



PRIVATE SECTOR FOUNDATION UGANDA (PSFU)

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

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

September 2024

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.

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ABBREVIATIONS AND ACRONYMS

ASSP	Agriculture Sector Strategic Plan
BoU	Bank of Uganda
COVID 19	Coronavirus disease 2019
DCA	DanChurchAid
DRDIP	Development Response to Displacement Impacts Project
E&S	Environmental and Social
ESHS	Environmental, Social, Health, and Safety
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMS	Environmental and Social Management System
ESRM	Environmental and Social Risk Management
ESS	Environmental and Social Standards
ESSF	Environmental and Social Screening Form
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 Association
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, Labour and Social Development

MSMEs	Micro, Small, and Medium Enterprises
NDP	National Development Plan
NEA	National Environment Act
NEMA	National Environment Management Authority
OPM	Office of the Prime Minister
PACR	Project Advisory Committee for Refugees
PAD	Project Appraisal Document
PAP	Project Affected Person
PCBs	polychlorinated biphenyls
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 Organisation
SEP	Stakeholder 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
URA	Uganda Revenue Authority
UWA	Uganda Wildlife Authority
VMGF	Vulnerable and Marginalized Groups Framework
WB	World Bank

INTRODUCTION AND PROJECT DESCRIPTION

Introduction

The government of Uganda (GoU) through the Ministry of Finance and Economic Development (MoFPED), and Private Sector Foundation Uganda (PSFU) plan to implement the Investment for the 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. The project will be implemented by MoFPED and Bank of Uganda (BoU) through an INVITE Trust, and PSFU. MoFPED and BoU established the INVITE Trust and had it registered under the Trustee Incorporation Act Cap 165 as amended by the Trustee Incorporation (Amendment) Act, No. 22 of 2022. The INVITE Trust is implementing Component 1, 2.1, 2.2 and 4a while PSFU is implementing component 2.3, 3 and 4b.

This Environmental and Social Management Framework (ESMF) covers project components implemented by PSFU. The ESMF aligns with the project Environmental and Social Commitment Plan (ESCP) where eight (08) the World Bank (WB) Environmental and Social Standards (ESSs) have been triggered. The triggered ESSs include; ESS1, ESS2, ESS3, ESS4, ESS5, ESS6, ESS8 and ESS10. This ESMF is also in line with national environmental and social requirements.

Description of Project Components

The INVITE project has four (4) components:

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 (RHDs). The component is implemented by the INVITE Trust. The INVITE Trust is a public purpose, grantor trust, of which the Settler (GoU), is the Grantor. As the Settler and Grantor, GoU retains the power to control or direct investments, income and assets of the Trust as set out in this Trust Deed. Management oversight of the Trust's business, income and assets has been assigned to the Trustees and the Investment Committee established under the Trust. The Trust's overall objectives are to: (a) As a legal entity, hold all the financial assets and liabilities (actual and contingent) related to the components of the INVITE Project managed under the Trust as well as any other assets, property or funding received for/ by it in the future. (b) Be the dedicated financial and legal vehicle through which the project will make (i) the investments, transactions, and any other financing operations related to components 1.1, 1.2, 1.3, 2.1, 2.2 and 4 (a) of the INVITE Project will be made towards eligible activities.

Component 2: Creating New Productive and Transformative Assets including in RHD, which focuses on enabling new financing to restart and bolster economic growth, provides risk coverage for new lending to Micro Small Medium Enterprises (MSMEs), extends local currency liquidity on a long-term basis to larger investment projects, and de-risks or incentivizes private investment in RHDs. The component has three windows/subcomponents: Window 2.1 will target MSMEs with a focus on manufacturing and export supply chains, by setting up a Credit Guarantee Facility (CGF); Window 2.2 will provide long-term financing in the form of subordinated/convertible long-term local currency

loans; and Window 2.3 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. Windows 2.1 and 2.2 will be implemented by the INVITE Trust and Window 2.3 by PSFU.

Component 3: Enhancing Capabilities in Public Institutions and Private Firms. The component is supported under the Multi Donor Trust Fund (MDTF) and will support the development of capabilities among three business segments – exporters, suppliers, and MSMEs – to expand access to market opportunities and enhance revenue potential. The component is implemented by PSFU.

Component 4: Project Implementation Support. The objective of the component is to support, a) establishment of the project implementation framework by INVITE Trust; and b) support implementation, capacity development, monitoring and evaluation under PSFU. Component 4a is implemented by INVITE Trust while Component 4b is implemented by PSFU.

ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK (ESMF) INSTRUMENT

The extent of environmental and social risks posed by beneficiary supply chains will depend on the sectors in which the supply chains operate, individual subprojects to be supported, and the specific nature and scale of their operations. These will be defined during project implementation. Therefore, the most appropriate environmental and social (E&S) assessment tool at the preparatory level of the project is an Environmental and Social Management Framework (ESMF), which will guide the E&S screening of individual subproject activities, and where necessary, preparation of site/subproject specific E&S instruments/tools including Environmental and Social Management Plans (ESMPs), Project Briefs (PB), Environmental and Social Impact Assessments (ESIA), 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 activity level, to assess and manage environmental and social risks in accordance with the World Bank Environmental and Social Framework (ESF) and the National Environment Act (NEA) 2019. It is recommended that the application process, eligibility criteria and selection criteria under section 1.3, and related procedures, incorporate E&S screening as part of the process to consider and/or award grants to firms under component 2.3 and component 3.

In March 2024, following the enactment of the Anti-Homosexuality Act, 2023, this document and its annexes have been 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, Annexes 11 and 12.

The PSFU will establish a dedicated project implementation team, 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 subcomponents: (i) project administration, reporting, monitoring and evaluations, etc. (ii) procurement, leading procurement with other agencies, participating in contract management, etc.; (iii) Financial Management: accounting, internal controls, payments, etc; (iv) environmental and social monitoring and management 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 platforms. The project implementation team will consist of Project Coordinator, Finance Management Specialist, Procurement Specialist, Environmental Specialist, Social Development Specialists, Gender Specialist,

Refugee Specialist, Component Manager, IT Specialist, Monitoring and Evaluation Specialist, Economist, Business Advisor – Exports, etc.

ENVIRONMENTAL AND SOCIAL BASELINE INFORMATION

A review of existing baseline information and onsite assessments and measurements assembled relevant baseline information for the project. The following key parameters were considered and examined: Socio-economic characteristics, biophysical parameters, ecological and cultural aspects, among others. The baseline information is 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 undertaken as part of the preparation of the INVITE project in 2020. Table 5-1 provides a summary of stakeholders consulted during the preparation of the project in 2020 and during the update of the ESMF in 2022. The intentions of the engagements included: (i) informing all key stakeholders about the project components; (ii) coordination and defining the roles of the different participating implementing agencies; (iii) categorically informing the target beneficiaries under each component of the eligibility criteria; (iv) informing stakeholders about the likely Environmental and Social (E&S) impacts of project activities; and (v) seeking suggestions to improve project design, plans, and implementation.

The main issues raised included: (i) Participation of District Local Governments to monitor private sector projects is limited by financial resources; (ii) Stakeholders prefer low/ NO interest loans; (iii) Need to engage districts during project implementation; (iv) Many Savings and Credit Cooperative Organisations (

SACCOs) and PFIs exist and offer loans in different sectors, these should be considered as entry points; (v) Need for adequate involvement of diverse stakeholders taking into consideration gender and related vulnerabilities, with specific targeting of women-led enterprises; (vi) Need for continued sensitization and mobilization of the communities; (vii) 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; (viii) Most of the manufacturing sector investments generate E&S impacts especially waste (both solid and effluent) and workers' health and safety, and yet they do not have required statutory approvals. Recommendations and responses to the issues raised by the stakeholders have been provided in (section 6) of this report.

Under subcomponent 2.3, more consultations have been undertaken with Office of Prime Minister (OPM) on the selection of the undetermined value chains and selection for the location of subprojects. Under component 3, there has been a prelaunch and full launch of the Export Firm Support with the relevant stakeholders.

Consistent with the requirements of the ESF, ESCP, 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. The E&S management instruments and tools will also be disclosed on the INVITE web portal.

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

GENERIC ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS, AND MITIGATION MEASURES

A summary of the generic positive and negative environmental and social impacts, and measures or good practices to prevent, mitigate and compensate for negative impacts are provided for subcomponent 2.3 and component 3. Under Subcomponent 2.3, Environmental and social impacts are expected to arise from existing supply chains, which will have pre-existing and/or new subprojects with associated E&S risks and impacts such as labour, pollution and resource efficiency, occupational and community health and safety risks, impacts on flora and fauna, labour influx with associated social impacts, social exclusion, GBV/SEA and child labour 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., largely dependent on the nature, scope and scale of operations. And Under component 3, the Technical Assistance (TA) activities are likely to generate Environmental, Health and Safety (EHS) risks and impact. The summary of generic environmental and social impacts and 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 the 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/Chapter 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 ESS1 Assessment and Management of Environmental and Social Risks and Impacts and at the same time cognizant of Uganda's National Environment Act N^o.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*.

The procedures for Environmental and Social Assessment (ESA) of sub-projects will include screening of subproject activities and determination of subproject activity E&S risk rating and defining of the required level and type of assessment and/or instrument, undertaken by the Lead Investor/s and verified by PSFU. The first level of E&S activity screening will be based on the E&S Exclusion List which contains activities considered to have a High (negative) Environmental and Social Risk Classification.

Once a sub-project activity has gone past the screening process, where necessary PSFU-Project Implementation Unit (PIU) will recommend the Lead Investor to prepare site-specific E&S instruments such as Environmental and Social Impact Assessment (ESIA), ESMP/ Project Brief, (for establishment of New Supply Chains), and Environmental and Social Audit (for expansion of Existing Supply Chains), or both ESIA and E&S Audit (Expansion of Existing Supply Chains), as per national laws and World Bank ESF.

The implementation strategy for this ESMF requires full integration of E&S management issues as identified in the respective subprojects, and ESIA and ESMP as guided and included in the grant application procedures as applicable. This ESMF will ensure that public consultations with relevant stakeholders (including vulnerable groups such as Refugees) are conducted and well documented to inform the ESIA and design of the projects/sub-projects.

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 12. 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 12. 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 Labour and Social Development (MoGLSD), and the Private Sector Foundation Uganda (PSFU). Other Ministries Departments and Agencies (MDAs) may be invited to participate as needed by the PSC.

PSFU will coordinate with National Environment Management Authority (NEMA) and the respective host district local governments to ensure that the relevant WB ESSs are complied with and that the prepared environmental and social risk assessment and management instruments such as ESIA, ESMPs, and other related instruments are disclosed by the grant recipients throughout the lifecycle of the Project. The Bank will also monitor compliance with financial management, procurement, environmental, and social safeguard measures.

MONITORING AND REPORTING

The primary responsibility for monitoring rests with PSFU in close collaboration with the respective host Districts and regulatory agencies. The project will be monitored throughout its lifetime through quarterly monitoring site visits, reporting, and information from third parties, such as through a grievance redress mechanism. Reporting to the Bank every quarter by the PSFU on the implementation of the project's environmental and social performance should pay particular attention to vulnerable groups such as Refugees, include persons with disabilities, and confirm whether the impacts and planned mitigation measures were adequate or whether adjustments are

needed to meet the overall objectives of the project and the agreed environmental and social commitments.

ESMF BUDGET IMPLICATIONS

Financial resources are required to support the implementation of the ESMF and general environmental and social management activities. It is estimated that the total budget for the implementation of the ESMF and other associated instruments will be 900,000 United States Dollars. The project is urged to prioritize and financially fund the listed activities in order to facilitate implementation of E&S mitigation plans and manage the likely environmental and social risks and impacts of the project activities.

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1 INTRODUCTION

The Introduction Section identifies the project development objective (PDO) and describes 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 a description of the proposed project components.

1.1 Project Background

The project is purposed to mitigate the effect of COVID-19 on private sector investment and employment and to support new economic opportunities including in refugee and hosting. The project through sub components 2.3 and 3(a) will 1) support investment in refugee and host districts that expands existing supply chains or establishes new supply chains and 2) boost Ugandan firm exports in value added manufacturing products to regional and high-income markets respectively. The project will follow key principles such as transparency, financial, environmental, and social (E&S) sustainability, and financial burden sharing with participating Lead Investors. These efforts will be complemented by Component 3(b) focusing on building the capability of institutions and firms, which is financed by the Multi-Donor Trust Fund (MDTF).

