistence with the requirements of ESS2. Key aspects to pay attention to are:

Clear contracts will be entered into with workers; stipulating their rights according to the Employment Act, 2006 mentioned above.

Method of payments to workers, clear procedures on any deductions of their wages and clear procedures of rests, leaves and holidays, are to be provided to the workers according to Parts V and VI of the Employment Act, 2006 mentioned above.

Procedures of termination of employment, shall be clear and understandable.

**The Employment Act of 2006:** The Employment is the governing legal statutory instrument for the recruitment, contracting, deployment, remuneration, management and compensation of workers.

This Act provides for matters governing individual employment relationships in terms of circumstances of provision of labor.

**Occupational Safety and Health Act of 2006;** The Occupational Safety and Health Act of 2006 makes provisions for the health, safety, welfare and appropriate training of persons employed in workplaces.

**Workers compensation Act of 2000:** The Act outlines matters of compensation for injuries and accidents as well as the responsibility of employees to take care of their health, health and safety while on the project.

**Public Health Act Cap.281:** Part IX Sanitation and Housing: No person shall cause a nuisance, or shall suffer to exist on any land or premises owned or occupied by him or her or of which he/she is in charge, any nuisance or other condition liable to be injurious or dangerous to health.

**The National Environment Act 2019, Section 3,** provides for a Right to a decent environment in accordance with Constitution and the principles of sustainable development.

### **International Labour Management Requirements:**

The applicable international instruments to the project include the World Bank's Environmental and Social Standard two (ESS-2) on Labour and Working conditions which clearly requires projects to undertake the following: promote safety and health at work; promote fair treatment, non-discrimination and equal opportunity of project workers; protect workers, including vulnerable workers such as women, persons with disabilities, children (of working age, in accordance with this ESS) and migrant workers, contracted workers and primary supply workers as appropriate; prevent all forms of forced labour and child labor; support principles of freedom of association and collective bargaining power in a manner consistent with the national law; and to provide workers with accessible means to raise workplace concerns.

Other International requirements include instruments of the International Labor Organization (ILO): Freedom of Association and Protection of the Right to Organize (ILO Convention 87, Article 88); The Right to Organize and Collective Bargaining (ILO Convention 98), Forced Labor (ILO Convention, Articles 3&4); The Abolition of Forced Labor (ILO Convention 105, Article 1); Minimum Age (of Employment, ILO Convention 138, Article 1); Discrimination (Employment and Occupation, ILO Convention 111, Article 11).

### **1. Overview of Labour Legislation: Occupational Health and Safety**

Managing occupational health and safety procedures will be based on Uganda's *Occupational Safety and Health Act, 2006* and FIDIC 1999 clause 4.8 and 6.7

Key OHS measures are as follows:

- a. Procedures to ensure establishing and maintaining safe working conditions.
- b. Reporting channels for workers to report work situations that they see are not safe or healthy.
- c. Compliance to requirements of the OHS Act by employers (contractor and sub-contractors).
- d. A system for continual review of OHS performance and conditions in workplace environment.

### **2. Institutional Framework**

The following are some of the key institutions in the implementation of Labor Management in Uganda, and specifically for this project. They are:

- a. **Private Sector Foundation Uganda (PSFU) and PFIs:** as described under Section 8 will be in charge of overall implementation of the project and ensuring labor and employment requirements are implemented as per the Uganda laws and ESS2. In addition to the Environment and Social Safeguards Specialists at PSFU and PFIs will be based on the nature of their portfolio and sub-projects being supported by them, procure ES& consultants to support implementation of the Environment and Social Safeguards in specific project activities;
- b. **MSMEs & SMEs:** The project beneficiaries shall implement the project in line with the provisions stated in the ESMF (LMP) and ensuring labor and employment requirements are implemented as per the Uganda laws and ESS2.

- c. **Ministry of Gender, Labor and Social Development- MGLSD:** - following their Statutory Mandate, will be in charge of enforcing OSH aspects and ensuring implementation of labor-employment requirements at workplaces, covering the whole country; MGLSD shall be assisted by the District Labour Officers on a day to day basis since they are at the grassroots and interface with the project on a daily basis in line with their responsibilities at that level. The PSFU Environmental and Social Specialist will take lead in coordinating participation, working closely with designated labour officers, designated community development officers, and involvement of MGLSD. The project will further build the capacity of participating/ host decentralized/local governments in overseeing implementation of health safety measures in project activities;
- d. **National Environment Management Authority-NEMA:** - following their Regulatory Role, NEMA will monitor and enforce project activities to ensure proper implementation of project activities to minimize likely impacts on the communities and workers, and will also monitor implementation and enforcement of labour requirements in the project;
- e. **Ministry of Local Governments (MoLG):** - in charge of decentralized governance in Uganda, will directly supervise the District Local Governments to ensure they implement the project in line with Uganda's Local Governments Act that provides for decentralized functions, and implementation of labor laws and ESS 2 requirements, among others;
- f. **Host District Local Governments / Urban Authorities:** - have various technical officers ranging from District labor officers charged with enforcement of labor working conditions and resolving labor related complaints; and
- g. **National Organization of Trade Unions-NOTU;** - will monitor labour and working conditions of the project.

#### Working Conditions for Project Workers

Provision	Project Staff/ PSFU, PFIs, MSMEs, SMEs, Contractors and Consultants	National MDAs (MFPED, OPM, MGLSD, MTIC, NEMA), District & Sub-County/ Divisions/ Town Councils Local Governments Staff – Civil/ Public Servants	Community workers
Appointment Letter/ Working Contract / Agreement	X	X	X
Adequate periods of rest per week, annual holiday and sick, maternity and family leave	X	X	—
Termination in accordance with Uganda Labour Law, relevant International Conventions ratified by Uganda	X	—	—
Non-Discrimination	X	X	X
Workers' organization	X	---	---
Minimum age of employment	X	X	X
Prevention of Forced Labour	X	X	X
Monthly salary payment	X	---	---
Accommodation	X	—	—
Health Insurance	X	—	—
Code of Conduct	All project staff	All project staff	X
Occupational Health and Safety	x	X	X

### 3. Policies and Procedures

Measures that should be followed during project implementation to address labour risks are provided below:

- a. All employers on this project shall develop and implement procedures to establish and maintain safe workplaces;
- b. All parties involved in employing or engaging project workers shall make sure to provide full information to workers, and conduct training for them about OHS requirements;
- c. Personal protective equipment should be provided to workers without expense to them;
- d. Clear processes and procedures shall be available to workers to enable them to report work situations that they believe are not safe or healthy, and accordingly remove themselves;
- e. Facilities appropriate to the circumstances of the works will be provided to the project workers;
- f. A system of regular review of OHS performance and the working environment will be put in place;
- g. A safety Plan shall be provided before the beginning of these works in the project;
- h. Insurance of project workers, equipment and machinery.
- i. Vulnerable and disadvantaged individuals or groups shall not be excluded from employment opportunities based on their particularities.

### 4. Forced Labour, Child Labour and Age of Employment

- i) Forced labour which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty, will not be used in connection with the project. No trafficked persons shall be employed in connection with the project.
- ii) Persons under the age of 18 will not be employed or engaged in connection with this project.
- iii) Age of workers will be verified from their national identity documents.
- iv) If an underage worker is found on the project, the contractor who employed such workers shall be stopped from working at own cost, fined (contractual deduction) and be given a notification to change such workers.

### 5. Terms and Conditions

- Wages shall be paid to the project workers by the contractors according to Ugandan laws.
- Maximum number of hours that can be worked on the project is 8 hours a day.
- All other terms and conditions specified in the Ugandan labor law, FEDIC 1999 and World Bank Group EHS requirements apply to the project.

### 6. Workers' Grievances Management Committees and Structure

In line with the provisions of ESS2 and ESS10, the PSFU, PFIs and implementing entities will establish accessible and functional **Worker** Grievance Mechanism for all categories of **workers** described in this LMP. All workers will have liberty to communicate their grievances to their direct employer, and/or to PFIs, PSFU and WB. Grievances shall be communicated by complainants verbally or using telephone (Hotline to be established), email, by letter to either or all of the aforementioned entities. The various laws listed in the above paragraph provide employers and workers or their respective associations with opportunities to use social dialogue in order to prevent and resolve labour disputes amicably. The Workers in their respective work functions/units will select a member to represent them in the worker's council, then the elected members to the workers' council will form a Grievance Redress Committee (GRC) that will be composed of at least 5 members voted from workers' council. The GRC will be composed of;

- i. The chairperson
- ii. Vice chairperson

- iii. Secretary
- iv. Women's representative
- v. Representative from respective work unit

It will be the duty of the project-implementing Agency working closely with its contractors to ensure that project workers are briefed about the grievance mechanism after they have been hired but before they commence undertaking project activities. The mechanism will use an understandable and transparent process that provides feedback to those concerned, without any retribution. It will not impede access to other judicial or administrative remedies that might be available under law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective bargaining powers. Some of the avenues available to workers to raise their grievances will include; tool box talk meetings, email, strategically located suggestion boxes, site emergency contact numbers, designated persons among others.

The Project Steering Committee will form the National Grievance Redress Committee as stated in the Project Appraisal Report. The Project Coordinator will be the Secretary to the NSC on matters of resolving grievances. Each participating District will establish one GRC at that level, chaired by the District Labour Officer, followed by the ones at Lower Local Government Levels of the Municipalities, Divisions, Town Councils, Sub-County chaired by their respective Heads, Parish Level chaired by the Parish Chiefs and at the lowest administrative level of villages, chaired by the LC-1 Chairperson. Use of existing grievance redress structures at District and Lower Local Government Levels is highly recommended.

It should be emphasized that this GRM is not a substitution to legal system for receiving and handling grievances. However, this is formed to mediate and seek appropriate solutions to labour related grievances, without escalating to legal redress. Legal redress is noted as the last resort mechanism to resolve labour disputes.