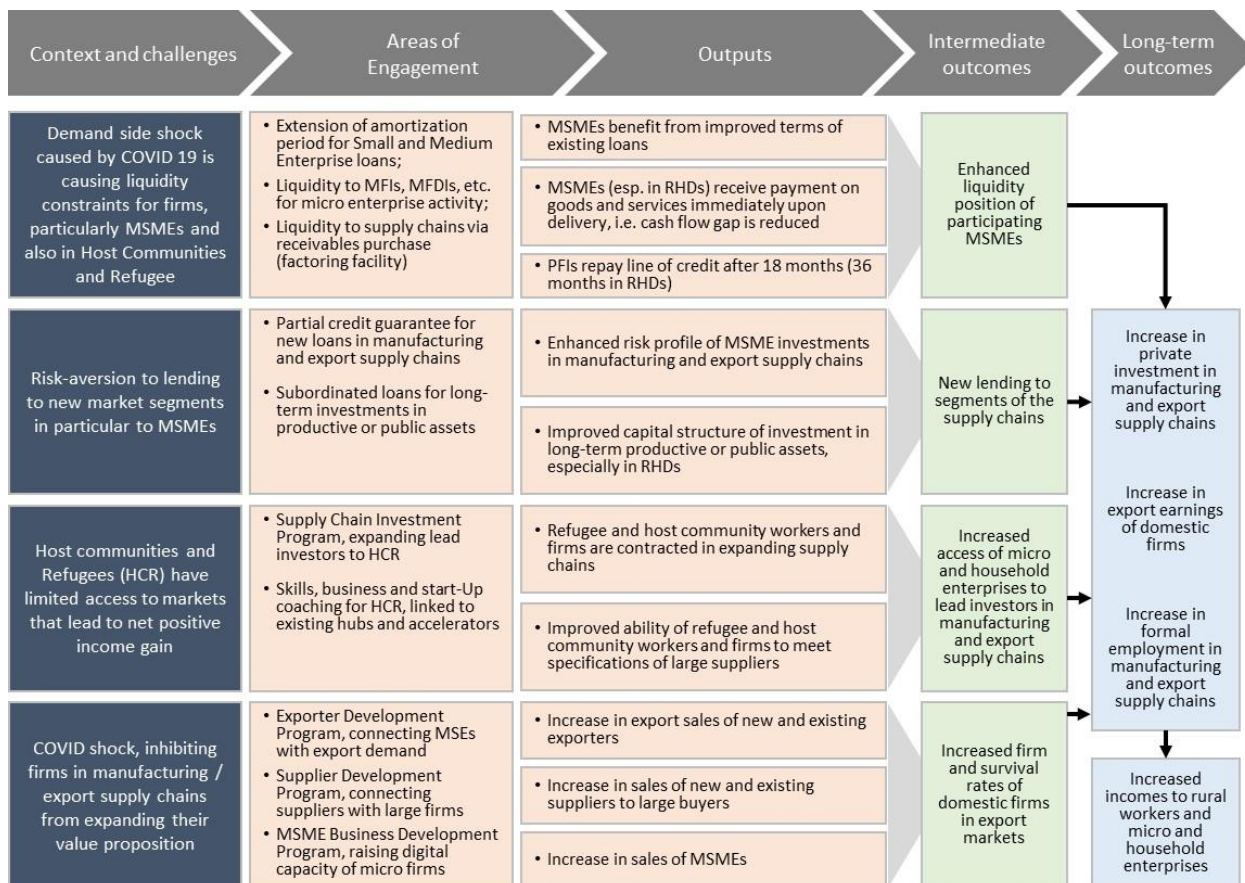


Figure 1.1: Overall Program Results Theory of Change

1.2 ESMF Purpose and Rationale

The project will be implemented by Ministry of Finance Planning and Economic Development (MoFPED) and Bank of Uganda (BoU) through the INVITE Trust, and Private Sector Foundation Uganda (PSFU). PSFU will implement subcomponent 2.3, *Investment in Rural Supply Chains in RHDs*, and Component 3, *Enhancing Capabilities in Public Institutions and Private Firms*, supported under the Multi-Donor Trust Fund (MDTF). This Environmental and Social Management Framework (ESMF) covers the PSFU-implemented subcomponents mentioned above. A separate ESMF has been prepared by the BoU for the INVITE Trust Components.

The Environmental and Social Management Framework has been prepared following the requirements of both the World Bank Environmental and Social Framework (ESF) and the National Environment Act (NEA) 2019. The ESF is composed of 10 Environmental and Social Standards (ESS), which are elaborated under Section 2. Specifically, the ESMF has been developed based on the project E&S risk categorization adopted from the World Bank ESF and the National Environment Act, 2019 Schedule 4, which requires an environmental and social assessment by way of project brief while under schedule 5 which requires the lead investors to conduct an environmental and social impact assessment by way of scoping, preparation of terms of reference for an environmental and social impact study; and undertake an environmental and social impact assessment (EISA). In case of expansion under component 2.3 the lead investor will have to demonstrate that the subproject activities comply with environmental laws, permits, and licenses by having in place E&S management instruments such as ESIA, Project Briefs, and ESMPs.

The Environmental and Social Management Framework (ESMF) has been developed to guide the Project Implementation Unit (PIU) at PSFU, participating institutions, export firms, and the Lead Investors. It provides guidance on the Environmental and Social (E&S) risk screening for subprojects during the call for business investment proposals for domestic and foreign lead investor.

The ESMF recognizes that the subprojects under PSFU INVITE are not yet clearly identified, defined, or designed, and have no specific locations. Detailed information about the subprojects will only be known after the selection and approval of the best business investment competition proposals. The ESMF will be used to prepare site/subproject E&S-specific corrective action plans and risk mitigation measures during subproject implementation.

The ESMF outlines the processes that will be undertaken by the grant recipients during the implementation of subprojects. It 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 for 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 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 regarding 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 11). 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 nondiscrimination 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 nondiscrimination.”

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.

1.3 Project Description

1.3.1 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 measure:

- a) The number of firms benefiting from private sector initiatives,
- b) The value of investment in manufacturing,
- c) The number of income-generating opportunities for refugees,
- d) The number of firms benefiting in Refugee Hosting Districts.

The PSFU project subcomponents will be implemented in the Refugee Hosting Districts across Uganda as shown in Figure 1.2.

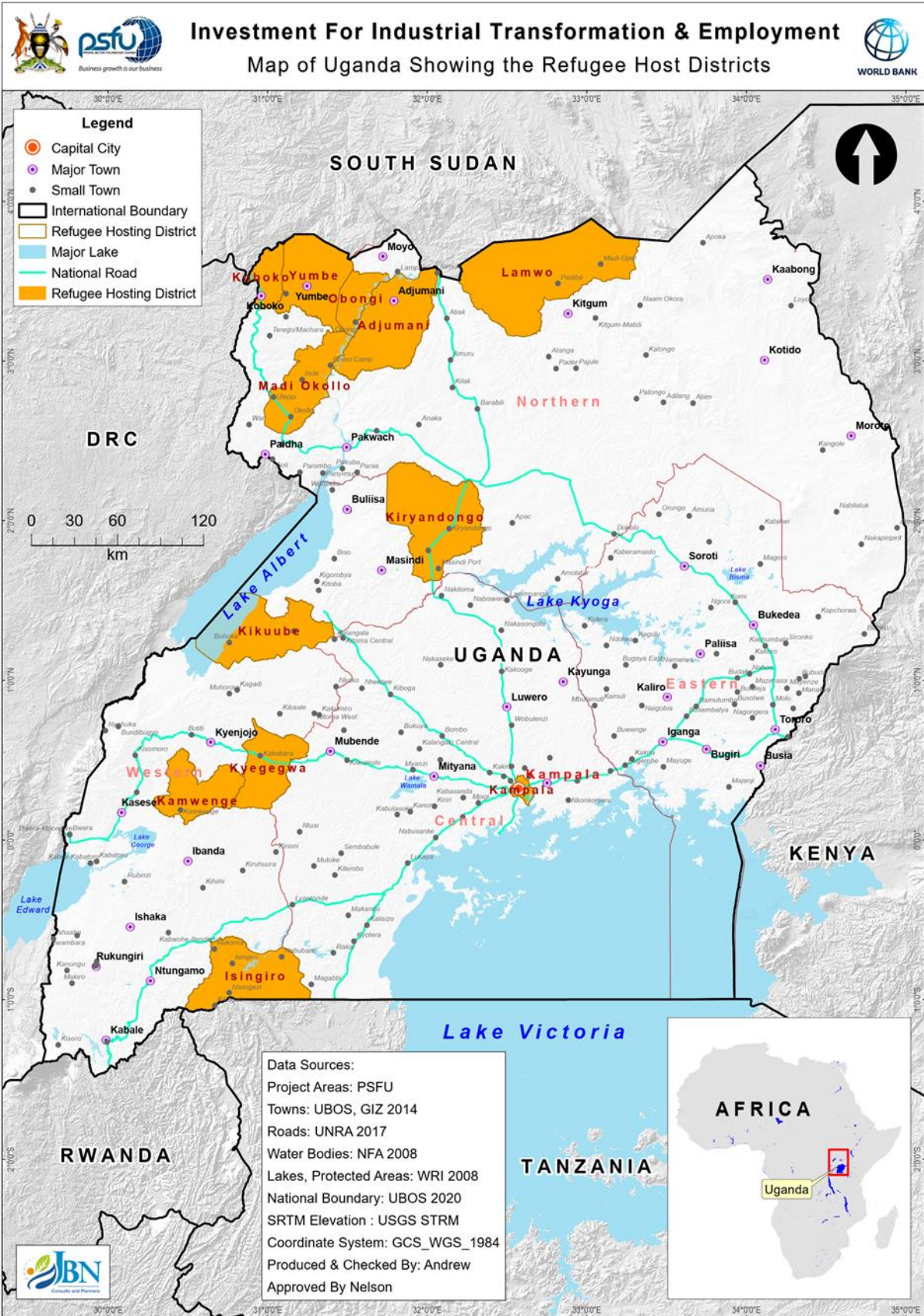


Figure 1.2: Map of Uganda showing Refugee Host Districts

1.3.2 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). This component has 3 windows, and it will be implemented by the INVITE Trust.

Component 2: Creating New Productive and Transformative Assets including in RHD This component has 3 windows. Window 2.1.and 2.2 are implemented by the INVITE Trust. While Window 2.3 is implemented by PSFU.

Component 3: Enhancing Capabilities in Public Institutions and Private Firms. This component is implemented by PSFU.

Component 4: Project Implementation Support. This component has two subcomponents (4a and 4b). Subcomponent 4a is implemented by the INVITE Trust while 4b is implemented by the PSFU.

1.3.3 Description of Components implemented by PSFU

Window 2.3 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 the *expansion of existing supply chains or the establishment of new supply chains*. Supply chains consist of facilities that allow for processes including transformation of raw materials into finished products, that are then distributed to final consumers. It involves forward and backward linkages in various value chains (e.g. agro processing) leading to value addition and export readiness. For supply chains to be developed, there should be a network of organisations, human capital, activities, information and resources in production and delivery of a product or service. It is envisaged that under the RHD component several supply chains including but not limited to manufacturing, agro processing and marketing, digital /ICT services, textiles, etc. could be targeted to spur economic development of the regions. Example of supply chain *'The Gulu Agricultural Development Company (GADC) was set up in 2009 as a post-harvest management company with the objective to revive the cotton supply chain in Northern Uganda. The company operates processing facilities across the West Nile, East Acholi, and West Acholi regions of Northern Uganda and operates a procurement network of buying agents to purchase directly from farmers in the region. The buying agents buy directly at the farm site, then transport the product to processing facilities where it is weighed, checked for quality, stacked, and then exported. GADC expanded its operation to include chilis, sunflowers, maize, sorghum, and sesame, given the similarities and overlap with the cotton supply chain. GADC's operation directly employs 256 full-time and seasonal workers, a contractor network of 194 buying agents and 104 trucking businesses, and a network of 846 intermediate collection centers operated by store owners.'*¹