The Community Health and Safety Standard recognizes that project activities, equipment, and infrastructure can increase community exposure to risks and impacts. Potential negative impacts affecting health and safety may arise from project supported activities which in this case may include management impacts from infrastructure activities, safe disposal of wastes and associated packaging amongst others. It is therefore important that, the project strictly observes the need to avoid or minimize the risks and impacts to community health, safety and security that may arise from its particular attention given to the health and safety of the communities. Therefore, it is important to ensure that, the project avoid or minimize the potential for community exposure to health risks (e.g., accidents, pollution, contaminated areas/resources, errant workers) and diseases that could result from or be exacerbated by vector-borne diseases, and communicable diseases, injuries, mental health, and well-being.

#### **ANNEX 4: CHANCE FINDS PROCEDURE**

A Chance Finds Procedure to guide management of any accidental discoveries of histo-cultural resources in the process of implementing the requirements of ESS8-Cultural Heritage. The procedure will be as follows:

- a. Stop the construction activities in the area of the chance find;
- b. Delineate the discovered site or area;
- c. Secure the site to prevent any damage or loss of removable objects. In cases of removable

- antiquities or sensitive remains, a night guard shall be present until the responsible local authorities and the Directorate of Museums and Monuments take-over;
- d. Notify the supervisory Engineer who in turn will notify the responsible local authorities and the Directorate of Museums and Monuments under the Ministry of Tourism, Wildlife and Antiquities (within 24-48 hrs or less);
  - e. The Directorate of Museums and Monuments would be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures. This would require a preliminary evaluation of the findings to be performed by the archaeologists of the Directorate of Museums and Monuments (within 24 hours). The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage; those include the aesthetic, historic, scientific or research, social and economic values;
  - f. Decisions on how to handle the finding shall be taken by the Directorate of Museums and Monuments. This could include changes in the layout (such as when finding an irremovable remain of cultural or archaeological importance) conservation, preservation, restoration and salvage;
  - g. Implementation for the authority decision concerning the management of the finding shall be communicated in writing by the Directorate of Museums and Monuments;
  - h. Construction work could resume only after permission is given from the responsible local authorities and the Directorate of Museums and Monuments concerning safeguard of the heritage;
  - i. These procedures must be referred to as standard provisions in construction contracts, when applicable. During project supervision, the Site Engineer shall monitor the above regulations relating to the treatment of any chance find encountered are observed;
  - j. Construction work will resume only after authorization is given by the responsible local authorities and the National Museum concerning the safeguard of the heritage; and
  - k. Relevant findings will be recorded in World Bank Implementation Supervision Reports (ISRs), and Implementation Completion Reports (ICRs) will assess the overall effectiveness of the project's cultural property mitigation, management, and activities, as appropriate.

**ANNEX 5: FORMAT FOR DOCUMENTATION OF ASSETS/LAND DONATION CONTRIBUTION**

*(Please cross-reference to RPF report of INVITE Project)*

The following agreement has been made on ..... day of.....between.....resident of *(Village/Cell, Parish/Ward, Sub-county/ Town Council/ Division, District)* .....(the Owner) and .....(the Recipient).

1. That the Owner holds the transferable right of .....ha/ or .....m X .....m of land/structure/asset in *(Village/Cell, Parish/Ward, Sub-county/ Town-Council/ Division, District – Plz include GPS Coordinates of Land)* .....  
.....

2. That the Owner testifies that the land/structure is free of squatters or encroachers and not subject to other claims.

3. That the Owner hereby grants to the Recipient this asset for the construction and development of ..... *(subproject)* for the benefit of the villagers and the public at large.

**(Either, in case of donation)**

4. That the Owner will not claim any compensation against the grant of this asset.

**(Or, in case of compensation)**

5. That the Owner will receive compensation against the grant of this asset as per the attached Schedule.

6. That the Recipient agrees to accept this grant of asset for the purposes mentioned.

7. That the Recipient shall construct and develop the.....and take all possible precautions to avoid damage to adjacent land/structure/other assets.

8. That both the parties agree that the.....so constructed/developed shall be public premises.

9. That the provisions of this agreement will come into force from the date of signing of this deed.

Signature of the Land Owner:

Signature of the Recipient/District Project Coordinator/ S/c Community Development Officer : \_\_\_\_\_

Witnesses: *(Prefer Village/Cell Members)* \_\_\_\_\_ *(Name, Signature, Stamp and Date):*

1. \_\_\_\_\_

2. \_\_\_\_\_



Attestation by District Lands Officer, Date *(Name, Signature, Stamp and Date)*:

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Confirmation by Area Land Committee Chairperson *(Name, Signature, Stamp and Date)*:

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Confirmation of DIT Chair/ Chief Administrative Officer: *(Name, Signature, Stamp and Date)*

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**END**

## ANNEX 6: GENERIC ESIA TERMS OF REFERENCE

*These TORs are provided in case there is a Substantial Risk subproject identified during E&S screening, and shall be customized as appropriate.*

### **I. Introduction and context**

This section will be completed at the appropriate time and will provide the necessary information with respect to the context and methodological approaches to be undertaken.

### **II. Objectives of the study**

This section will (i) outline the objectives and particular activities of the planned activity; and (ii) indicate which activities are likely to have environmental and social impacts that will require appropriate mitigation. (Adapted to specific activities)

or

### **III. Terms of Reference**

#### **The consultant will perform the following tasks:**

- a) Carry out a description of the biophysical characteristics of the environment in which the planned activity will take place, and highlight the major constraints that need to be taken into account during construction as well as during operation of the facility;
- b) Describe the proposed location and physical boundaries, including maps and coordinates, and site layout plans, of the project clearly showing the projected area of land or air that may be affected by the project activities, or, if it is a linear activity, a description of the route of the activity and analysis of site selection procedure and alternative routes;
- c) A description of the manner in which the proposed project and its location conform to existing laws and standards governing such projects, including a reference to relevant plans required under the Physical Planning Act, 2010;
- d) Assess the design of the project and any other project related components, including the activities that shall be undertaken and a description of the major material inputs to be used during construction or development and operation of the project;
- e) Describe baseline conditions of the physical, biological and socioeconomic environment of the project area, including results of relevant studies and other geophysical and geotechnical studies. Carry out a description of the socio-economic environment of the planned investment, and highlight the major constraints that need to be taken into account during construction as well as during operation of the facility;
- f) Assess the potential environmental, health, safety and social impacts due to construction or rehabilitation activities, and recommend mitigation measures to be taken as appropriate during the preconstruction, construction, operational and decommissioning phases of the project, including cost estimates;
- g) Assess the potential environmental and social impacts due to the provision of water supply and sanitation facilities that might be needed for the planned facility and make appropriate recommendations;
- h) An assessment of climate- related impacts associated with the project, including potential climate benefits and carbon footprints of the proposed project, as well as the potential vulnerability of the proposed project or activity to climate change, and the proposed adaptation and mitigation measures;

- i) Assess the need for liquid and solid waste collection, disposal and management in the facility, and make recommendations accordingly;
- j) Discuss alternative project designs and make recommendations; including a zero or no project alternative in terms of project location, project design or technologies to be used, and a justification for selecting the chosen option;
- k) Assess alternative project designs and make recommendations;
- l) An assessment of alternative resettlement areas for project affected persons, if any or any plans of compensation;
- m) An assessment of the secondary or cumulative impact of the project and associated activities;
- n) Carry out a review of the respective national environmental policies, legislation, regulatory and administrative/ institutional frameworks in conjunction with the donors' safeguard policies, indicate which of these policies is relevant to/ triggered by the planned activity, identify any gaps that might exist, and make recommendations as to how potential gaps should be bridged in the context of the planned activity;
- o) Review the Conventions and Protocols to which the country is a signatory;
- p) Provide an indication of permits, licenses or other approvals that may be required for the project;
- q) Assess the country's environmental assessment and management capacity, as well as the capacity to implement the proposed mitigation measures, and make appropriate recommendations, including potential capacity building and training needs, and their costs;
- r) Prepare an Environmental and Social Management Plan (ESMP) for the planned activity. The ESMP should outline (a) potential environmental and social impacts resulting from the activity; (b) proposed mitigation measures; (c) institutional responsibilities for implementation of the mitigation measures; (d) monitoring indicators; (e) institutional responsibilities for monitoring the implementation of the mitigation measures; (f) cost estimates for these activities; and (g) time horizons for implementing the ESMP.
- s) Public consultations: EIA results and proposed mitigating measures will then be shared with the potentially affected population, NGOs, local authorities and the private sector working in the area where the activity will take place. Minutes of this consultation will form an integral part of the report.

#### **IV. Report Plan (incorporating requirements of both WB-ESF, Ug. ESIA Regulations - Schedule 5)**

- Cover page, including Title of the Proposed Project
- Declaration sheet signed by all the environmental practitioners who undertook the environmental and social impact study.
- Acknowledgement
- List of acronyms
- Table of Contents
- Executive summary (as necessary, in English and French)
- Introduction
- Description and Location of the proposed activity
- Name, address, contact information of the developer and date of submission

- Description of the environment of the area where the activity will take place
- Description of the policy, institutional and regulatory framework.
- Methods and techniques used during evaluation and impact analysis of the proposed activity.
- Description of potential alternatives to the proposed project design.
- Description of environmental and social impacts of the proposed activity.
- Discussion of consultations with relevant stakeholders, including potentially affected persons.
- Environmental and Social Management Plan for the proposed activity.
- Monitoring indicators for the proposed activity.
- Recommendations
- References.
- List of individuals/ institutions contacted.

**ANNEX 7: SAMPLE FORMAT OF ESMP – PLEASE CROSSREFERENCE WITH ESMP GUIDANCE AND CONTENT PROVIDED UNDER SECTION 6 (NOT REPRODUCED TO AVOID REPETITION)**

<b>Project Activities</b>	<b>Potential Environmental &amp; Social Impacts</b>	<b>Proposed Mitigation Measures</b>	<b>Responsibility for implementing mitigation measures</b>	<b>Responsibility for Monitoring implementation of mitigation measures</b>	<b>Time Horizon</b>	<b>Cost Estimates (US\$)</b>

## ANNEX 8: Second Field/ Stakeholders Consultations Report

### November 2022

#### Refugee Host Districts (RHDs)

In Arua, the biggest percentage of small businesses are retail shops, food vendors and agricultural produce dealers. There are also some women who deal in buying and selling of natural resource products like timber, firewood and charcoal.

Small scale agro-processing is dominated by Cereal Grinding Machines for maize, millet, cassava, sorghum and these are mainly powered by Diesel.

The manufacturing sector is still under developed in Arua and the entire West Nile Region due unstable power supply.

#### Yumbe district

In Yumbe district Agro-processing is gradually picking up backed up government interventions for instance under ACDP project being implemented by MAIF, four Cassava Milling Machines are being set up in four different sub-counties across the district to reduce post-harvest losses by adding value to cassava crop.

Also, in Lodonga Town Council, government established a Mango Juice Processing Factory being operated by Yumbe Mango Growers Cooperative. This SACCO is financially incapacitated and therefore cannot purchase all mangoes from farmers during peak harvest season. The SACCO also needs capacity improvement in human resource management and organization.

#### Goboro Shea nut Processing

Goboro shea nut processing is a small-scale women led enterprise located in Goboro village, Kochi sub-county. The factory was established with support from DCA a non-government organization working with Refugees and host communities. The enterprise was set up to mitigate rampant cutting down of the shea nut trees for charcoal burning. Currently communities are harvesting shea nut seeds and selling to the processing factory at 1500/= per Kg during the peak season but at off peak a kg costs between 3000/= - 3500/=. This has encouraged communities to conserve shea nut trees as they are considered a source of livelihood.

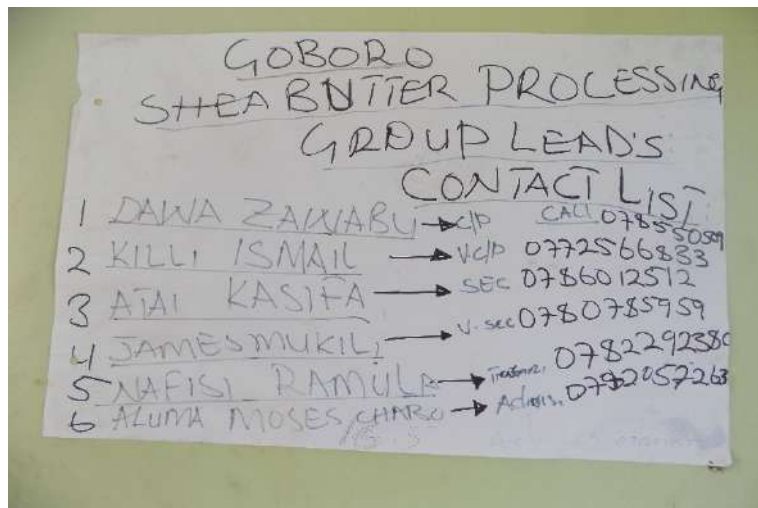


Goboro shea nut processing factory



Consultation with Goboro Women Group (SACCO).

Current products made by the shea nut factory are Shea nut oil, butter and soap and the factory operations are run by 6 leaders elected by the women group.



The women group also operates a Weekly Savings SACCO where members save starting with a minimum of 2000/=. The Group Saving SACCO has a total of 30 members and each member is eligible to get loans.

**Challenges**

The women group need training in manufacturing other products like cosmetics, cooking oil from the shea nut butter.

Cost of processing the shea nut is high as the women use gas a power source for heating the extracted oil. This is expensive as the cooking gas is not readily available in their locality.

The group

**Blessed Bee Honey Company**

is a private Honey Processing Enterprise located in Yumbe Town Council producing Processed Honey, Wax and other products.

The company also makes modern Bee hives, trains farmers in latest technology in Apiary production.

The company was severely affected by COVID19 as it lost 250cartoons of its products due to transport challenges.

Currently the company works with 2112 Apiary farmers who supply honey to the factory but future plans are to scale down to only 500 Apiary Farmers who can supply 1 tonne each per season.



*Wax processed by Blessed Bee Honey*



*Some of the Modern Bee Hives made by Blessed Bee Honey Company*

The company trains Apiary farmers on forage management, bee handling and quality control during honey harvesting. The company also offers internship opportunities to students offering Apiary and other vocational studies at different Tertiary Institutions.

#### **Challenges**

The company has procured Honey Processing Machinery from China to increase capacity of processing and quantity of products. This machinery however has not yet been installed due to financial constraints.



*New honey processing machines yet to be installed at Blessed Bee Honey Company in Yumbe*

#### **Refugee settlements**

In refugee settlements such as Rhino camp, Bidibidi, Mvepi and Nyumanzi many refugees especially women are involved in petty businesses such as selling new and used clothes, charcoal, attending



mobile money kiosks, selling food stuffs such as vegetables, cereals etc. Refugee women are also involved in craft making and tailoring.



A market stall for new and used clothes in Rhino camp.



A refugee woman selling Mandhazi at a Market in Bidibidi Refugee Settlement, Yumbe district

### **Manufacturing and Agro-processing in Refugee settlements**

Agro-processing in Refugee camps is dominated by Diesel powered Grinding machines, these are mainly involved in providing grinding services for the refugee communities at a small fee.

In Bidibidi Refugee Settlement, UNHCR established a Soap manufacturing factory under the management of Bidibidi Soap Processor's Cooperative Society. The SACCO is made up of both Refugees and Host Community with a total of 30 members and fully registered by Registrar of Cooperatives.

The factory was mainly established to reduce the expenses of purchasing soap distributed to refugees. The soap factory currently employs a total of 16 people and out of which 7 are women and the rest men,

Factory has a capacity of producing 300 bars of soap per hour and currently and its operations are still supported by UNHCR until the SACCO has obtained enough liquidity to manage its operations.



*A Soap factory employee explaining how the boiler works*



*Finished product (Soap) ready for the market*



*Production line at the Bidibidi soap factory in Yumbe*

**Hoima city**  
MSMEs

Agro-processing is dominant enterprise in Hoima city which includes Rice hulling, Maize mills, Coffee processing and a few cotton Ginneries. Agro-processing is a male dominated activity in this part of the country, women are mainly involved in selling of the processed products like rice, posho.

Women led enterprises are majorly retail merchandise shops and market stalls selling agricultural produce.

The city has a number of financial institutions including Commercial banks such as Centenary, Absa, Stanbic, Post Bank, Equity, KCB, Opportunity etc, Microfinance Institutions such Finca, Encourt, Kolping, Premier Credit, BRAC.

A number of SACCOs also exist in Hoima City; Albertine Farmers SACCO, Kinubi Ward SACCO, Teachers SACCO etc.

#### **Post Bank – Hoima Branch**

The bank has partnered with many organizations before including Heifer International, Village Enterprise, UWESO etc .

The bank provides the following loan packages; WASH Loans, KYAPA Loan, SOLAR Loans, BUSINESS Loans, SALARY Loan.

The bank is willing to work with PSFU to implement the INVITE project

The Bank signs an MoU with the Project Implementing organization

The Organization opens up an account on which funds will be deposited,

The Bank assists the organization in assessment and selection of beneficiary enterprises, Training of MSMEs on financial literacy and business development.

Work hand in hand with implementing partner to recover loans from

#### **Eligibility for a business loan in Post bank**

Havin an account with Post Bank

Have a productive Enterprise not one that's collapsing

Need collateral/Security for example Land title or house (Immovable Security)

Small business loan maximum is 50million.

Post has an environment Policy in place and always participates and encourages its customers in planting trees.

Currently the bank does not have a staff dedicated for environmental and Social Safeguards.

The Bank provides Solar loan as a way of promoting Clean Renewable Energy.

#### **Challenges in the credit sector**

Stiff competition – so many financial institutions offering credit services

Post COVID19 impacts - many businesses have failed to recover from the COVID19 impacts and are struggling to repay their loans.

There many fraudsters in the market who are hoodwinking members of the community in taking loans with high interest rates.

*The SACCO is located in Ruhunga Parish, Kikuube district registered a cooperative by the Registrar of Cooperatives.*

*The SACCO has a membership of 120 members all of who are commercial maize farmers.*

*The SACCO was given mandate to manage a maize mill established by MAIIF under ACDP project to enable them realise more profits through value addition on their maize.*

*The SACCO is willing to obtain credit during the harvest season in order to purchase enough maize for the Milling Machine to work up to its capacity.*



### **Mbarara City and Mbarara district**

The city has several manufacturing industries including Coca Cola, Nile Breweries, Lato Milk (Pearl Diaries), Roofings, GBK Diaries, Kazire Beverages etc. but the micro, small and medium enterprises dominate the city business environment.

#### ***Safeguard management***

All investments in Mbarara are approved by the Physical Planning Committee and have to fit within the physical plan of the city.

Factories in Mbarara are not supposed to be set up near water sources and those already existing are required by law to maintain a buffer zone and should not discharge any waste into the water sources.



The factories are also required to include in their design how effluents will be managed during operation short of which they cannot be approved.

Also factories are required to under EIA study and acquire approval certificate from NEMA.

### **Staffing**

Currently there is one substantive Environment Officer in the City but by 2023 all Divisions in Mbarara city will have an environment officer and CDO.

### **Budget**

Environment still receives inadequate funds compared to the activities the department is required to undertake, in terms of facilitation the department does not have transportation means.

Department also lacks gadgets for air quality monitoring, water quality testing to ascertain levels of pollution especially from factories releasing effluents in water sources.

#### ***Rwanyamahembe SACCO- Main Branch Buzibwera Town***

*SACCO registered by registrar of cooperatives, started in the year 2001 and is member owned.*

*Only members saving with the SACCO can benefit from its Credit facilities. The SACCO currently has a membership of 1400, Saving Portfolio of 1,6Billion, Loan Portfolio of 5Billion*

*Becoming a member requires;*

*purchasing a share at 10,000/=,*

*membership fee 10,000/=*

*stationery charge 3000/=*

*opening a saving account*

*operations*

*The SACCO is owned by the General Assembly of 1400 members*

*The Board of Governors consisting of 9members elected by the General Assembly supervises the technical staff who run the day today activities of the SACCO,*

*The SACCO also has strategic partnerships with a number of organizations including ABI TRUST, SNV, STANBIC BANK, CENTENARY BANK and SOLUTE FINANCE EAST AFRICA LTD.*

*Partnership with SNV is to provide Solar loans to dairy farmers who are interested in value addition on milk but have no stable power supply.*

#### ***Loans scheme available***

- *Commercial Loan*

- Solar loan
- Agribusiness loan
- Ekannungi (Home improvement loan) – non secured loan package for only women.