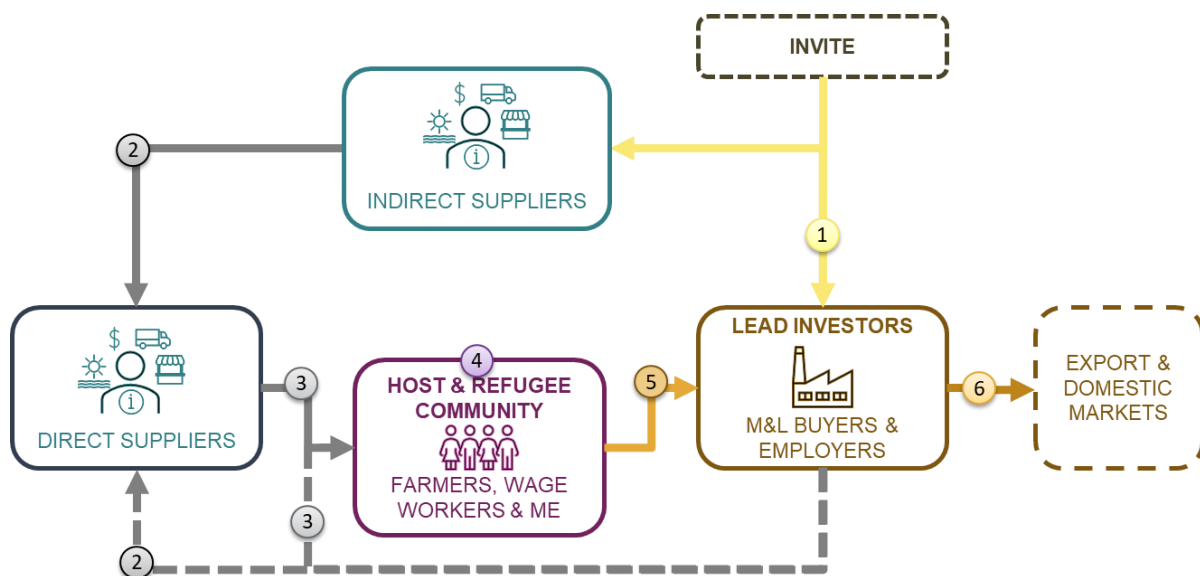
The component will provide competitively selected lead investors in the RHDs in the in the Southwest, Northern, and West Nile regions of the country with performance-based grants. The competition is expected to support 12 supply chains to expand their value proposition, providing a performance grant of up to US\$1 million per project depending on specific business needs of the winning supply chain investors. The component will launch a competition for lead investors with well-developed business concepts or expansion plans for existing or new supply chains. Business plan submissions will have to demonstrate sufficiently large network effects, in terms of the number of refugee or host suppliers engaged or the number of refugee or host workers employed. Submissions will be assessed





1 Box 1 INVITE PAD (2021)

using a standardized set of criteria to include the level of inclusion of refugee and host community households (particularly the number of females and refugees included), degree of innovation, projected growth and rate of return, job creation potential, feasibility, and practicality given local contexts. Winners of the competition will be provided access to a performance-based grant, which will be made available to the investors over a specific period and according to a defined investment plan. *The competition as a whole is expected to support 12 supply chains to expand their value proposition, providing a performance grant of up to US\$1 million per project depending on the specific business needs of the winning supply chain investors.* Other lead investors that have traditionally ventured into RHD locations are mainly in *agribusiness supply chains*. *Business and start-up training and coaching of workers, including non-cognitive skills especially for women entrepreneurs through WhatsApp at scale, will be provided to ensure that communities benefit from the new investment.*

General Description of the Refugee Component Intervention

The ESMF presents a general description of the standard structure of the supply chains in which INVITE intervenes. This general description supports the development of the theory of change and measurement framework and supports reporting on the ‘systemic’ impact of INVITE intervention. The component has four main actors.



HOST COMMUNITIES & REFUGEES 	LEAD Investors 	DIRECT SUPPLIERS 	INDIRECT SUPPLIERS 
HCRs are the target group for INVITE intervention through component 2.3. INVITE seeks impact through jobs and self-employment in agriculture, so (potential or current) farmers and wage laborers amongst HCRs are of particular	Lead Investors or Buyers are firms that employ HCR wage workers or that buy agricultural produce from HCR farmers. Because INVITE seeks large-scale investment with substantive firm-led impact on supply chains, the focus is on medium	Direct suppliers provide information, goods, and services (IG&S) to HCRs. Of particular interest are IG&S which improve standards and productivity that sustain a competitive supply function. This includes skills training, labour market information and	Indirect suppliers produce and supply information, goods & services to Direct Suppliers and/or to Buyers, rather than directly to the target group. The effective functioning of the system in a way that benefits the target group is

interest. HCRs are also engaged in micro-enterprise, services, and on-farm wage labour, and secondary INVITE impacts through such employment may be considered.	and large firms in manufacturing or exports with the capacity to buy a large amount of labour and/or produce. Where INVITE co-finances investment, buyers are referred to as <i>Lead Investors</i> .	coordination services, agricultural input supply, best agricultural practice information, finance, and so on.	dependent on these indirect suppliers. Amongst these indirect suppliers are <i>partners</i> with whom INVITE or Lead Investors will work to address system underperformance.
<i>Examples include:</i> Wage workers, farmers, micro-enterprise owners and other service providers.	<i>Examples include:</i> Food Processors, Cosmetics, and Ready-made garment manufacturers.	<i>Examples include:</i> Certification services, financial services, warehousing, private training providers, input retailers, media, etc.	<i>Examples include:</i> Regulators, standards bodies, certification bodies, industrial land suppliers, and seed distributors.

Eligibility criteria

The applicants are expected to possess the following:

i. **Expansion not relocation**

Eligible applicants are Lead Investors looking to expand their operations in RHDs or looking to open operations in RHDs.

ii. **Nature of benefit**

To be eligible, the proposed supply chain investment must deliver one or more of the following benefits to the target group:

- Purchase of agricultural produce from RHDs (female/male-led).
- Employment of refugee or host community wage labourers (female/male/youth) in RHDs.
- Purchase of other goods and services from within RHDs (female/male-led)

iii. **Additionality**

To be eligible, the lead investors must demonstrate the capacity to start new business operations or expansion of business operations in RHDs.

iv. **Operational and Financial Sustainability**

The eligibility criteria require that potential grant beneficiaries under the RHD component must demonstrate and have sustainability plan beyond the project intervention period.

v. **Pending legal actions, tax, and labour situation, and standing of shareholders**

A recipient that is the object of legal action due to serious misconduct, corruption, or criminal behaviour, is not in good standing with the Uganda Revenue Authority or does not comply with Ugandan labour standards, will not be considered.

vi. **Environmental and Social Compliance**

The applicant/ lead investors shall demonstrate compliance with the national and World Bank E&S policies and standards including the applicable requirements in the Project Environmental and Social Commitment Plan (ESCP) and this ESMF. This shall be evidenced by the availability of relevant valid E&S permits, licenses, authorization, and consent. The activities under subcomponent 2.3 shall be screened against the exclusion list under Annex 13 to ensure that only eligible activities are supported.

Process for Investment in Rural Supply Chains

The process for the Investment in Rural Supply Chains is as follows:

- i. Component launch and information dissemination.
- ii. Call for business investment competition applications in the national media.
- iii. Stakeholder engagement sessions with prospective applicants for further information dissemination and clarification.
- iv. Prospective applicants submit applications via an online platform including the necessary EHS related information.
- v. The business advisory team (external) assess and score, among other things, the applicants' business investment idea. The business advisory team will work with E&S experts in assessing the environmental and social considerations.
- vi. For approved business investment plans, Lead Investors develop an action plan including implementation milestones and relevant EHS aspects as needed for specific entity.
- vii. Activity implementation, M&E, disbursement to Lead Investor.

Selection criteria for Lead Investors under RHD Component

The selection criteria have the following 7 parameters:

- i. The Supply Chain Competition targets manufacturing and export supply chains.
- ii. **The Network Effect:** the scale of potential refugee and host communities that can participate in the proposed business model.
- iii. **Market effect:** the ability to create a dynamic market for products or services that refugees or hosts can supply.
- iv. **Spill-over effect:** the introduction of additional capabilities, technology, or expertise.
- v. **Portability effect:** the ability of the investment to transfer knowledge that can be applied in other similar investment locations.
- vi. **Financial sustainability effect:** the overall level of equity, which should be higher than the overall subsidy.
- vii. **Environmental and Social Sustainability effect:** the ability to comply with environmental and social requirements. The E&S team will ensure that applicants meet the National E&S requirements and national and World Bank E&S policies and standards including the applicable requirements in the Project ESCP and this ESMF.

Component 3: Enhancing Capabilities in Public Institutions and Private Firms

Component 3 funded by the Multi Donor Trust Fund (MDTF) has 2 subcomponents a) enhancing capabilities in public institutions and b) support to private sector firms critical to job creation. This component is implemented by PFSU and thus under this ESMF.

The component will contribute to improving the performance and coordination of implementing agencies, public institutions, and private sector firms critical to job creation to foster economic transformation.

3(a) enhancing capabilities in public institutions

The program will provide technical assistance and hands-on capacity building to a preliminary set of institutions, that is Uganda Investment Authority (UIA) and Uganda Free Zone Authority (UFZA). Other institutions critical to the economic and jobs transformation who are willing to engage will also be included, i.e., the Uganda National Bureau of Standards (UNBS), the Uganda Warehouse Receipts Authority (UWRA), the Uganda Export Promotion Board (UEPB), Uganda Microfinance Regulatory Authority (UMRA), etc. The purpose of the program support provided will be to deliver improved and more effective services to firms and policy makers. Developing private firms' capacities and expanding their access to market opportunities through different interventions targeting distinct subgroup of firms:

- First, it will support exporters (and potential exporters) to identify export opportunities and meet consumers demand through specialized productivity and quality support activities.
- Further, specialized overseas consultants will also be available should firms have a need to gain knowledge about how importing processes work in foreign markets.
- Build capabilities of local SMEs by enabling access to support networks and business development services (training and coaching to improve management and personal initiative). The objective of this support will be to grow business sales, increase profitability, and expand employment.
- This component will set up a digital platform where MSMEs can enrol and receive business development services. The digital platform will represent a dynamic marketplace for accelerators, incubators, and consultancies – eligible service providers will be vetted and selected based on a competitive tender
- This component will also specifically target female-owned enterprises and firms owned by or employing refugees.

Notwithstanding, each proposed activity/intervention will be assessed to ensure that it complies with the National E&S requirement and WB ESSs.

3(b) support to private sector firms critical to job creation

The subcomponent will focus on developing firms' capacities and expanding their access to market opportunities through different interventions targeting distinct subgroup of firms: (i) potential exporters, and (ii) domestic companies as potential suppliers to expand their sales and growth. First, it will support exporters (and potential exporters) to identify export opportunities and meet consumers demand through specialized productivity and quality support activities. Further, specialized overseas consultants will also be available should firms have a need to gain knowledge about how importing processes work in foreign markets. Second, the subcomponent will build capabilities of local SMEs by supporting access to support networks and business development services (that is, training and coaching to improve management and personal initiative). The objective of this support will be to grow business sales, increase profitability, and expand employment. This subcomponent will also specifically target female-owned enterprises and firms owned by or employing refugees.

The EFS will assist exporters and potential exporters (SMEs) acquire local and international consultants to identify export opportunities, support SMEs meet consumer demand through specialized technical assistance, provide capacity building activities and export readiness, provide international business & export advisory services on importing processes in foreign markets, support capacity building for local export consultants. The EFS will implement a reimbursement financing model subject to satisfactory performance. The reimbursement is intended to pay for export consultants and other forms of

technical assistance to implement the export plan. SMEs will qualify for up to US\$10,000 depending on their exporting needs. A successful applicant may apply up to 4 times during ESF program.

Export Firm Support (EFS) Selection Process

- i. Launch of the subcomponent and information dissemination
- ii. Publication of call for proposals
- iii. Submission of applications by eligible MSMEs in the agreed period
- iv. Component Implementation Unit (CIU) sorting and screening of the applications.
- v. Online clarification requests by CIU for applications that are ambiguous.
- vi. External review by an International Market & Export Advisory Services and Business Consultant
- vii. Approval and or rejection of the applications by the external reviewer
- viii. System notification of decision to the applicant by CIU
- ix. For approved applications, consultants and MSMEs develop an action plan including export development.
- x. The signing of the service-level contract between the firm and the business consultant.
- xi. Signing of agreement between MSME and PSFU.
- xii. Activity implementation
- xiii. Monitoring and evaluation
- xiv. The system generates appraisal of firm and consultant performance.
- xv. Reimburse financial support and performance-based reward, if applicable.

Following a call for applications, submissions will be made on the system and the applications will first be screened according to the eligibility criteria and thereafter evaluated and scored.