*Head office in Buzibwera town along Ibanda- Mbarara road*

Attendance Sheets



ATTENDANCE LIST

Project Name: Investment for Industrial Transformation & Employment Project  
 Location: MPSARARA C.I.T Date: 16/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	ALABA EMMANUEL	M	Environment Officer	0705944229	agabacemma@gmail.com	[Signature]
2.	NYIRAMUJIZO FLORAN	F	Environment Officer	0701807272	nyiramujizo@gmail.com	[Signature]
3.	Mwagata David Sancha	M	Senior Env't Officer	0702455281	sancha.dave@gmail.com	[Signature]
4.	BYAMUKAMA ARISTUR	M	DCDO	0704437979	byamukama@gmail.com	[Signature]
5.	Adams Ruwendo	M	DCO	072070006		[Signature]
6.	Mbabazi Allan	M	IT Manager Kwanganakete SACCO	0789933706	mbabaziallan@gmail.com	[Signature]
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation & Employment Project  
 Location: KIKUYUKE Date: 14/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	NSITA GERUDE	F	ENV'T OFFICER	0782-2914921	gerude.nsita@yahoo.com	[Signature]
2.	Kyahunza Philip	M	Town Clerk	0789494032	philip.kyahunza@yahoo.co.uk	[Signature]
3.	Kwesigumbe George	M	Member	0770550164		[Signature]
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation & Employment

Location: HDIMA

Date: 14/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	Alice Ayegiga	F.	comm. officer	0774411996	ayegigaalice6@gmail.com	
2.	Kambubi M Ama	F	Principal Treasurer	0772644987	annettambubi@yahoo.com	
3.	Azaharie Edison	M	BBM - KCB Bank	0703822832	edison.azaharie@postbox.co.ug	
4.	Hellen Katalide	F	BN - premier credit	072266172	hellenkatalide@gmail.com	
5.	Hoppe Susan	F	PCDO	0772544227	cupoorcisusan@yahoo.com	
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation and Employment

Location: B.A.B.A. Settlements

Date: 7/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	Michael Mubiru	M	Commandant	0781779777	michael.mubiru@gmail.com	
2.	Angulia Christopher	M	Assistant Settlement Commandant	077879244	chris.angulia@equity.co.ug	
3.	Innocent Hanko Nwa	M	Sr. Involvement & Inclusion Associate	0782900120	innocentnwa@gmail.com	
4.	Sister Anambakazi	F	Arch. Development office - UNITER	0772401692	ainambakazi@gmail.com	
5.	Edoni Brahan Naem	M	Project Manager Nexus	0782541574	edonadca.de	
6.	Matusi Danyek Joo	M	Production manager	0783424522	matusidanyek2015@gmail.com	
7.	Ayan Elisa	M	Soap Project factory	078615672	-	
8.	DOREEN TABU	F	Administrate of factory	0761184684	-	
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation Project  
 Location: Arua Date: 03/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	ADROONZI H	M	ENVI. OFFICER	0782834250	hammadroonzi@arua.go.ug	
2.	EUBRAA EDWARDS	M	Ag. DCDO	0772641992	edwards@arua.go.ug	
3.	Jean Pierre Bwalema	M	TCISO	077429282	piere55@yahwa.com	
4.	Nahema Rehema	F	Base manager	071-91422	rehema.nature@du:ngo	
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation and Employment  
 Location: Tunde Date: 8/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	AJAMIA MUDASIA	m	Lc III	0775800679	ajamiamudasia@gmail.com	
2.	Fen Gant	m	AD	0778168007	gantfen@gmail.com	
3.	TOKO ROGGERS	m	SACAO (ARUA)	0702919950	roggiestokoko@gmail.com	
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation and Employment  
 Location: RHINO CAMP Date: 2022/11/04

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	Nabukema Fida	F	PA-GBV	0777443966	doc.ppg fidamusthanna	
2.	AFIATI LILIAS PETA	F	R	0787029072	OCEA E	
3.	JOICE Abau	F	R	0786141509	"	
4.	Mary Sadia	F	R	0775792531	"	
5.	Abau Monica	F	R	0762162729	"	
6.	Ereselna Bayi	F	R	-	"	
7.	Charity manoo	F	R	-	"	
8.	Beida Kapiku	F	R	-	"	
9.	BETH YANO	F	R	-	"	
10.	cicia TABCA	F	a	0788706472	OCEA C	
11.	BETTY NIGHI	F	R	-	OCEA C	
12.	KIDEN ESTHER	F	R	0773154691	OCEA C	
13.	Sunday EKITI	F	R	-	OCEA C	

ATTENDANCE LIST

Project Name: Investment for Industrial Transformation and Employment Project  
 Location: Guulu Date: .....

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	AHO FRANCISCA	F	SEO	0772309689	ahofrancisca@gmail.com	
2.	Gawth Oweh	F	DCDO	0782225808	gawth22@yahoo.com	
3.	Orjanga Richard		PCOO	0772919511	richjanga@gmail.com	
4.	Kemaherliff NIXOH	M	DCO	0772860855	atamburif@amazon	
5.	Adisonaif Moin's	M	DTC	0782777116	adisonaif@yahoo.com	
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ATTENDANCE LIST

Project Name: INITE PROJECT

Location: ADJUMAN

Date: 9 Jul 2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	Oryono Grandfield	M	CEO	0772367037	oryonomar1@gmail.com	
2.	Amyama Ben	M	CCS Chemist	0772541907		
3.	Vuduko Tali Poku	M	CO	0772541792	vudukotali@gmail.com	
4.	Obuleto Ezachiel	M	Tourism Officer	0776624600	obuletoezachiel@gmail.com	
5.	Abdul Ramachan	M	SC	077956821	abdulramachan@jcbn.co.uk	
6.	Mawawati Ramadhani	M	DCDO-ADI	0772841354	mawawati@jcbn.co.uk	
7.	Giyya Charles	M	DRD	0772543284	giyya4@gmail.com	
8.	TEJA BANGI	M	KFO	8172 923117	teja@jcbn.co.uk	
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation and Employment

Location: Ocean Village Rhino Camp

Date: .....

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	Grace Dawa	F	R	0779008335	oceac	
2.	Jackline Tabu	F	R	0779937728	oceac	
3.	Jane Akanya	F	R	-	oceac	
4.	NANNISA melling	F	R	-	oceac	
5.	BIVIAN OMI	F	R	-	oceac	
6.	Kila Dina	F	R	077343800	oceac	
7.	AGNESSE melling	F	R	-	oceac	
8.	Balo Simon E.	M	RWCIC/P	0789390694	oceac	
9.	JUSTINE MABE	M	block JI Leader	0778970365	oceac	
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation and Employment  
 Location: Coboko (Humbé) Date: .....

No.	Name	Gender MF	Designation	Contact	Email	Signature
1.	NAFISI LAMULA	F	TREASURER	0782292380	MARU-WESI	
2.	ITOSA ROSE	F	MEMBER	-	MARU-WESI	
3.	CHANDIRY MATUWA	F	MEMBER	-	"	
4.	BAKO ZABIBU	F	MEMBER		"	
5.	DAKA MAZU	F	MEMBER		"	
6.	DUDU ZAINABU	F	MEMBER		"	
7.	CAFINA SARAH	F	MEMBER	0785110920	"	
8.	ABITO ZARUKA	F	MEMBER	0775785446	"	
9.	KOLE (JEBI)	M	PARA/CHEF	083026040	MUNDUCHAKW	
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation and Employment Project  
 Location: Humbé Date: 4/11/2022


No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	Andanani Austin	M	DCDO	077348855	andnan25@gmail.com	
2.	Kawawa Sebe	M	DNTO	077267368	Kafel@nphoca.com	
3.	Agathe Zubaili	M	DCO	0784179987	agathe@gmail.com	
4.	Maffu Maphart	M	Director	0782501912	blessedbylife@gmail.com	
5.			Blessed be for life	Trade Post		
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**ATTENDANCE LIST**

Project Name: INVITE Project

Location: RATNO CAMP SETTLEMENT

Date: 04/11/2022


No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	NIVIAN KUSOKI	f	Protection team leader	0775109823	nivian.kusoki@drn50	
2.						
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**ATTENDANCE LIST**

Project Name: Investment for Industrial Transformation and Employment

Location: LRS

Date: 11/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	OGEN WALTER	M	Environment Officer	0972678409	ocenwalter2015@gmail.com	
2.						
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**December 2020**

No	Name	Designation	Agency/Organization	Contact
1.	Mr. David Mugisa	Commissioner Occupational, Health and Safety	Ministry of Gender Labour and Social Development (MGL&SD)	0772498767
2.	Mr Arnold Waiswa-	Director Compliance and Monitoring	National Environment Management Authority (NEMA	
3.	Lomeli John Mark	District Councilor,	Kamion Sub-County	0782911102
4.	Mr. Jimmy	District Community Development Officer		0772448025
5.	Ms. Nancy	SAS/Sub-County Chief,	Kamion Sub-County	0782109980
6.	Mr. Kalimunda Benon	Batwa Community Chairperson	Kanyantorogo Sub-County, Kanungu District	0787281920
7.	Mwesigwa Jones-	SAS/Sub-county Chief,	Bwambara Sub-county, Kanungu District	0782109980
8.	Kamara Christopher	CommunityBatwaFocalPerson	TheBatwa,Kanungu and Kisoro	0772658174
9.	Ngabirano Justus	Secretary for Production,	Rukungiri District Local Gov't	0774298649
10.	Ms. Ngangayu	Research Officer	Museum	0773490366
11.	Mr. David Njoroge		UNHCR	078783388
12.	Lilian Achieng		UNCHR	
13.	Mr David Mugisa	Commissioner	MOLGSD-	0772498767
14.	Ms. Rebecca NalumuWamuno	Manager Operations and Investments	UFTZA	
15.	Mr. Hez Alinda	Executive Director	UFTZA	0772475073
16.	Mr Philip Mwanika		UFTZA	0782960665



17.	Ms. Winnie Lawoko-Olwe	Director,	SME, Science & Technology Division	0774366551
18.	Mr Charles Bafaaki	Principal Officer/Focal Person	OPM	0772361418
19.	Mr Douglas Asiimwe	Ass. Commissioner-Refugee		0772969054
20.	Mr Kyewalabye John Marie	Project Ccoordinator	PSFU	0772447393
21.	Mr Edema Maurice Madra	Environmental and Social Safeguard Specialist	PSFU	0772539207
22.	Mr. Thaib Lubega		-Uganda Development Bank	0392963211
23.	Mr. Moses Ebitu-	Head Risk Manager	Uganda Development Bank	0758594344
24.	Mr. Junior Nuwahereza	Environmental Specialist		
25.	Mr Arnold Ayazika Waiswa	Director Compliance and Monitoring		07724771139

Meeting between UNHCR AND THE CONSULTANT ON 11/12/2020 (VIRTUAL MEETING)

#### Attendees

1. David Njoroge
2. Lilian Achieng
3. Dr. Charles Koojo – Consultant
4. Esther Kavuma- Consultant

Thèmes	Description	Responsible Person
Introductions	The Consultant introduced the team and gave a background of the study to the stakeholders.  A number of issues were raised by the consultant that included the rights of the refugees, services being offered to them, expectation of the refugees and their hosts, among others.	Dr. Koojo
2. Discussion	Lilian indicated that there a number of Refugee camps all the country including in the districts of Arua, Koboko, Nebbi, Obongi and Moyo in the West Nile, Kyagwali in Hoima,Kyaka, and other in the south Western Uganda.	Lillian

	<p>The Refugees have right to get all the basic services except they do not have right to vote. They are free to engage in business in areas where they stay and a number of business with their camps and out of camp A number of these business have been observed to be mushrooming within the camps and in other areas having been started by the refugees.</p> <p>It was also noted that the Government of Uganda provides land for their safety and also some portions of land are provided for cultivation especially where land is available, but they are also provided with food rations. Some of the other activities involved include;</p> <ul style="list-style-type: none"> <li>• Trading/businesses</li> <li>• Can negotiate with host communities to avail land (rent, free of charge)</li> <li>• Involve in cottage industries among others</li> </ul> <p>UNHCR has engaged the commercial banks to and credit facilities are being extended to the refugees, including centenary Bank, UGAFORD and Equity Bank. But they are also limited. One of the limitations to have access to the credit is the transit nature of the refugees.</p>	
Way forward	<p>The consultant requested for some information of which it was agreed to be requested through an email and provided by the Agency.</p> <p>Reference was also made of Doctor DIP, NUREP II and III</p>	ALL

**MEETING BETWEEN UGANDA FREE TRADE ZONE AUTHORITY AND THE CONSULTANT ON 11/12/2020 (VIRTUAL MEETING)**

**Attendees**

1. Rebecca Nalumu Wamuno – Manager Operations and Investments (UFZA)
2. Hez Alinda - Executive Director (UFZA)
3. Dr. Charles Koojo – Consultant
4. Esther Kavuma- Consultant

<b>Thèmes</b>	<b>Description</b>	<b>Responsible Person</b>
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1. Introductions	The Consultant introduced the team and gave a background of the study to the stakeholders. He further, open up a discussion with the need to understand the mandate of UFZA, and it plan towards the INVITE program and specifically on the Vulnerable populations.	Dr. Koojo
2. Discussion	<p>Rebecca highlighted the mandate of the UFZA which include the following:</p> <ul style="list-style-type: none"> <li>• Establish Free Trade zone</li> <li>• Develop free Trade zone</li> <li>• Supervise free trade zones</li> <li>• Give out Licenses -to private entities to develop free trade zones. <ul style="list-style-type: none"> <li>- Assess land for free zone establishment.</li> <li>- License operators within the free zone</li> </ul> </li> </ul> <p>It was also indicated that most of the free zones are involved in mineral development, transport, and logistics.</p> <p>The following has been achieved so far so far;</p> <ul style="list-style-type: none"> <li>• 25 private entities are within the free zones.</li> <li>• There are about 22 Free Trade zones and most of the free zones are within Central Uganda, in the districts of Wakiso, Mukono and Kampala.</li> <li>• Other free Trade zone in the different regions in Uganda include, Eastern 3 (2 Jinja, 1 Tororo), Western -1, Northern -1, and West Nile 1(one) but not yet operational</li> </ul> <p>It is good to note that different public free are being planned at the regional level.</p> <p>The authority is planning to acquire 1000acres of land to attract private developers who can offer services within these free trade zones.</p> <p>The FTZ are planned to have all the basic utility services like power, water, roads etc, public production units, public industrial units, including produce for export especially agro-processing, target support and potential supplies for agricultural inputs, mineral development, linkage to the international markets, establish gazetted areas for small and medium enterprises with potential to expand businesses and also to market free zones to domestic operators.</p> <p>** Most of the existing Free Trade zones are international.</p>	Lillian

	<p>** Gulu is a priority area for the establishment of the Free Trade zone and a developer has been identified.</p> <p>** In Aru the free Trade zone is established managed by a developer (ADRICO) measuring about 33 hectares with the funding from UDB. It deals in Timber, Minerals and Fish.</p> <p>** Engagements are within the Advance stages with UNOC, to acquire 22 Hectares within Kabale Industrial Park</p> <p>** In Central, the Construction of the Free Trade Zone is ongoing at Entebbe International Airport and is planned for completion within 2 years from now. It is targeting agro-processing, horticulture, Fish, beef, and high value minerals.</p> <p><b>Process in the establishment of the Free zone</b></p> <ul style="list-style-type: none"> <li>• Undertake an ESIA before commencement</li> <li>• Comply Internal environmental policy and guidance provided by the organization.</li> <li>• Undertake periodic inspection with NEMA for compliance.</li> </ul> <p><b>Recommendations at the authority</b></p> <ul style="list-style-type: none"> <li>• Need to build internal capacity to deal with all the issues that may come up, like inspection of the compliance with NEMA guidelines.</li> <li>• Need to strengthen more the cooperation with other agencies. Currently there is corporation and presentation of a number of agencies on their Board that include, representative from the private sector, UMA, Small scale association, Private Sector Foundation, Uganda Women association etc.</li> </ul> <p><b>Consideration for the Vulnerable groups</b></p> <p>The authority has encouraged women, disabled to be part of the Free zone activities and the following has been specifically been.</p> <p>Construction and provided services for:</p> <ul style="list-style-type: none"> <li>• Small business</li> <li>• Marketable rental space</li> <li>• In-house training</li> <li>• Offer services for business registration, tax training.</li> <li>• Encourage Free zones to employ women.</li> <li>• Outsourcing services like training facilities</li> </ul>	
Way forward	The consultant requested for some information and it was promised to be sent.	ALL

	The meeting was closed with a word of thanks.	
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MEETING BETWEEN OFFICE OF THE PRIME MINISTER (OPM) AND THE CONSULTANT ON 8 /12/2020  
(VIRTUAL MEETING) MR. CHARLES BAFAAKI

No	Issue	Response / Suggestion
1	Some costing on the logistic for enhancing and mitigation environmental and social management, monitoring, evaluation.	There shall be need for need for a focal officer in OPM assigned to take lead to speed up implementation including the necessary logistics for the project lifetime.
2	Projects and studies on refugees, NGOS, CBOs who work closely with refugees especially on incomes and business opportunities, access to markets	There is need to undertake a rapid assessment to appreciate who are the current players and structures ground
3	Economic opportunities both existing and future, type and nature of business activities of the refugees are involved in both in the urban and rural setting.	Refugees are currently engaged in agriculture related economic activities mainly crop farming because of our generous policy where refugees are able to access land. Future economic activities should focus on value addition, alternative livelihoods in manufacturing service sector, entertainment etc.
4	Financial institutions that give loans to these refugees and modalities economic opportunities for refugees in the private sector.	There are currently no known financial institutions supporting refugees except self-help Groups and NGO supported SACOS. This information needs to be enriched through rapid assessment
5	Environmental and Social capacity in terms of implementation, training, awareness program, institutional challenges, gaps and areas of collaboration with INVITE	There is capacity to ensure environmental and social safeguards are adhered to through the OPM settlement structures however there is need for training and equipping the ground teams on what is expected of the teams, implementation strategies etc.

## ANNEX 10: Actions taken by the GOU to insure inclusion and nondiscrimination.

Annex 10 highlights recent actions taken by the GOU to ensure inclusion and non-discrimination of vulnerable and disadvantaged individuals or groups. It also includes transcripts of relevant Guidelines and Circulars issued by the GOU.

The Anti-Homosexuality Act was passed on May 26, 2023. The government has continued to ensure inclusion and non-discrimination in all its projects and consistent with this, the government has taken the following measures:

- **Letter of Assurance** (Sept 21, 2023) to all Ministries, Agencies, and local governments to implement mitigation measures on non-discrimination in WB-financed operations.
- **Budget execution circular** (July 10, 2023) to all public servants to ensure that projects are in line with Ugandan Constitution which emphasizes equality of all persons without prejudice or discrimination.
- **Circular on provision of health services** (June 5, 2023) that includes measures not to discriminate or stigmatize any individuals who seek health care for any reason.
- **Circular on provision of education** (August 18, 2023) services to all people without discrimination and exclusion in the delivery of education services, programs, and projects.
- **Circular issued by the Director of Public Prosecutions** (August 29, 2023) stating that prosecutors should seek guidance from ODPP before decision to charge is made under the AHA.