1. Once the call period for applications expires, the PIU will embark on sorting the applications and undertake first-level screening. At this stage, the sorting and other activities to be carried out will include:
 - Eligibility of the firm based on a scored criterion.
 - Eligibility of the activities being requested forScreen for compliance with E&S requirements. The applicant shall demonstrate compliance with the national and World Bank E&S policies and standards including the applicable requirements in the ESCP and this ESMF. This shall be evidenced by the availability of relevant valid E&S permits, licenses, authorization, and consent. The activities under component 3 shall be screened against the exclusion list under Annex 13 to ensure that only eligible activities are supported. The E&S requirements will also include compliance with the Occupational Safety and Health (OSH) requirements.
2. The International advisory technical team will assess and score, among other things, the applicants' export capabilities. Based on the score applicants will be sorted into one of three categories:
 - Low export capabilities: these are applicants that need support in more basic capabilities before they can benefit from advisory services on export practices. Applicants in this category will be advised to apply to other components or windows of the INVITE initiative.
 - Medium exporting capabilities: these are the applicants that will be targeted with this program. They meet a minimum for their capacity to export and are likely to benefit from advisory services on export practices. Applicants in this category will be invited to enroll in the program.
 - High export capabilities: these are applicants already on the frontier of exporting practices and advisory services in this area would not add value to the firm. Applicants in this category will be advised to apply to other components or windows of the INVITE initiative.

3. Assessment will involve an initial diagnosis based on a quantitative survey that determines the minimal capacity for exports. This survey will be developed by the business consultants and uploaded on the online system to allow for the scoring of potential prospects.
4. Based on the assessment and scoring of current exporting practices, those eligible applicants will then prioritize the one or two areas where support is needed to launch the firm into international markets or help the business increase its market share in its current destination markets.
5. Selected MSMEs will receive an on-site detailed export firm-level diagnostic conducted by the International Market & Export Advisory Service. From this an Export Development Plan will be created, forming a list of recommendations and priorities on how to improve. The MSME will be referred to the online platform to select one or more Business Consultants to address the gaps identified in the detailed diagnostic assessment.

EFS Eligibility criteria

- i. Exporting MSMEs registered and operating in the laws of Uganda.
- ii. Must have a tax compliance certificate.
- iii. Having been in operation for at least 1 year.
- iv. Employing 2+ people.
- v. The export product must have some value addition and transformation of the product.
- vi. With some initial capacity for exporting, but room for additional growth.
- vii. If the MSME is currently a non-exporter, the business must have exported at least once in the past 3 years.
- viii. If the MSME is currently an exporter, the business is interested in increasing market share or exporting new products.
- ix. Exporting MSMEs should have relevant and valid E&S certificates, permits, licenses, authorizations, and consent.

Selection criteria

The selection criteria will be determined by the Business Consultants, and they will be supported by the E&S Specialists in integrating E&S requirements that include OSH into the selection criteria. The applicant shall demonstrate compliance with the national and World Bank E&S policies and standards including the applicable requirements in the ESCP and this ESMF. This shall be evidenced by the availability of relevant valid E&S permits, licenses, authorization, and consent. The activities under component 3 shall be screened against the exclusion list under Annex 13 to ensure that only eligible activities are supported.

Subcomponent 4b: Implementation support, capacity development and M&E

The subcomponent will support the implementation of the overall project by PSFU. The subcomponent will support regular auditing, financial reporting, all safeguards' assessments, and monitoring and evaluation. Monitoring and evaluation (M&E) activities undertaken as part of this component will focus on data collection, survey implementation, and evaluation of the economic impact of the program through a structured impact evaluation at the conclusion of the project. The monitoring component of the M&E approach will require data collection across different dimensions of the project: (a) performance tracking data (for example, sales, employment, wages, transactions); (b) activity tracking data reflecting the theory of change; (c) key results data (for example, value of private investment in manufacturing firms, formal employment in manufacturing firms); and (d) tracking of key risks (for example, project implementation performance, NPL ratio of banks, and

portfolio at risk [PAR] of MFIs). The evaluation component will build on the data collected under the monitoring component but additionally focus on implementing a structured impact evaluation process to measure the impact and attribution of the program.

1.3.4 Project Beneficiaries

Subcomponent 2.3 will support competitively selected lead investors in the 13 RHDs in Southwest (Isingiro, Kyegegwa, Kamwenge, Kiryandongo, Kikuube), Northern, and West Nile (Yumbe, Moyo, Adjumani, Madi Okollo, Terego, Lamwo, Koboko, Obongi) regions of the country. Most refugees reside in designated refugee settlements located across 13 districts (excluding Kampala). 57 percent of refugees are in the West Nile Refugee Hosting Districts (RHDs), 37 percent are located across six RHDs in the Southwest, and 6 percent are in Kampala. No intervention is planned for Kampala under subcomponent 2.3.

Subcomponent 2.3, the planned investments in the RHD will result in injection of over \$24 million including grants and own contributions from the lead investors. It is envisaged that with the level of infrastructure development, industries, storage facilities and ware housing, logistical support activities and demand for inputs and raw materials, will result in a lot of job opportunities in the different value chains at all levels (household enterprises, unskilled labour, produce growers and sellers, technicians, engineers, masons, welders, machine operators, logistical support, packers, marketers, transportation, seasonal and casual labourers, catering services, etc.). As a result, the subcomponent is expected to reach more than 55,000 MSMEs and support more than 120,000 refugee workers. Of these, at least 40,000 are expected to be women-led microenterprises².

For measurement purposes, the RHD subcomponent will focus on three beneficiary target groups including:

- Wage workers or employees, who work formally or informally for wages from any other actor – medium & large firms, small firms & microenterprises, farmers, and so on.
- Farmers, who produce agricultural produce. They may own or rent land, work individually or collectively, or through sharecropping, but to be considered farmers they should be ‘own account’ producers rather than wage workers.
- Owners of micro-enterprises, who provide services and goods other than agricultural produce to medium and large firms.

Under component 3, the following will be the beneficiaries

- 900 potential exporting and exporting MSMEs aligned to the manufacturing section and value addition will be the main beneficiaries of the Export Firm Support Component. These will be targeted from across the country and will have medium exporting capacities.
- 25 women-owned exporting firms.
- 1800 employees in the manufacturing sector.

2 Paragraph 52 and 83 of Project Appraisal Document (PAD)

2 ESMF PREPARATION METHODOLOGY

2.1 Preparation of ESMF

This ESMF was prepared by JBN Consults and Planners Ltd and compiled by PSFU personnel. The study commenced in 2022 and completed in 2024. The Consultant carried out literature review and stakeholder consultations in selected Districts of Yumbe, Gulu, Lira, Arua, Adjuman, Mbarara, Hoima, Kikuube and Kampala.

The preparation of the ESMF included the following stages:

- Review of relevant project documents including;
 - i) The Project Appraisal Document (PAD) for the INVITE Project, dated December 2021.
 - ii) INVITE Environmental and Social Commitment Plan (ESCP), 2021
 - iii) Terms of Reference for preparation of Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), and Stakeholders Engagement Plan (SEP), for INVITE Project, September 2022.
 - iv) World Bank's Environmental and Social Framework 2018.
 - v) World Bank Group General Environmental, Health and Safety Guidelines, 2007.
- Collection and collation of baseline data on the environmental and social conditions from existing studies with a focus on the project target areas for subcomponent 2.3 and nationwide coverage for component 3. The beneficiary refugee hosting districts are listed under section 1.3.4.
- Stakeholder Consultations in Refugee Hosting Districts and Settlements therein, and with Manufacturing Industries, selected Lead Investors and Exporting Firms, etc;
- Preparation of screening procedures/tools to be used for project proposals;
- Identification of generic positive and negative environmental and social risks and impacts o;
- Identification of generic environmental and social mitigation measures;
- Guidance on the formulation of an environmental and social monitoring plan.

2.2 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 the preparation of this ESMF. Details of the stakeholder consultations and discussions are presented in Section 5.0 and Annexes 9 & 10.

3 POLICY AND LEGAL FRAMEWORK

This chapter presents an overview of the key policies, laws, regulatory and institutional frameworks that the grant recipients will adopt for the management of environmental and social aspects of the proposed INVITE project for subcomponent 2.3 and component 3.

3.1 National Legislations and Regulations

The following is a summary of key policy, legal, and regulatory requirements governing subcomponent 2.3 and component 3.

Table 3.1: Summary of policies and plans applicable to the proposed project

Policies or Plans	Brief description and its key provisions	Relevance to subcomponent 2.3 and component 3
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 low-income to a competitive upper-middle-income country within 30 years. It was envisaged that the country would graduate to the middle-income segment by 2017 and reach a per capita of USD 9,500 by 2040.	The proposed subcomponent 2.3 and component 3 are an opportunity to drive economic growth which is one of the 5 objectives of the National Development Plan III (NDP III 2021–2025), geared to contribute to the achievement of Vision 2040.
The National Development Plan III	The National development Plan (NDP III) 2021-2025 aims to achieve a transformed Ugandan society from a peasant to a modern and prosperous country within 30 years.	Subcomponent 2.3 will be key in the economic transformation of Ugandan society through the expansion of supply chains. The project will be in the export and manufacturing sectors.
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 includes 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, LMP 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. In general, the policy calls for sustainable use, sound environmental	The proposed project may in one way or other impact on wetlands resources, be it directly or indirectly. All proposed project activities under component 3 and subcomponent 2.3 shall

Policies or Plans	Brief description and its key provisions	Relevance to subcomponent 2.3 and component 3
	management of wetlands, equitable distribution of benefits, and application of ESIA procedures on activities to be carried out in wetlands.	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. However, project activities impacting natural and critical habitats including Ramsar sites, will not be supported under the project in line with the exclusion list contained in the project ESCP.
The National Water Policy, 1999	The objective of the policy is to guide the development and management of the water resources of Uganda in an integrated and sustainable manner, 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 project will be implemented in line with the requirements of the NWP by ensuring that the grant recipients acquire the applicable permits and licenses.
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 the 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 Consent and authorizations from Landowners and witnessed by the relevant authorities including LCIs, district local governments, and traditional structures.
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 the policy therefore	Environmental health encompasses a wide range of subjects, but the Ugandan context is concerned primarily with water supply, sanitation, and hygiene promotion; solid, liquid, and 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 to subcomponent 2.3 and component 3
	has implications for other departments and agencies.	E&S screening, assessment process, and implementation.
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 grant recipients will be encouraged to adopt an equal opportunity employment policy and to incorporate gender aspects and considerations in the recruitment process for wage laborers and farmers within the 12 supply chains.
National Policy on Elimination of Gender-Based Violence, 2016	The policy emphasizes early intervention to prevent re-victimization of 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.	The grant recipients will undertake initiatives to do away with Gender Based Violence-GBV cases relating to project implementation activities.
The National Equal Opportunities Policy 2006	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.	Discrimination and stigmatization, which act as a barrier for marginalized and other groups of people in project areas to access 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.
The National HIV/AIDS Policy, 2004	The policy aims at guiding a multi-sectoral approach to HIV/AIDS control in the country. Subsection I under Policy Strategies specifically requires workplace policies in both public and non-public formal and informal sectors to be appropriately reviewed to cater for HIV/AIDS prevention & care issues in the workplace.	In line with this policy, grant recipients will have to mainstream HIV/AIDS prevention measures into the respective ESMPs.
National Policy on Disability 2006	The National Policy on Disability in Uganda aims to promote equal opportunities for enhanced empowerment, participation, and protection of the rights of PWDs	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

Policies or Plans	Brief description and its key provisions	Relevance to subcomponent 2.3 and component 3
	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 social, economic, and cultural backgrounds. The Policy is to guide and inform the planning process, resource allocation, implementation, monitoring, and evaluation of activities concerning PWDs concerns at all levels.	employment even where they have the necessary qualifications and experience. During the recruitment of workers to be employed to undertake implementation by various project beneficiaries, some PWDs will apply for some jobs, and they should consider the PWDs applicants who qualify for such jobs.
Comprehensive Refugee Response Framework	The framework provides for a multi-stakeholder coordination model on refugee matters focusing on the humanitarian and development needs of both refugees and host communities. It envisions self-reliance and local settlement for refugees through the provision of land for subsistence agriculture and shelter.	The proposed project activities under subcomponent 2.3 will be implemented following the framework by ensuring equal opportunities for job and self-employment between the refugees and host communities. This will meet their development needs and enhance their self-reliance.

Table 3.2: 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 grant recipients will need to acquire the applicable permits, consents, and authorization to ensure that the proposed project activities will be undertaken in a manner that ensures a 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 an Environment Management System (EMS).	The proposed INVITE project activities may vary from those that require the grant recipients to undertake simple assessment under Schedule 4 (majority) by way of a project brief and or those that fall under Schedule 5 where the grant recipients will be required to undertake mandatory ESIA's before implementation. PSFU E&S team will ensure that grant recipients have the applicable permits based on the risk categorization of the proposed activities of the respective subprojects.

Laws	Brief description and its key provisions	Relevance in the Project
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 subproject activities under subcomponent 2.3 may entail land-take. The Lead investors will be required to present proof of land ownership and availability, without encumbrances, for purposes of sub-project activities and PSFU will undertake due diligence.
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 emissions, reporting and verification of information; provides for institutional arrangements for coordinating and implementing climate change response measures; provides for financing for climate change; and related matters.	The subprojects' design shall ensure measures are put in place to manage the effects of climate change.
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 concerning any matters concerning the public health in any place. When such a directive is made, the person directed to inquire 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 inquiry.	The provisions of this Act will be relevant for the project implementation activities especially those supporting manufacturing industries, and infrastructure development. The Lead Investors and Export Firms will take all mitigations to make sure that, all impacts to humans and the environment are avoided.
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 to the land as per Regulation 10.	Abstraction of water by the lead investors for the sub-project activities 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

Laws	Brief description and its key provisions	Relevance in the Project
		essential for minimizing the 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 sub-project activities where applicable will encourage tree planting as part of lead investors' ESMPs for minimizing cutting down of trees in sub-project areas. Where cutting down some trees cannot be avoided, the lead investors will be required to undertake replanting campaigns or compensate for them.
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 offense.	The grant recipients will ensure that all sub-project activities observe traffic and road safety procedures including observing minimum speed limits, routine maintenance, and observing road signs among others within hosting communities and refugee settlements. Additionally, more safety measures the lead investors will have to adopt the applicable traffic guides/controllers, humps, and road signage for the safety of all road users and workers during sub-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 (Lead Investors, Export Firms, and Participating Institutions) must protect the health and safety of their workforce by ensuring proper and safe designs, providing workers with safety training, a 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 per this act.
The Workers' Compensation Act, Cap. 225	The Act outlines matter 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 grant recipients will ensure that there are safeguards for the wage workers and ensure that they are appropriately compensated in case of injuries resulting from subproject activities.

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 the provision of labour. It is explicit on matters of forced labour that, no one should be forced to work, there should be no discrimination concerning the 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 sub-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 offenses 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 chemicals and other related matters. Under this Act, the requirement of packaging, labelling, or advertisement of agricultural chemicals is relevant in pesticide management to prevent illegal activities related to mislabelling and mis-packaging.	Where the Lead Investor/Supply chain is agro-based, they need to put in place an effective and efficient mechanism for disposal of the seized/expired chemicals in compliance with this Act. Similarly, and where necessary after E&S screening, a Pest Management Plan shall be developed by the Lead Investor to guide the safe use of pesticides.
Control of manufacture, of agricultural chemicals Act (Cap 29)	The Act provides for the safe manufacture, packaging, store, display, and distribution of 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 the Agricultural Chemicals Board which has the responsibility to advise the government on matters pertaining to agricultural chemicals.	Where applicable and relevant based on E&S screening of subprojects, grant recipients shall be required to develop a PMP to guide the procurement, storage, use, and disposal of pesticides.

Laws	Brief description and its key provisions	Relevance in the Project
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 require the Lead Investors in the agro-based supply chain to guide the farmers on the use of seeds that are certified and ensure that standards are adhered to. The Act will also be adopted by the direct suppliers to supply certified seeds to farmers within the 12 supply chains.
The Plant Protection Act (Cap 31)	The Act provides for the prevention of the introduction and spread of diseases destructive to plants. Section 4(i) states “Every occupier or, in the absence of the occupier, every owner 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.	Project beneficiaries where the requirements of this Act apply shall be required to comply accordingly.
External Trade Act (Cap 88)	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.	Project beneficiaries involved in external trade activities shall be required to comply with the requirements of this Act.
Uganda National Bureau of	The relevant provision of this Act prohibits any person from importing, distributing, selling, manufacturing, or having in possession for sale	Project beneficiaries whose activities are affected by this Act shall be required to accordingly comply.

Laws	Brief description and its key provisions	Relevance in the Project
Standards Act, (Cap 327)	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 pesticide use in the country.	
Access to information Act 2005	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 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 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 scrutinize and participate in Government decisions that affect them.	<p>Upon approval of PB/ESIA Studies by NEMA, the reports will have to be published by NEMA, PSFU, host District Local Governments, and grant recipients on their respective websites to enable stakeholders' access to the pertinent information.</p> <p>Where applicable, summaries of Mitigation Measures and ESMPs shall be shared by the Lead Investors/grant recipients with the host and refugee communities at respective sub-project sites.</p>
Refugee Act, 2006	<p>The Refugees Act 2006 regulates the determination and granting of refugee status, as well as the provision of identity cards and travel documents. It provides for the recognition and registration of refugees and establishes an Office of Refugees, Commissioner for Refugees, Refugee Eligibility Committee, and Refugee Appeals Board to implement the Act.</p> <p>The Act recognized that refugees shall "receive at least the same treatment accorded to aliens generally in similar circumstances", covering a defined list of subjects, including the right to work.⁶³ Specifically, this includes:</p> <p>Section 29(1)(e) of the Refugees Act 2006 guarantees the recognition of foreign certificates, diplomas, and degrees and the right to practice the profession of the refugee</p>	<p>The Act will be used during the implementation of the sub-projects to ensure that refugees and host communities are accorded the right to engage in the selected value chain including textile, agriculture, fruit processing, cosmetics, etc, and to establish industrial companies.</p> <p>The Act will be triggered to ensure that refugees' right to access employment opportunities and engage in gainful employment is granted.</p>

Laws	Brief description and its key provisions	Relevance in the Project
	who holds qualifications recognized by the competent authorities in Uganda.	

Table 3.3: Summary of regulations and standards applicable to the proposed project

Regulations or standards	Brief description and its key provisions	Relevance in the Project
The National Environment (Environmental and Social Assessment) Regulations, 2020	The National Environment Management Authority (NEMA) issued Environmental Impact Assessment Regulations, 2020, for the conduct of ESIA, 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).	PSFU has developed this ESMF and shall require Lead Investors to undertake required ESIA/PBs/ESMPs during the implementation phase, in line with the Second Schedule of these Regulations and any other developments or changes in the future shall have to follow the same assessments.
Water Resources Regulations, 1998	The Regulations apply to motorized water abstraction from boreholes or surface watercourses or diverting, impounding, or using more than 400m ³ of water within 24 hours.	Where applicable the lead investors will follow the conditions set out in the regulations. The grant recipients will be required to abide by the provisions of this law regarding water usage and conservation during sub-project implementation.
The National Environment (Wetlands, Riverbanks and Lakeshores Management) Regulations 2020	These Regulations guide the development procedures to be followed where developments are to be undertaken in wetlands, riverbanks, and lakeshores.	Some of the proposed sub-project components may pose E&S risks & impact on wetlands. All proposed project implementation activities must adhere to these regulations and 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 PSFU will require the lead investors to acquire wetland use permit/s from NEMA for any activity specified in the second schedule of the regulations. However, project activities impacting natural and critical habitats including Ramsar sites, will not be supported under the project in line with the exclusion list contained in the project ESCP.
Draft National Air Quality Standards, 2006	Considering that construction equipment and machinery are powered by diesel/ gasoline engines, pollutants such as CO ₂ ,	Some sub-project activities such as expansion or establishment of new production lines may involve civil works, material haulage, material

Regulations or standards	Brief description and its key provisions	Relevance in the Project
	NO _x , SO _x , VOC, and particulates are expected to be emitted. The draft National air quality standards provide the regulatory limits for emissions.	extraction like marram, and construction works among others which are likely to impact on the local ambient air quality. Guided by provisions of these standards, the Lead Investors/grant recipients will adopt appropriate measures to minimize, mitigate, and prevent air quality deterioration resulting from sub-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, sanitary fills, and incinerators.	Certainly, waste will be generated during sub-project implementation activities, especially from production line facilities. The Lead Investors/grant recipients' beneficiaries shall be guided by these regulations to ensure that generated wastes throughout all sub-project implementation phases are appropriately managed/disposed of.
National Environment (Standards for Discharge of Effluent into Water or on Land) Regulations, 2020	These regulations provide standards for effluent discharge. Schedules 2, 3, and 4 detail maximum permissible limits for regulated contaminants, which must not be exceeded before the effluent is discharged into water or on land.	Some of the investments/ subproject activities to be supported by the INVITE project will certainly generate effluent waste. The sub-project implementers/Lead Investors shall 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.	Implementation of sub-project activities and other associated facilities may trigger noise generation. The lead investors will be obligated to apply these standards where applicable to keep the noise levels within permissible limits as well as mitigate noise generation at the source. This should be well stipulated in the lead investors' ESMPs.
The National Environment (Audit) Regulations, 2020.	Section 3 of these regulations requires 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	The project beneficiaries shall be required among others to comply with the requirements of the Audit Regulations.

Regulations or standards	Brief description and its key provisions	Relevance in the Project
	<p>under the Act, conditions in permits and licenses and any other applicable law, environment management systems, and the environmental management and monitoring plan of the developer.</p>	
<p>The National Environment (Management of Ozone Depleting Substances and Products) Regulations, 2001</p>	<p>The objectives of these Regulations are to—Regulate the production, trade, and use of controlled substances and products; Promote the use of ozone-friendly substances, products, equipment, and technology; and Ensure the elimination of substances and products that deplete the ozone layer.</p> <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 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>	<p>The E&S screening of proposed subprojects under subcomponent 2.3 shall be carried out with respect to the guidelines in this Regulation.</p>
<p>Refugee regulations, 2010</p>	<p>The Refugees Regulations 2010 clarify that: “A person who has been granted refugee status and has a valid identity card issued by the Commissioner for Refugees, shall, to facilitate his or her local integration, be allowed to engage in gainful or wage-earning employment on the most favourable treatment accorded to foreign residents in similar circumstances; except that recognized refugees shall exceptionally be exempt from any requirement to pay any charges or fees</p>	<p>The sub-projects by the different lead investors will be implemented per the regulations to ensure that beneficiaries refugees are accorded the stated privileges such as engaging in gainful/wage employment.</p>

Regulations or standards	Brief description and its key provisions	Relevance in the Project
	prior to taking up of any offer or to continue in his or her employment.	

3.2 Required Statutory Approvals, Permits and Licenses

Some Statutory Approvals, certificates, and Licenses will be required by the Lead Investors/Grant Recipients before the commencement of subproject activities. Securing approvals requires preparation of the relevant documentation and payment of fees by the Lead Investors for either expansion of the existing supply chains and/or for the establishment of new supply chains. It is important to ensure that all supplies (pesticides, production/process chemicals, seeds, and other agro-inputs like fertilizers) and construction materials (sand, marram, and stone aggregates) are sourced from suppliers and operators of such sources having the requisite statutory approvals (as relevant) compliant with relevant environmental and social laws. Depending on the risk/impact categorization of individual sub-projects investments, the following permits and licenses may be required of the Lead Investors/grant recipients (Table 3.4).

Table 3.4: Approvals, permits, and licenses potentially required by Lead Investors/grant recipients.

Approvals, Permits, Licenses and Consents Required	Issuing Authority	Legal Framework
Water Abstraction Permit	DWRM	Water Act, cap 152
Waste Disposal Permit	NEMA	National Environment Act 2019; National Environment (Waste Management) Regulation 2020
Waste Transportation License	NEMA	National Environment Act 2019; National Environment (Waste Management) Regulation 2020
ESIA/ PB/ESMP Approvals for subprojects	NEMA	National Environment Act 2019
Environmental and Social Audit Approvals for Expansion of Existing Supply Chains	NEMA	National Environment Act 2019
Permit to carry out a Regulated activity in a Wetland, Riverbank, Lakeshore (River Nile), (for activities in modified habitats, as defined in the ESCP).	NEMA	National Environment Management (Wetland, Riverbank, Lakeshore) Regulation 2020
Workplace Registration Permit	MGLSD	OHS Act, 2006

3.3 International Protocols and Conventions

The relevant international protocols and conventions to which Uganda is a signatory are presented in Table 3.5 below. The grant recipients for both components will have to comply with the provisions of these protocols and conventions when implementing subproject activities.

Table 3.5: 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, to minimize 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 the 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.
Strategic Approach to International Chemicals Management, 2006	To foster sound management of chemicals and to ensure that by the year 2020, chemicals are produced and used in ways that minimize 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. Project activities impacting natural and critical habitats including Ramsar sites, will not be supported under the project in line with the exclusion list contained in the project ESCP.
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).

Protocol or Convention	Purpose
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.

3.4 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 during 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.