Of particular importance is the Letter of Assurance of September 21, 2023, from the Permanent Secretary/Secretary to the Treasury on Uganda's Social Safeguard Policies following excerpts:

*"Following the World Bank Group's concern with Uganda's enactment of the Anti-Homosexual Act, 2023 and as communicated in the budget Execution Circular 2023 of FY 2023/2024 on 18<sup>th</sup> July 2023, we guide:*

- *All World Bank-financed projects must be implemented in a manner consistent with the principles of non-discrimination as provided under Article 21 of the Constitution of the Republic of Uganda. These projects should also be implemented in accordance with World Bank policies and applicable Legal Agreement*
- *Under these projects, no person will be discriminated against or stigmatized, and the principles of non-discrimination and inclusion will be adhered to. Support should be provided to all project beneficiaries.*
- *All implementing entities of World Bank projects should agree and implement specific mitigation measures to address non-discrimination.*
- *These mitigation measures will require enhancing project grievance redress mechanisms as well as strengthening existing project monitoring by implementing entities including a World Bank enhanced implementation support and monitoring, where applicable.*
- *Each project implementing entity shall develop comprehensive guidelines to address non-discrimination."*

The following transcripts of relevant Guidelines and Circular issued by the GOU are included this annex: Letter of Assurance; Circular on provision of health services; Circular on provision of education; Circular issued by the Director of Public Prosecutions, and relevant excerpts from the Circular on Budget Execution.

Telephone: 256 414707000/232095  
Fax : 256 41 4233524  
Email : [finance@finance.go.ug](mailto:finance@finance.go.ug)  
[treasury@finance.go.ug](mailto:treasury@finance.go.ug)  
Website : [www.finance.go.ug](http://www.finance.go.ug)  
Plot No. 2-8 Apollo Kaggwa Road  
In any correspondence on  
This subject please quote No.



Ministry of Finance, Planning &  
Economic Development,  
P.O. Box 8147  
Kampala, Uganda

ALD 141/259/01 TC

21<sup>st</sup> September 2023

All Accounting Officers  
All Ministries, Departments and Agencies  
All Local Governments



### **UGANDA'S SOCIAL SAFEGUARD POLICIES**

I am writing in reference to the above subject. Further reference is made to the Anti-Homosexuality Act, 2023 (AHA) that came into force on 30<sup>th</sup> May 2023.

Following the World Bank Group's concern with Uganda's enactment of the Anti-Homosexuality Act, 2023 and as communicated in the Budget Execution Circular of FY 2023/2024 on 18<sup>th</sup> July 2023, we guide that;

- All World Bank-financed projects must be implemented in a manner consistent with the principles of non-discrimination as provided under Article 21 of the Constitution of the Republic of Uganda. These projects should also be implemented in accordance with World Bank policies and applicable Legal Agreements.
- Under these projects, no person will be discriminated against or stigmatized and the principles of non-discrimination and inclusion will be adhered to. Support should be provided to all project beneficiaries.
- All implementing entities of World Bank projects will implement specific mitigation measures to address non-discrimination.
- These mitigation measures will require enhancing project grievance redress mechanisms as well as strengthening existing project monitoring by implementing entities including third-party monitoring where applicable.
- Each project implementing entity shall develop comprehensive guidelines to address non-discrimination.

*Mission*

*"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"*



## **Specific Measures for High Risk Sectors**

### **Health**

- The Ministry of Health issued a circular on August 8, 2023 that guarantees access to health care services for all and prohibits the discrimination or stigmatization of any individual who seeks health care services on any grounds.
- The Ministry of Health will widely disseminate and socialize health sector guidelines for the effective implementation of the circular.
- Implementating entities should strengthen grievance redress mechanisms, and third-party monitoring systems in collaboration with national and international partners.

### **Education**

- The Permanent Secretary in the Ministry of Education and Sports on 18<sup>th</sup> August 2023 issued a circular stating that the Ministry of Education and Sports does not permit any form of discrimination against any persons in the delivery of education services, programs and projects.
- In light of that circular, the Ministry should ensure that there is no discrimination (including any form of bullying) against teachers and students on any grounds.
- The Ministry of Education and Sports will prepare project specific guidelines to address non-discrimination.
- Implementating entities should strengthen grievance redress mechanisms, including an independent hotline and third-party monitoring systems where necessary.



Ramathan Ggoobi

**PERMANENT SECRETARY/SECRETARY TO THE TREASURY**

Rt. Hon. Prime Minister, Office of the Prime Minister

Attorney General, Ministry of Justice and Constitutional Affairs

Hon. Minister of Finance, Planning and Economic Development

Hon. Minister of Education and Sports

Hon. Minister of Health

Hon. Minister of Gender, Labour and Social Development

Hon. Minister of Energy and Mineral Development

The Principal Private Secretary to H.E. the President

The Solicitor General, Ministry of Justice and Constitutional Affairs

The Permanent Secretary, Ministry of Health

The Permanent Secretary, Ministry of Education and Sports

The Permanent Secretary, Ministry of Gender, Labour and Social Development

The Director of Public Prosecutions



Telephone: 256 414707000/212000  
Fax: 256 41 4233514  
Email: [info@finance.go.ug](mailto:info@finance.go.ug)  
[publicaffairs@finance.go.ug](mailto:publicaffairs@finance.go.ug)  
Website: [www.finance.go.ug](http://www.finance.go.ug)  
Plot No. 2-9 Apollo Kagame Road  
In any correspondence use  
This subject please quote No.  
**BPD 86/179/01**



Ministry of Finance, Planning &  
Economic Development,  
P.O. Box 8147  
Kampala, Uganda

**10<sup>th</sup> July, 2023**

All Accounting Officers (Central Government, Missions Abroad, and Local Governments)

All Chief Executive Officers of State-Owned Enterprises and Public Corporations

## **THE BUDGET EXECUTION CIRCULAR (BEC) FOR FINANCIAL YEAR 2023/2024**

### **A. INTRODUCTION**

1. This Circular is issued in fulfilment of Article 155 (1) of the Constitution, and Sections 13 (5) and 14 (1) of the Public Finance Management Act, 2015 (Amended).
2. The theme for the FY 2023/2024 Budget has been retained as: ***"Full Monetization of the Ugandan Economy through Commercial Agriculture, Industrialization, Expanding and Broadening Services, Digital Transformation and Market Access"***. The Budget for FY 2023/2024 was approved to address the strategic mission of facilitating more Ugandans to join the money economy.
3. The purpose of this Circular is to communicate the following:
  - i. The FY 2023/2024 Annual Cash Flow Plan (**Annex 1**);
  - ii. The Policy, Operational and Administrative Guidelines for execution of the Budget in FY 2023/2024.
4. As you execute the Budget for FY 2023/2024, I urge all Accounting Officers to ensure that all program activities contribute towards addressing the following objectives:
  - i. Completion of public investments with higher multiplier effects on attainment of NDPIII and the NRM 2021-2026 Manifesto;
  - ii. Full-scale implementation of the Parish Development Model (PDM);
  - iii. Enhanced revenue mobilization and collection; and



Minister

*"To foster a vibrant, sound economic policy, increase revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"*

- iv. Ensuring efficiency and effectiveness of Government through rationalization of public expenditure.
5. The key priorities to achieve the above objectives are detailed in the approved Budget for FY 2023/2024. For ease of reference, please follow the link <https://www.budget.finance.go.ug> to access the following key documents, among others:

- i. The Budget Speech for FY 2023/2024;
- ii. Approved Estimates of Revenue and Expenditure Volume I (Central Government Votes and Missions Abroad);
- iii. Approved Estimates of Revenue and Expenditure Volume II (Local Governments); and
- iv. Approved Estimates of Revenue and Expenditure Volume III for the State-Owned Enterprises and Public Corporations.

#### **II. THE ANNUAL CASH FLOW PLAN FOR FY 2023/2024**

6. In accordance with Section 36 (b) of the PFM Act 2015 (Amended), the Annual Cash Flow Plan for FY 2023/2024 has been generated off the Program Budgeting System (PBS) based on the quarterly projections in your respective Vote work plans for FY 2023/2024.
7. The purpose of the Cash Flow Plan is to guide and ensure that Government maintains sufficient liquidity to be able to sustain and make timely payments to meet service delivery requirements by aligning Vote cash inflows and outflows to your respective Program Implementation Action Plans (PIAPs).
8. In view of the above, and in line with Sections 15 and 21 (i) of the PFM Act, 2015 (Amended), all Accounting Officers are urged NOT to overcommit the vote budgets beyond the Annual Cash Flow Plan issued in this Circular. Furthermore, you should submit expenditure commitments, in line with the PIAPs, indicating the actual forecast commitments and the cash position of your respective Votes as per Section 16 (i) of the PFMA, 2015 (Amended) to inform decision-making on the subsequent quarterly expenditure releases.



**C. POLICY DIRECTIVES, ADMINISTRATIVE AND OPERATIONAL GUIDELINES FOR IMPLEMENTATION OF THE BUDGET FOR FY 2023/2024**

***Policy Directives***

9. The FY 2023/2024 Budget allocations directed resources to program areas meant for enhanced socio-economic transformation for all Ugandans through job and wealth creation, and increasing household incomes, by targeting the 39% of Ugandans still in the non-money economy. All Accounting Officers are urged to adhere to the following policy directives that guided the preparation of the Budget for FY 2023/24:
- i. Fund key Government priorities to increase the momentum in socio-economic transformation, for example: the standard-gauge railway, the meter-gauge railway, solar-powered irrigation, PDM, *Empooga*, road maintenance, coffee value addition, vaccines and pharmaceutical manufacturing etc.;
  - ii. Support development initiatives that drive private sector growth;
  - iii. Implement only ongoing projects and other multi-year commitments as approved in the Budget;
  - iv. Halt new non-concessional projects, except those already provided for in the fiscal framework, or those with no direct or indirect claim on the Consolidated Fund;
  - v. Hold back any recruitment plans in FY 2023/2024 except on a replacement basis where the resources are already available;
  - vi. No travel abroad, except for critical positions of the Executive, Legislature, Judiciary, security, diplomatic relations and resource mobilization; and
  - vii. **NO** purchase of new vehicles except hospital ambulances, tailored vehicles for medical supplies/distribution, and for agricultural extension services, security and revenue mobilization.

***Non-Discrimination***

10. Accounting Officers should ensure that all projects (whether Government of Uganda or externally funded) are implemented within the provisions of Article 21 (1) and (2) of the Constitution and Section 13 (1) (e) (i-ii) of the Public Finance Management Act, 2015 (Amended). This emphasizes equality of all persons in access to all opportunities and benefits presented by the above projects, without prejudice and discrimination on the ground of sex, race,

color, ethnic origin, tribe, birth, creed or religion, social or economic standing, political opinion or disability.