3.4.1 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 subcomponent 2.3 that are anticipated to have E&S risks and impacts requiring assessment and management. At this point, the details of specific subproject activities to be supported by the project are unknown but subcomponent 2.3 are expected to pose environmental and social risks and impacts. Medium and long-term interventions under subcomponent 2.3, particularly those involving investment in rural supply chains in Refugee Hosting Districts (RHDs) might involve activities such as the construction of new or expansion of production lines including factories/ facilities, warehouses, collection centres, and other infrastructure. These are likely to have comparatively more significant environmental impacts such as increased waste generation, air/noise pollution, health and safety risks for workers, GBV/ SEA/ SH, and exclusion risks at community level, etc.

This ESS makes it incumbent upon the grant recipients through the existing institutional framework to conduct assessment and monitoring of environmental and social risks and impacts that are anticipated to arise across the separate phases of implementation of the subprojects. ESS1 further aids the identification of mitigation measures and action to improve decision-making, while emphasizing the 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. For the grant recipients to systematically manage the environmental and social risks and impacts of the subprojects, PSFU has developed an Environmental and Social Management Framework (ESMF) that will be used by the Lead Investors/grant/ recipients as a guiding framework for the identification and management of E&S risks and impacts for their respective subproject activities. All subprojects will be subjected to E&S screening by PSFU and where necessary the grant recipients will be required to develop

and implement an ESMP/PB/ESIA for new supply chains or update existing ESMPs/PBs/ESIAs for expansion of existing supply chains. The lead investors ESMPs/PBs/ESIAs will be reviewed and cleared by the PSFU and WB, and /or approved by NEMA before the start of implementation.

3.4.2 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 in undertaking 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 despite the challenges of worker exploitation, discrimination, sexual harassment and abuse, child labour to mention a few. ills that may compromise project benefits. In line with this, the project will put in place measures to ensure appropriate safety and health for the protection and promotion of a safe and healthy working environment as well as ensuring a safe work environment in terms of ensuring proper designs, minimizing injuries, disease spread, the 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 of persons is prohibited regarding all workers engaged/employed in relation to the INVITE project. Institutions and firms supported under subcomponent 2.3 and component 3 will have to comply with the requirements of ESS2 irrespective whether the workers are direct or contracted.

3.4.3 ESS3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT

Environmental and Social Standard 3 is relevant and applicable to both project components because the project will involve operations in various sectors which often involve waste generation, producing noise and dust during operations, making use of different materials such as water and energy, and resulting in generation of both hazardous and non-hazardous wastes that will require management and/or disposal. ESS3 focuses on the issue of resource efficiency and pollution prevention and management. PSFU and investors/institutions/ firms supported under subcomponent 2.3 and will consider ambient conditions and apply technically and financially feasible resource efficiency and pollution prevention measures per 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.

3.4.4 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 the associated influx of labour into communities, posing risks of GBV/SEA and the spread of communicable diseases, including COVID-19, Hepatitis B, Ebola, tuberculosis and HIV/AIDS. ESS4 focuses on health, security, and safety issues of project-affected communities. Subproject activities may compromise security, health, and safety around operation areas,

public areas, and settlements, including through traffic accidents, diseases, pollution of water sources, noise nuisance, dust nuisance, community conflicts, and non-payment for community services, among others.

In line with the requirements of ESS4, during the grant application screening under subcomponent 2.3, PSFU will evaluate the risks and impacts of the project on the health and safety of the host communities over the project life cycle, including those who may be vulnerable. PSFU will require the grant recipients to identify risks and impacts and propose mitigation measures. Where applicable, the grant recipients may mobilize the host and refugee communities and train them on health and safety aspects and requirements of all subproject activities, including safe management of hazardous materials that may be generated by the sub-projects (especially the manufacturing sector). The lead investors will be required to put in place emergency preparedness and response measures. These measures shall be contained in relevant instruments i.e. ESMPs and project briefs that will be prepared/updated by the lead investors following the E&S screening.

3.4.5 ESS5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT

ESS5 is relevant/applicable because the sub-projects may involve land acquisition and/ or economic displacement. Activities under subcomponent 2.3 will likely result in the construction of facilities (expansion of facilities, warehouses, logistics/collection centres, housing facilities for workers, training centres, testing laboratories, research and development facilities, etc.) that will potentially require land-take, that may result into economic and physical displacement. The grant applicants will be required to present proof of land ownership and availability, without encumbrances, for purposes of sub-project activities and PSFU will undertake due diligence. Activities involving land acquisition and/or restrictions on land use resulting in involuntary resettlement or economic displacement will be ineligible for funding. Land acquisition and/or restrictions on land use that may result in the physical displacement of people (involuntary resettlement/ relocation or loss of shelter) as well as their economic displacement (as loss of assets or access to assets and/or means of livelihood, regardless of whether the affected people must move to another location). This includes the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons. Land must be acquired on willing-seller willing-buyer basis³.

3.4.6 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 subcomponent 2.3 could impact biodiversity conservation and sustainable management of living natural resources. The latter is especially relevant under subcomponent 2.3 which may involve agricultural supply chains where living natural resources are at the core of the value chain management and require careful consideration for inclusion

³ Exclusion List of the INVITE Environmental and Social Commitment Plan (ESCP) included in this ESMF as Annex 13

of sustainability aspects at each stage of agricultural supply chains, from primary production to processing. The sub-projects will address these risks through the implementation of the project's ESMF and ensuring their inclusion and consideration in the instruments and tools to be required from grant recipients/Leader Investors.

ESS6 therefore requires the observance of requirements to assess risks and impacts from proposed sub-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 by PSFU will facilitate the 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 as per the project list of excluded activities.

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

Overall, this Standard is relevant to the project because of Components implemented by INVITE Trust and Component 3. In the event, there could be potential exporters and potential domestic suppliers within the vulnerable and marginalised groups, in the Districts of; Kanungu, Rukungiri, Bundibugyo, Kabale, Kasese, Kisoro, Moroto, Kaabong, and Kween, the project will exclude activities that would require Free Prior Informed Consent (FPIC) – i.e. that would (i) have adverse impacts on land and natural resources subject to traditional ownership or under customary use or occupation; (ii) cause relocation (or have caused relocation) of IP; or (iii) have significant impacts on IP cultural heritage that is material to their identity.

3.4.8 ESS8: CULTURAL HERITAGE

ESS8 is relevant/ applicable to the project, since sub-projects may entail civil works excavations, movement of earth, or other changes in the physical environment which may have 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 subcomponent 2.3 will result in the construction of facilities (expansion of facilities, warehouses, logistics/collection centers, housing facilities for workers, training centers, testing laboratories, research, and development facilities, etc.) that could impact sites falling into this category. However, activities likely to cause damage to national monuments or impact areas with already established and known physical cultural property attributes are among the excluded activities under the INVITE project.

3.4.9 ESS9: FINANCIAL INTERMEDIARIES

PFIs will support the implementation of the INVITE Trust components. Financial Intermediaries (FIs) are required to monitor and manage the environmental and social risks and impacts of their portfolio and FI subprojects, and monitor portfolio risk, as appropriate to the nature of intermediated financing. The PFIs will develop, maintain, and implement an ESMS to identify, assess, manage, and monitor the environmental and social risks and impacts of sub-projects activities that receive support from the INVITE Project.

3.4.10 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. The success of any project is hinged on the 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 specific to PSFU components will include the Private Sector Foundation Uganda (PSFU). Under component 3, several Public Institutions and Private Firms will need to be engaged, and under subcomponent 2.3, several Participating Lead Investors, Refugee Host Districts, and any relevant regulatory agencies will be key stakeholders. 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 of the investments 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. Similarly, grant applicants might have complaints related to the selection criteria (exclusion based on financial capacity, governance structure, E&S compliance, vulnerability, ethnicity, disability, etc.) and these will be addressed through the existing National Advisory Committee as an appeal mechanism. PSFU has prepared a Stakeholder Engagement Plan (SEP) that covers relevant provisions associated with the project components managed by PSFU.

3.5 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 to achieve 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 the assessment of the potential risks and impacts from project activities and inform the affected local population of significant potential hazards in a timely manner. It is also the responsibility of the grant recipients to support and work with the host communities, refugees, and the respective 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). The Industry Specific EHSGs shall be used based on the Sector under which a given Supply Chain falls. The EHS Industry sector guidelines, the respective likely supply chain and are provided in Table below

Table 3.6: Industry Sectors applicable to INVITE Project

Industry Sector	Supply chain	Eligibility
Agribusiness/ food processing	Agro-processing and marketing commodity supply chains (cassava, maize, cotton, tea, coffee, beef, dairy, fish, oil palm)	Yes
Chemicals	Medical and pharmaceutical supply chains	No
Forestry	Production or trade in wood or other forestry products from sustainably managed forests	Yes
General Manufacturing	All sectors	Yes
Infrastructure	Warehouse and logistics Digital/ICT/Telecommunications	Yes
Oil, Gas and mining	Mining, oil and gas exploration, development and production	No
Power	Generation and transmission	No

PSFU will ensure that application and screening processes, contracts awarded include compliance to the applicable sector EHSGs.

Table 3.7: World Bank General EHS Guidelines applicable to INVITE Project

Applicable Issue from the Guidelines	Relevance of the Guidelines to INVITE Project (PSFU Components)
Environmental	Some subprojects under subcomponent 2.3 of the Project may generate emissions to air; wastewater; noise; or other waste at any stage of the

<ul style="list-style-type: none"> • Air Emissions and Ambient Air Quality • Energy Conservation • Wastewater and Ambient Water Quality • Water Conservation • Hazardous Materials Management • Waste Management • Noise • Contaminated Land 	<p>subproject life cycle, from construction, operation, to decommissioning phases of the subproject. As far as possible, these adverse impacts to human health, safety, and the environment from emissions to or pollution of air, land and water shall be avoided, minimized, and controlled, using appropriate measures as prescribed in the subproject specific ESMPs.</p> <p>Some of the beneficiary enterprises or their sub projects may be consuming energy or other resources such as water, as part of their processes, such as motors, pumps, and fans; compressed air systems and heating, ventilation and air conditioning systems (HVAC); and lighting systems.</p>
<p>Occupational Health and Safety</p> <ul style="list-style-type: none"> • General Facility Design and Operation • Communication and Training • Physical Hazards • Chemical Hazards • Biological Hazards • Radiological Hazards • Personal Protective Equipment (PPE) • Special Hazard 	<p>All components of the project will ensure that all reasonable precautions to protect the health and safety of workers are implemented including within the subprojects. Risk assessment shall be undertaken to assess the various hazards (physical, chemical, biological, radiological and other special environment hazards) involved in the activities and appropriate controls shall be instituted.</p> <p>Some OHS specific interventions shall include:</p> <ul style="list-style-type: none"> • Only allowing trained and certified workers to install, maintain, or repair electrical equipment; • Testing temporary and permanent structures for integrity prior to undertaking work, including safety equipment and working machinery; • Implementation of a fall protection program that includes training in climbing techniques and use of fall protection measures; inspection, maintenance, and replacement of fall protection equipment; and rescue of fall-arrested workers, among others; • Provision of an adequate work-positioning safety device system for workers. • Safety signage shall be installed, and other obstructions shall be removed prior to undertaking work.
<p>Community Health and Safety</p> <ul style="list-style-type: none"> • Water Quality and Availability • Structural Safety of Project Infrastructure • Life and Fire Safety (L&FS) • Traffic Safety • Transport and management of Hazardous Materials • Disease Prevention 	<p>The Project components and activities shall all be undertaken in line with these guidelines to minimise negative impacts on community health and safety. Aspects to be addressed shall include water quality monitoring, traffic management, health monitoring and emergency preparedness and response.</p> <p>Some of the community health and safety specific interventions shall include:</p> <ul style="list-style-type: none"> • Hoarding of sites where construction work is being undertaken. • Safety signage shall be installed, and other obstructions shall be removed prior to undertaking work; • Extensive public consultation during the planning of the construction works.