*Advertising by Ministries, Agencies and Local Governments*

11. In his letter of Ref. No. PO/3 dated 6<sup>th</sup> March 2023, H.E. The President directed that in FY 2023/2024, **“all Government advertising must be through the Uganda Broadcasting Corporation. Any Accounting Officer who deviates from this will be sanctioned including dismissal”**. Print media advertising should be done through the New Vision. I therefore urge all Accounting Officers to strictly adhere to this directive.

*Contracting in Ugandan Shillings versus Foreign Currencies*

12. I have received numerous requests from a number of Ministries, Departments and Agencies (MDAs) to undertake contracts in foreign currency, especially in United States Dollars and Euros. In line with the fiscal and monetary policies agreed with Bank of Uganda, I wish to reiterate this Ministry's position that no procurements should be undertaken in foreign currency as previously communicated in FY 2016/17, FY 2017/18 and FY 2018/19. Contracting in the local currency, is meant to preserve the sanctity and value of the Shilling since the budget is appropriated in the local currency which is easily convertible.
13. Therefore, this is to guide all Accounting Officers as follows:
  - i. That all contracts for works, goods and services shall be awarded in Ugandan Shillings to hedge against cost overruns due to global forex rates fluctuations that impact on the stability of the Shilling; and
  - ii. All contracts, including those that follow international competitive bidding procedures, shall be quoted in Ugandan Shillings. The only exemption will be where it is clearly expressed in the financing agreements with Development Partners to use other currencies in the bidding process, if necessary. This should be strictly the exception and not the norm. I request the Honorable Attorney General's chambers to take note and enforce this guideline while approving agreements.



Telephone: General Lines: 256 - 417-712260  
Permanent Secretary's Office: 256 -417- 712221  
Toll Free 0800100066  
E-mail : [ps@health.go.ug](mailto:ps@health.go.ug)  
Website: [www.health.go.ug](http://www.health.go.ug)

IN ANY CORRESPONDENCE ON



Ministry of Health  
P. O. Box 7272  
Plot 6, Lourdel Road  
KAMPALA  
UGANDA

THIS SUBJECT PLEASE QUOTE NO. **ADM:180/01**

THE REPUBLIC OF UGANDA

5<sup>th</sup> June 2023

### Circular

All Hospital Directors, National and Regional Referral Hospitals  
All District Health Officers  
All Medical Superintendents  
All Health Facility In-charges  
Executive Directors of Implementing Partners  
Executive Directors of Faith Based Medical Bureaus  
The Executive Director Uganda Healthcare Federation

### PROVISION OF SERVICES TO ALL PEOPLE WITHOUT DISCRIMINATION

The constitution of the republic of Uganda recognises that health is a fundamental right and guarantees access to health care services for all. The Ministry of Health is mandated to provide Preventive, Promotive, Curative and Rehabilitative Health Services to all people in Uganda in their diversity **without any form of discrimination**. Furthermore, all services should be provided in a manner that ensures **Safety, Privacy and Confidentiality to all clients that seek health services in all facilities, both Public and Private.**

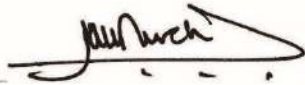
The Ministry of Health therefore reminds all health care workers and stakeholders about the above National commitments, and reiterates the following;

- **Not to deny services to ANY client who present themselves for services.**
- **Not to discriminate or stigmatize any individual who seeks health care services, for any reason – gender, religion, tribe, economic status, social status or sexual orientation.**
- **Patient rights and ethical values – Confidentiality, Privacy, Patient Safety as stipulated in the Patient's Charter should be upheld each time a patient seeks health care services at your facility**

Your cooperation in this matter is of great importance to improving access to service delivery for all our people.

A handwritten signature in black ink, appearing to read 'M. N. N.', with a long horizontal stroke extending to the left.





Dr. Henry G. Mwebesa  
**DIRECTOR GENERAL HEALTH SERVICES**

- cc. Hon. Minister of Health  
Hon. Minister of State for Health (GD)  
Hon. Minister of State for Health (PHC)  
Permanent Secretary, Ministry of Health  
All UN Agencies  
PEPFAR Coordinator  
Head Country Team Global Fund, Geneva  
Country Manager, World Bank  
Country Director – CDC, USAID, DOD  
Director General, Uganda AIDS Commission  
Directors, Ministry of Health  
All Chief Administrative Officers  
Registrars, Health Professional Councils

**Telegram:** "EDUCATION"  
**Telephone:** +256-41-7893602  
**Fax:** +56-41-4230437

In any correspondence on  
this subject please quote: EPD 191/336/03



**Ministry of Education and Sports**  
**Embassy House**  
**P.O. Box 7063**  
**E-Mail: [permasec@education.go.ug](mailto:permasec@education.go.ug)**  
**Website: [www.education.go.ug](http://www.education.go.ug)**  
**Kampala, Uganda**

18<sup>th</sup> August 2023

All Heads of Education Institutions

### **PROVISION OF EDUCATION SERVICES TO ALL PEOPLE WITHOUT DISCRIMINATION**

The Government of Uganda recognizes the Constitutional social objective to ensure all Ugandans enjoy rights, opportunities and access to education. Under our education objectives, the State is obligated to promote free and compulsory basic education, afford every citizen equal opportunity to attain the highest educational standard possible, and facilitate individuals, religious bodies and other non-governmental organizations to found and operate educational institutions if they comply with the general educational policy of the country and maintain national standards.

The Ministry is implementing the Gender in Education Policy which provides for equitable access to education for all without discrimination. To operationalize the Policy a number of policy strategies and guidelines exist including the National Strategy of Elimination of Violence Against Children, the Life Skills Toolkit, manuals on growth and sexual maturation. In addition, the Ministry has incorporated Sexuality Education into the curriculum to ensure age-appropriate information to enable young people to maneuver through the different challenges of life.

The purpose of this Circular, therefore, is to reiterate Article 21 (1) of our constitution with states that "All persons are equal before and under the law in all spheres of political, economic, social and cultural life and in every other respect and shall enjoy equal protection of the law". The Ministry does not condone any forms of discrimination and exclusion of any persons, in delivery of education services, programs and projects.

You are, therefore, called upon to observe and ensure the above standards in the delivery of education services, programmes and projects.

**Ketty Lamaro**  
**PERMANENT SECRETARY**

Cc: First Lady and Hon Minister of Education and Sports  
Ministers of State, Education and Sports

Tel: Director +256-0414-332504.  
General +256-414-332500  
+256-414-332501  
Toll Free: 0800112300



Office of The Director of Public Prosecutions,  
Workers House, 12<sup>th</sup> & 11<sup>th</sup> Floor  
Plot 1, Pilkington Road,  
P.O. Box 1550,  
Kampala (Uganda)  
[admin@dpp.go.ug](mailto:admin@dpp.go.ug)  
[www.dpp.go.ug](http://www.dpp.go.ug)

Our Ref: ADM 12/01  
Your Ref:

Date: 25<sup>th</sup> August, 2023

### CIRCULAR NO.18/2023

All Prosecutors,  
Office of the Director of Public Prosecutions.

**RE: MANAGEMENT OF CASES WITH CHARGES PREFERRED UNDER THE ANTI-HOMOSEXUALITY ACT 2023.**

The Anti-Homosexuality Act (AHA) came into force on 30<sup>th</sup> May 2023. It has come to the attention of management that a number of charges of Homosexuality and Aggravated Homosexuality are now being preferred by some officers without internalizing some crucial aspects of the act.

It is important to note that the AHA only criminalises offences where a sexual act has been performed. The term "*sexual act*" is defined under Section 1 of the Act.

It is also important to note that Sections 2 (5) and 3 (5) of the AHA provide that "*for the avoidance of doubt, a person who is alleged or suspected of being a homosexual, who has not committed a sexual act with another person of the same sex, does not commit the offence of homosexuality under this section*".

Officers are therefore advised to peruse files with offences under the AHA cautiously while taking into account the abovementioned provisions.

You are hereby directed to ensure that all files with charges preferred under the AHA should first be submitted to Headquarters with a written legal opinion for further guidance before a decision to charge is made.

Management will soon organize sensitization meetings for all officers on the key aspects of the AHA.

Handwritten signature of Jane Frances Abodo.

Jane Frances ABODO  
DIRECTOR OF PUBLIC PROSECUTIONS



## Annex 10: Enhanced Implementation Support and Monitoring of Non-Discrimination

The World Bank and IFC will hire an international and credible entity (firm, agency) with a strong knowledge of the Ugandan context and a track record of enhanced third-party implementation support and performance monitoring to undertake the tasks described in this section for all projects presently being implemented in the Uganda portfolio. The entity is expected to work with NGO/CSOs and country-based development partners.

The Enhanced Implementation Support and Monitoring (EISM) will primarily focus on supporting project teams to implement mitigation measures to address grievances and concerns from beneficiaries, communities, and workers relating to discrimination from project benefits.

The objectives of the Enhanced Implementation Support and Monitoring include:

- Assisting project teams to enhance existing project-level grievance mechanisms and develop and operate an independent mechanism that would identify, manage, and monitor cases of discrimination.
- Assisting the WB in strengthening the capacity of Project Implementation Units (PIUs), workers, and contractors, subcontractors, and service providers.
- Ensuring contracts, codes of conduct, hiring procedures, whistle-blower protection protocols, and other measures, as needed, are in place to allow remediation of cases of discrimination.
- Develop a strong data management system and process that secures personal data and information in a manner that is safe, ethical, and confidential.
- Where cases of discrimination are reported through the above mechanism, the EISM will report the grievances to the Bank, propose appropriate remediation, and follow up on agreed actions to resolve the case.
- Support the WB/IFC to monitor the efficacy of the agreed measures to mitigate the impacts on WB/IFC financed operations.

Figure 11-1 illustrates the enhanced implementation support and monitoring steps. Figure 11- 2 contains the enhanced implementation support and monitoring process. Figure 11-3 contains the Complaint Management for Vulnerable or Marginalized Individuals or Groups.