<ul style="list-style-type: none"> • Emergency Preparedness and Response 	<ul style="list-style-type: none"> • Ensure that measures such as speed limits and signs to manage traffic and road safety risks are incorporated in site-specific subproject ESMPs;
<p>Construction & decommissioning.</p> <ul style="list-style-type: none"> • Environment • Occupational Health & Safety • Community Health & Safety 	<p>All the above aspects of environmental, Occupational Health & Safety as well as Community Health & Safety shall be adhered to throughout the project and sub project life cycle, from the operational or construction phases to the decommissioning phases.</p>

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

World Bank Environmental and Social Standards	Government of Uganda's Environmental and Social Requirements	Gap	How the gaps have been addressed (if applicable)
<p>ESS 1: Assessment and Management of Environmental & Social Risks and Impacts that requires ESIsAs for projects risk and impacts, to a level that is proportionate with the risks.</p>	<p>Constitution (1995) requires GOU to ensure environmental protection & provides Ugandans a right to clean & healthy environment.</p> <p>National Environment Management Policy (1994) calls for sustainable development that maintains and enhances environmental quality & resources to meet needs of present & future generations.</p> <p>NEA 2019 (section 110-4) requires ESIsAs for projects likely to have environmental impacts. Projects needing a full EIA are stipulated in Schedule 5 (substantial to high-risk projects) and those requiring Project Briefs are in Schedule 4. Also requires monitoring and audits.</p> <p>The NEA (2019) (section 5.2(j) application of the mitigation hierarchy in ESIsAs (avoid, minimize, restore, offsets),</p>	<p>ESS1 and National legislation are largely aligned, with both requiring assessment of activities to a level if proportionate to the of risks and impacts. The legislation shortcomings, however, include</p> <p>The Ugandan Laws do not provide for Framework Approach (ESMF) but rather only specific instruments (ESIA, ESMP, Environmental Audits).</p>	<p>Sub-project activities may need to conduct environmental and social assessment to determine the specific risks and impacts in line with ESS1.</p> <p>This ESMF is drafted as one of the requirements to fill the gap in ESS1</p>
<p>ESS 2: Labour and Working Conditions: There must be adequate safety and health at work catering for the following types of workers direct workers,</p>	<p>National Industrial Policy 2008 provides strategies for OHS.</p> <p>Workers Compensation Act, 2000 provides for the provision of financial</p>	<p>There is still no policy to guide its implementation of the Occupational Safety and Health Act (2006).</p>	<p>The Subprojects to evaluate and include mechanism for assessment, management and coordination of OSH and community safety.</p>

<p>contracted workers, community workers and primary suppliers.</p>	<p>compensation for work related injury or illness.</p> <p>Occupational Safety and Health Act of 2006 consolidates, harmonizes and updates the law relating to occupational safety and health.</p>	<p>Lack of requirements to consider risks and impacts associated with the project's primary suppliers.</p>	<p>The project has followed ESS2 and developed labour management procedures with relevant provisions to bridge the gap which includes consideration of risks and impacts associated with the project's primary suppliers.</p>
<p>ESS 3: Pollution Prevention and Resource Efficiency:</p> <p>a) Promote the sustainable use of resources,</p> <p>b) Avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution and emissions from project activities</p> <p>c) Avoid or minimize generation of hazardous and non-hazardous waste</p> <p>d) To minimize and manage the risks and impacts associated with pesticide use</p>	<p>The Constitution provides for a right to a clean and healthy environment.</p> <p>NEA 2019, Section 5 (d) includes the principle that there shall be "optimum sustainable yield in the use of renewable natural resources"</p> <p>2011 EIA Guidelines for water resources related projects assist planners, developers, practitioners safeguarding water resources through EIAs.</p> <p>Public Health Act Cap 281 requires every local authority to take measures for preventing any pollution dangerous to public health.</p>	<p>Lack of air quality standards that have remained in draft form.</p>	<p>The project will follow provisions of ESS3 on resource efficiency in its activities to ensure compliance with the requirements.</p> <p>World Bank Group EHS Guidelines will be applied.</p>
<p>ESS 4: Community Health and Safety: Safety, Health, and Environmental issues are included in the project implementation.</p>	<p>Occupational Health and Safety Act, No 9 of 2006 and the Workers Compensation Act, No 8 of 2000.</p> <p>Public Health Act Cap 281 requires every local authority to take measures for preventing any pollution dangerous to public health.</p>	<p>Health and safety issues are generally taken care of in World Bank and donor funded projects, but less so otherwise.</p>	<p>The project has included identification of community health and safety risks and mitigation measures in its environmental and social screening process and the labour management procedures</p>

<p>ESS5: Land acquisition, restrictions on land use and involuntary resettlement</p>	<p>Uganda's Land Act and legal framework is restricted to fair, adequate, and prompt compensation (cash)</p>	<p>While the World Bank ESS5 requires the need to provide alternative land, resettling the Project Affected Persons (PAPs) to levels or standards of livelihood like 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.</p>	<p>Under circumstances regarding shortcomings in the Ugandan law on compensation and the ESMF process, the provisions of ESS-5 shall be applied.</p>
<p>ESS 6: Biodiversity Conservation & Sustainable Management of Living Natural Resources:</p> <p>a) To protect and conserve biodiversity and habitats.</p> <p>b) Where biodiversity impacts likely, apply mitigation hierarchy and precautionary approach in project design & implementation</p> <p>c) Promote sustainable management of living natural resources.</p> <p>d) Support livelihoods of local communities, including Indigenous Peoples</p>	<p>Policies such as the Wildlife Policy, 2014; Forestry Policy 2001 and legislation right from the Constitution (1995), NEA 2018, and Wildlife Act (2019), National Biodiversity Strategic Action Plan, provide for biodiversity conservation and the sustainable use of living resources.</p>	<p>Implementation is variable – good in the case of donor or Bank funded projects, but modest to poor otherwise.</p>	

e) Seek inclusive economic development that integrates conservation needs and development priorities.			
ESS7: Indigenous Peoples/ Sub-Saharan African Historically Underserved Traditional Local Communities	There is no legislation, which is equivalent to this ESS7 principle in Ugandan Law. However, Article 37 of the Constitution seeks to protect the right of all Ugandans to have their culture and traditions respected. Specifically, the Article enshrines the right to belong to, enjoy, practice, profess, maintain and promote any culture, cultural institution, language, tradition, creed or religion in community with others. The National Land Policy 2013 affirms that the land rights of pastoral communities will be guaranteed and protected by the state, by ensuring that pastoral lands are held, owned and controlled by designated pastoral communities as a common property under customary tenure.	There is no legislation nor institutional arrangements in place to enable this to happen. As such, it is fair to say that while it is not the intention of the Government to exclude traditional local communities, the Ugandan system does not include the necessary provisions to overcome the historical obstacles to such communities enjoying the benefits of the development process.	The ESS7 will be adopted to guide project implementation
ESS8- Cultural Heritage	The Historical Monument Act, Cap 46 requires Preservation and protection of historical monuments and objects of archaeological, paleontological, ethnographical and traditional interest. It requires that any person who discovers any portable object during an excavation shall surrender such objects to the Minister who shall deposit them in the museum.	The Historical Monument Act is in alignment with this ESS	The National legislation will be adopted since it accords with the ESS8

<p>ESS9. Financial Intermediaries</p> <p>FIs are required to monitor and manage the environmental and social risks and impacts of their portfolio and FI subprojects, and monitor portfolio risk, as appropriate to the nature of intermediated financing. The way in which the FI will manage its portfolio will take various forms, depending on a number of considerations, including the capacity of the FI and the nature and scope of the funding to be provided by the FI.</p> <p>FIs are required to develop and maintain, in the form of an Environmental and Social Management System (ESMS), effective environmental and social systems, procedures and capacity for assessing, managing, and monitoring risks and impacts of subprojects, as well as managing overall portfolio risk in a responsible manner.</p>	<p>Section 49 of NEA 2019 requires developers to establish, maintain and implement an environment management system.</p>	<p>However, the existing National legal framework for financial institutions (Bank of Uganda Act, 2000; Financial Institutions Act, 2004 and Micro Finance Deposit-taking Institutions Act, 2003) are not explicit on management of environmental and social risks of FIs.</p>	<p>The project will be implemented in line with ESS9 and NEA 2019 requirements in close coordination with the National statutory Agencies responsible for FIs.</p>
<p>10: Stakeholder Engagement & Information Disclosure</p> <p>ESIA must include all standard contents (as specified) including consideration of alternatives and good stakeholder engagement</p>	<p>When consultations are held, explanations must be given in a form, manner and language understandable to affected people</p>	<p>Gap - There are no explicit provisions for consultations and disclosure</p>	<p>The project has followed ESS10 and developed SEF procedures with relevant provisions to bridge the gap.</p>

4 ENVIRONMENTAL AND SOCIAL BASELINE INFORMATION

This section provides nationwide baseline information since the project target a Countrywide scope for component 3 and specific information on Refugee Hosting Districts (RHD) for subcomponent 2.3. It provides biophysical and socio-economic data. The likely E&S impacts and risks on the baseline have been discussed in section 6 of this report.

4.1 Physical Conditions

4.1.1 Location and Topography of the Project Area

The greater part of Uganda consists of a plateau lying 800 to 2,000 m (2,600 to 6,600 ft) 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).

4.1.2 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.

4.1.3 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 the 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 emissions per capita. The government projection is for national emissions to rise from around 40 MtCO_{2e} (million metric tons of carbon dioxide) today to 77 MtCO_{2e} 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.

4.1.4 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 a large area of ancient metamorphic rock. Around 2500 million years ago, during the Achaean-Proterozoic switchover, three systems of geological activity were identified with different levels of intensity and are responsible for the varied rocks found throughout the country.

4.1.5 Soils

Land resources, and in particular soils, are the basis for agricultural production and development. Uganda has a total land area of 241,040 km² of which approximately 64.5% is suitable for agriculture. Soils in Uganda are very old and deeply weathered; they have an 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 using 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 varies, 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 the siltation and pollution of lakes, rivers, and open water sources, which has affected livelihoods. The 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 has soils of medium productivity leading to encroachment of protected areas.

4.1.6 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.

4.2 Biological Environment

4.2.1 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. The 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.

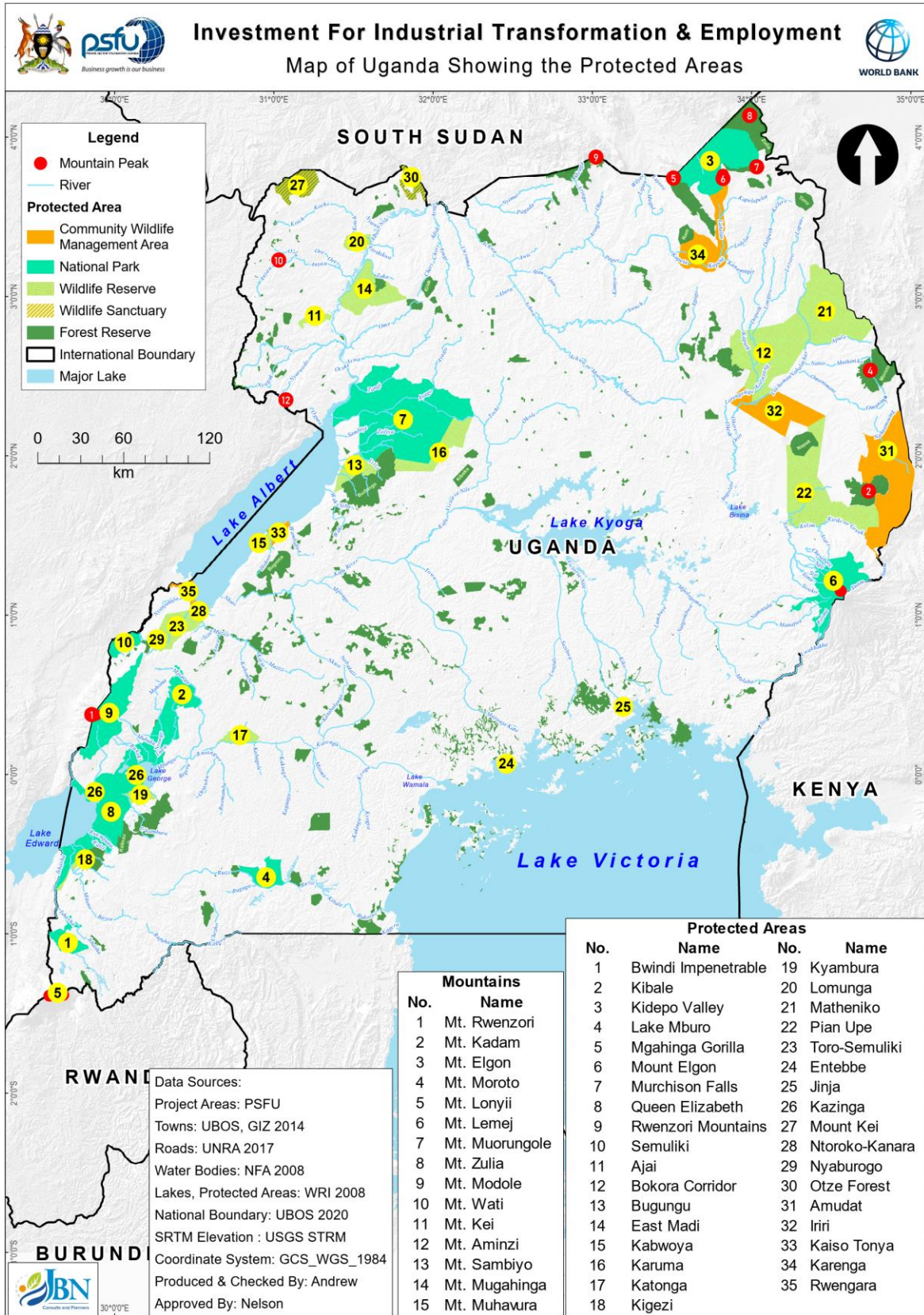


Figure 4.1: Map of Uganda showing Protected Areas

4.2.2 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%. The 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 the conversion of forest to agriculture. Amuru, Masindi and Hoima, forest cover loss has mainly been due to sugarcane plantations e.g. Atiak sub-county in Amuru district alone, lost over 33.7 KM² to sugarcane growing. The other significant cause is the demand for Charcoal, fuelwood, and building materials by refugees e.g. Kyangwali, Bidi bidi, and Rwamwanja. THF, fully stocked hosts the highest species diversity. They also host a very high number of threatened and restricted-range (endemic) species. To ensure the conservation of the suite of species in Uganda, most of the protected areas, especially the national parks and the larger forest reserves are critical. Efforts to restore forest cover include the Saw log 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.