### Scope of Work and Activities

To provide enhanced implementation and monitoring support to the World Bank/IFC operations in Uganda the EISM will:

2.1 Establish an effective and confidential mechanism to receive, manage, refer, and monitor grievances related to discrimination across the WB/IFC portfolio.

To do so the EISM will:

- **Enhance existing project-level grievance redress mechanisms** to safely, ethically, and confidentially receive cases related to discrimination on World Bank/IFC financed operations and refer them to an appropriate grievance handling mechanism.
- **Design and operate a mechanism for receiving grievances** related to discrimination on WB/IFC financed operations (including from project level grievance mechanisms noted above).
- **Establish a hotline or an alternative complaint mechanism**, for individuals to lodge complaints of discrimination on WB/IFC financed projects or voice their concerns without fear of reprisal. The EISM is an alternative to lodging complaints through a GoU-led project-level GRMs.

Figure 11-1: Enhanced Implementation Support and Monitoring Steps

Enhanced Implementation Support and Monitoring Steps	
Act as a key first step in the referral process from project-level GRMs	Designed specifically to handle complaints restricted to WB/IFC projects
Step 1	Receives and document complaints of discrimination in accessing WB/IFC projects' benefits, services, and opportunities,
Step 2	Develops specific security protocols to ensure that communications are safe, ethical, and confidential.
Step 3	Establishes a data management system on an international server guaranteed by the provider as safe and secure encryption and privacy.
Step 4	Implements a data privacy and protection policy to include confidentiality clauses to be signed by all personnel entrusted with managing referrals or referral-related information.
Step 5	Handles complaints in a confidential, anonymous, and non-judgmental manner which is sensitive to local context and in local languages
Step 6	Provides detailed monthly reports of complaints received to the WB/IFC
Step 7	Provides ad hoc incident reports of all allegations to WB/IFC within 48 hours of receipt
Step 8	Reports grievances to the WB/IFC, proposes appropriate remediation, and follows up on agreed actions to resolve the case.
Step 9	Maps available services for vulnerable or marginalized individuals and groups including counselling, legal services, protection, and other services,
Step 10	Refers individuals to the appropriate local services or organizations as needed
Step 11	Reports grievances to the WB/IFC, proposes appropriate remediation, and follows up on agreed actions to resolve the case.

Step 12	Regularly evaluates the effectiveness of mitigation measures to determine whether and how well the mitigation measures are functioning.
Step 13	Recommends and supports the implementation of adjustments to mitigation measures based on regular evaluations and their impact.

## 2.2 Outreach and sensitization to project beneficiaries and communities involved with the World Bank/IFC Portfolios

Activities related to Outreach and sensitization to project beneficiaries and communities include:

- **Assist the WB/IFC to prepare and implement a plan to disseminate information** about the support provided by the entity including support to existent GRMs.
- **Prepare community/beneficiary information materials** on their rights within the Constitution of Uganda and World Bank/IFC policies informed by various official circulars issued by the GoU on non-discrimination and World Bank/IFC policies.
- **Develop and implement a methodology to conduct periodic outreach to beneficiaries/communities** to hold consultations on **non-discrimination** to identify issues and risks in a safe, ethical, and confidential manner.

## 2.3 Capacity strengthening and technical support

Activities related to capacity strengthening and technical support include:

- **Support to the WB/IFC on training** of government staff and private sector consultants/clients, workers, and contractors on non-discrimination by developing training materials, identifying venues, providing trainers, etc.
- **Support to the WB/IFC with training project level GRMs** on non-discrimination in World Bank and IFC financed Projects by developing training materials, identifying venues, providing trainers, etc.
- **Preparing training modules for call center operators, data management personnel, and community outreach personnel** on appropriate handling of sensitive information.
- **Providing technical support to the GoU for the development of Guidelines** on Non-discrimination of Workers.

## 2.4 Monitoring and Evaluation

Activities related to monitoring and evaluation include:

- **Developing a system to regularly monitor WB/IFC projects** for 1) implementation of agreed GoU actions to mitigate the risk of discrimination on WB/ IFC projects, 2) incidents of discrimination on World WB/IFC financed projects.
- **Regularly evaluating the effectiveness of mitigation measures** to determine whether and how well the mitigation measures are functioning to improve WB/IFC awareness of incidents of discrimination on WB/IFC financed operations.
- **Recommending and supporting the implementation of adjustments to mitigation measures** based on regular evaluations and their impact.

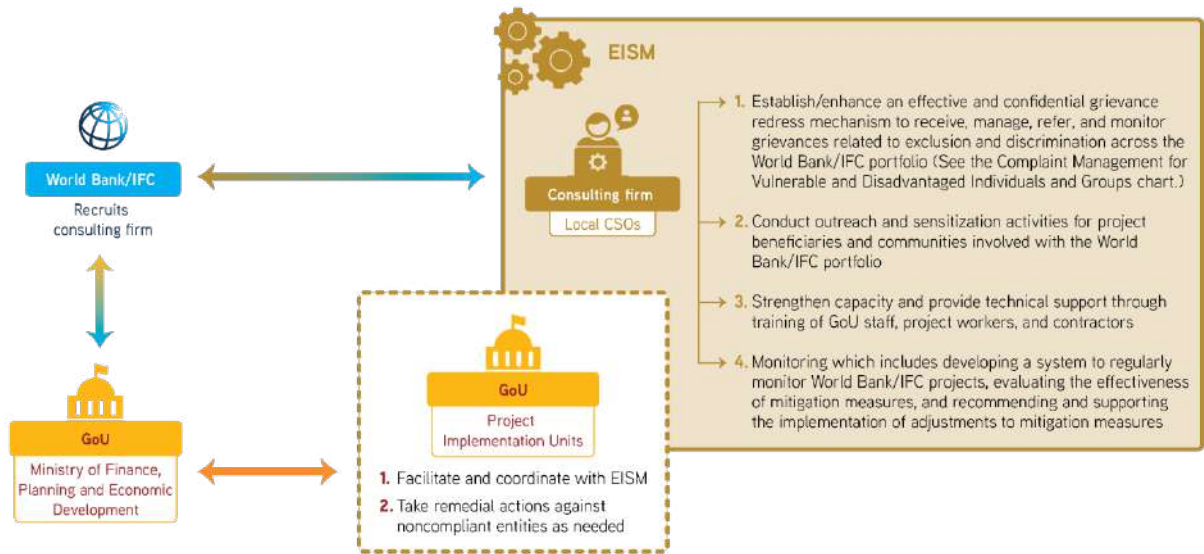
### **3. Roles and Responsibilities**

The GOU and its PIUs remain responsible for the implementation of all project activities including mitigation measures supported by the EISM. The enhanced implementation and monitoring support mandate is specifically focused on:

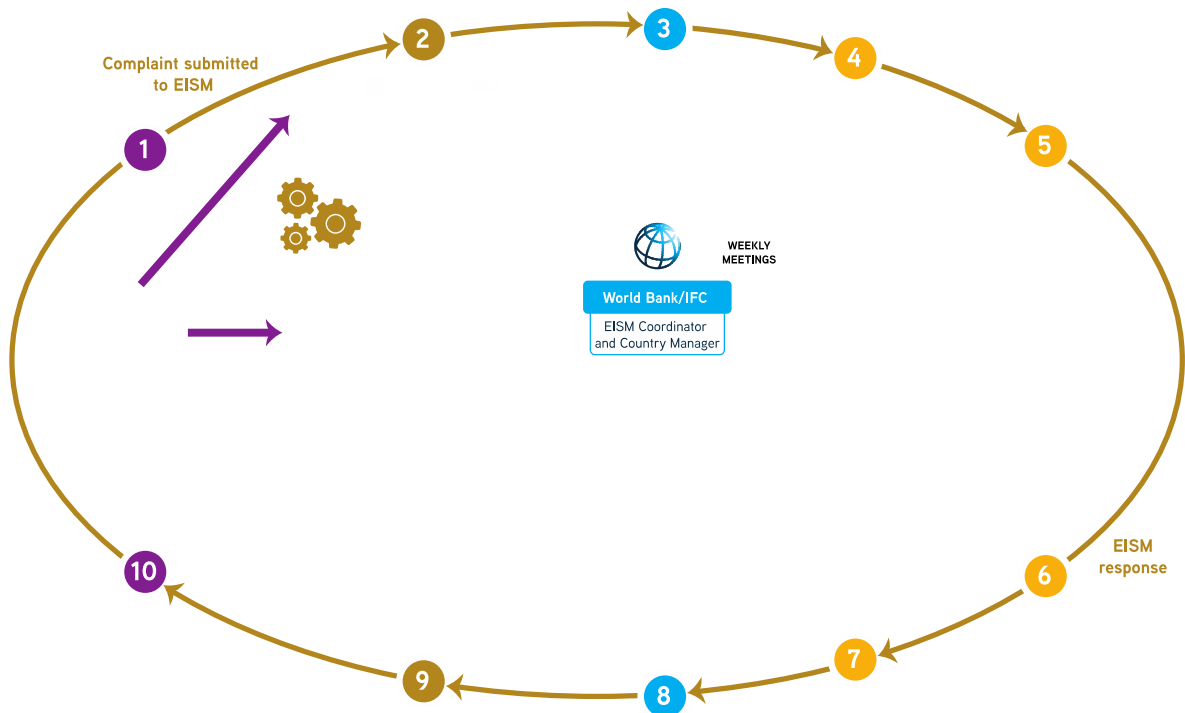
- 1) supporting the WB/IFC to ensure the agreed measures on non-discrimination in the portfolio are implemented fully, ethically, safely, and to an appropriate standard of quality; and
- 2) to support the WB/IFC to enhance our awareness of cases of discrimination across the WB/IFC portfolio.

The GOU will facilitate the work of the entity and collaborate as needed on all activities requiring their direct involvement, such as outreach and sensitization activities, capacity strengthening and technical support as well as the monitoring and evaluation of mitigation measures. The GoU will also ensure that the work under the EISM can be undertaken safely in accordance with existing circulars and their dissemination.

## Description of Enhanced Implementation Support and Monitoring (EISM) Process



## Complaint Management for Vulnerable or Marginalized Individuals or Groups



Note: For the IFC, the complaint management process is similar, but instead of government, it is done through private sector borrowers.