4.2.3 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 the 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 under threat while Ntoroko had the lowest percentage of degraded wetlands (2%). The Kyoga basin degradation is mainly attributed to the conversion of intact wetlands to subsistence cultivation of mainly rice, sugarcane, and maize. In Victoria Nile and Albert Nile, wetland loss is mainly due to conversion into built-up areas and landfilling. Recovery chances are a 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 habitat destruction, deterioration of water quality, and impeded natural drainage patterns leading to frequent floods in most urban centres. To maintain wetlands for 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.

4.2.4 Wildlife

Although there was an overall increase in wildlife species in protected areas, the species population on private land is steadily declining because of the conversion of existing habitats 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 giraffes 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 the 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.

4.2.5 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 in 2017 (451,900MT). Overfishing and the use of illegal fishing gear 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 the infestation of the Kariba weed (*Salvinia Molesta*). Other threats are the cultivation of water body shorelines and aquatic plastic pollution. The establishment of the Fish Protection Unit in 2017 and the promotion of cage aquaculture have led to a reduction of illegal fishing activity and fishing pressure on the water bodies. More effort should be towards the 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 the European Union (EU), Japan, Hong Kong, Singapore, Australia, Dubai, Israel and the United States. Uganda earned 171.5 million US\$ in 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 have also continued to increase. Aquatic products import increased from 70 million 2016/2017 financial year US\$ to 90.9 million US\$ in 2017/18.

4.3 Social – Economic Conditions

4.3.1 Governance and Administrative Structure

The governance structure in Uganda is constituted of both the central and local government structures. The central government is comprised of three arms (Figure 4.2): The Executive headed by the President; the Parliament headed by the Speaker; and the Judiciary that is headed by the Chief Justice. The local government structure is constituted of five levels known 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. The INVITE project will leverage the existing central government and local government structures when implementing its activities.

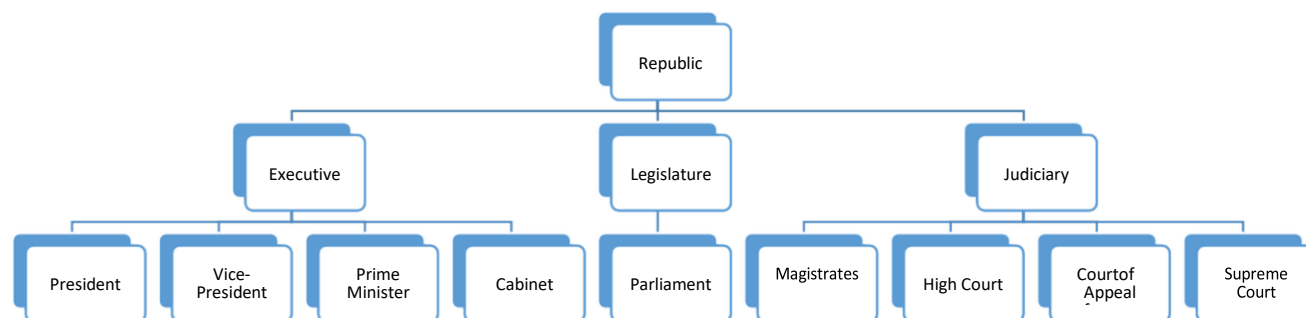


Figure 4.2: The Three Arms of the Uganda Government

4.3.2 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.

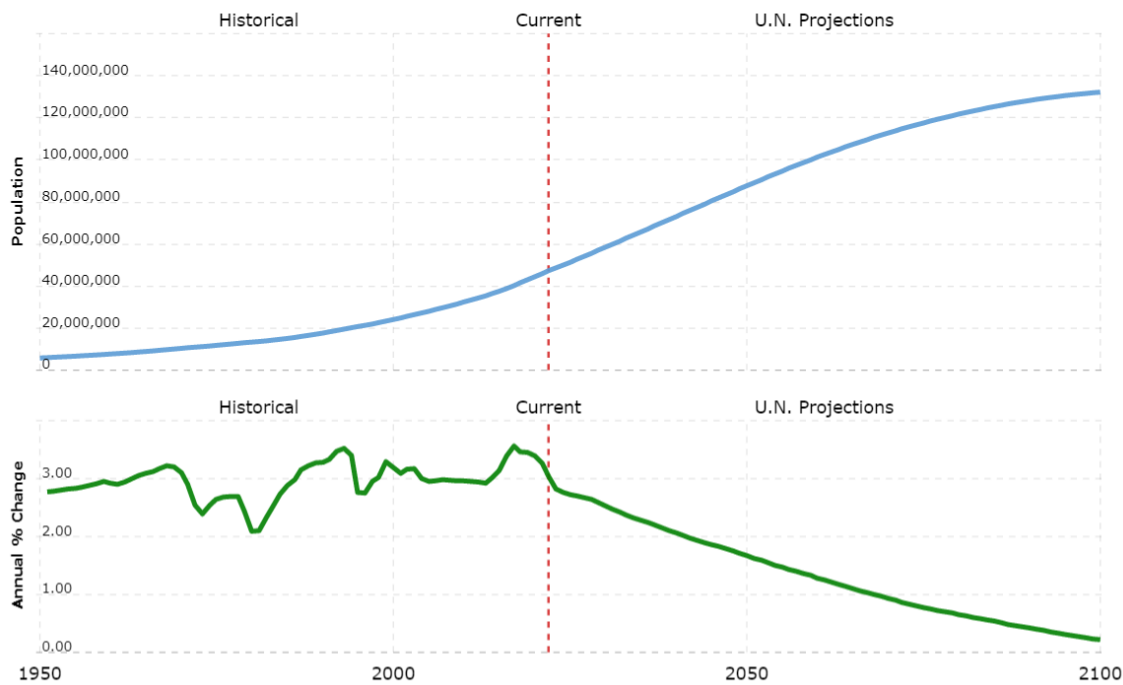


Figure 4.3: Uganda Population Projections (Source: United Nations 2022)

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	21.8
2018	21.69	21.03

4.3.3 Refugee Context in RHDs

Component 2.3 will be implemented in the Refugee Hosting Districts (RHDs). This section provides baseline data on the RHDs. 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 in the West Nile RHDs, 37 percent are located across six RHDs in the Southwest, and 6 percent are in Kampala.

4.3.3.1 Refugee and Host Population in Uganda

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 Uganda⁴

	Population		Refugee % of Total	Number of Firms ⁵	
	Refugee	Ugandan Host Community		Refugee	Host
Northern West RHDs					
Yumbe, Adjumani, Terego, Madi Okollo, Lamwo, Koboko, Obongi	873,844	2,169,200	29%	1,987	13,505
Southwestern RHDs					

⁴ Uganda Comprehensive Refugee Response Portal (<https://data2.unhcr.org/en/country/uga>), September 20, 2020.

⁵ 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.

Isingiro, Kyegegwa, Kamwenge, Kiryandongo, Kikuube	576,922	2,266,800	20%	2,526	15,095
Total non-Kampala RHDs	1,450,766	4,436,000	25%	4,513	28,601
Total Kampala	98,415	1,709,000	5%	5,028	104,972

4.3.3.2 Rights of Refugees in Uganda

All 13 refugee hosting districts have designated settlements that are densely populated, which has resulted in significant challenges, such as limited land resources to settle refugee populations, sometimes leading to conflict with host communities (ILO, 2023).

Uganda is subject to both protracted and ongoing refugee situations. The country is currently estimated to host over 1.5 million refugees, the national leader on the African continent, and the third largest globally (UNHCR, 2021).

The government provides refugees with freedom of movement and allocated land in designated areas for shelter and agricultural use. These designated areas are composed of settlements and are home to about 95 percent of refugees who live alongside host communities. Some of the poorest and most underdeveloped areas of the country are among those designated areas (UNHCR, 2021).

In general, Uganda has progressive refugee and asylum policies. At the policy level, there is no apparent discrimination against refugee groups. However, the large and growing refugee population presents a significant burden on host communities that require support in the face of their own economic, environmental, and developmental challenges. Meeting the tripartite goal of sustaining a peaceful coexistence, mitigating shocks, and alleviating pressure on the existing basic service systems requires both communities to receive equitable attention (ILO, 2021).

4.3.3.3 Conflicts Between Refugees and Host Communities over resources and services

The presence of refugees has on some occasions created tensions and conflicts with host communities which is manifest in areas such as increased pressure on natural resources, especially wood and construction materials and conflicts over access to water. Given isolated locations of the settlements, access to clean water is still a challenge for the women and children and in some instances, refugee women have fallen victims to rape in the search for water over long distances. There are also allegations of thefts of crops by refugees, and conflicts over the delivery of social services occasioned by the huge influx of refugee populations into the refugee hosting areas, thereby putting major strains on services in those areas which were already quite overburdened and/or lacked proper investment. Other sources of conflict include sexual and gender-based violence (SGBV), which is among the most serious protection concerns and priorities in Uganda refugee operations, and is manifested in various forms including rape, sexual assault, domestic violence, early and forced marriages, denial of resources, and harassment (UNHCR, 2017).

4.3.4 Youth

The National Development Plan III (NDP III) shows that about 78 percent of the population in Uganda is aged 30 years and below and constitute 57% of the Labour force although there is high youth unemployment at an average of 38 percent. 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; and limited access to basic health services, including sexual and reproductive health services. Youth experience early marriages and pregnancies, and substance and drug abuse and these are attributed to lack of employment, peer influence, and other social pressures.

4.3.5 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 most of the labour force in the Agricultural Sector while men form most 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.

4.3.6 Gender-Based Violence

GBV in Uganda is high. Sexual violence is higher among women, with 56% of women citing having experienced physical violence by the age of 15 years, while 28 percent of women aged 15-49 having experienced sexual violence compared to 9 percent of men in the same age group (NDPII -2016). The perpetrators of both physical and sexual violence are the current husband/ wife/ partner. Uganda Bureau of Statistics (UBOS), 2019 maintains that the leading causes of GBV are poverty, alcoholism, cultural practices like early marriages, bride price, limited counselling, peer pressure, and drug abuse.

4.3.7 Employment

According to the 2016/17 Uganda National Household Survey (UNHS), Uganda's working age population was 19,104,000 of which 78.8 % were working. The largest proportion of the population (65%) is 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 2030.⁶ 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

⁶ Uganda Jobs Strategy for Inclusive Growth 2019.

percent) engaged in manufacturing activities and agro-processing activities. Businesses in agricultural production (excluding smallholder farm families working on their farms), food and beverage processing, and food and beverage services retail accounted for more than a quarter of all formal business employment in 2010.⁷

4.3.8 Household Income and Expenditure

It is estimated that that 21.4% of Ugandans (representing 8 million persons) are poor. UBOS has estimated a new poverty line using consumer basket from 2016/17 year. The new poverty line, called upper poverty line, resulted in shift of poverty rates from about 20 to 30 percent in 2019/20. The new poverty rate is still lower than poverty obtained from using international poverty line of 2.15 USD 2017 PPP which is based on the median of the national poverty lines of 28 of the world's poorest countries, expressed in 2017 PPPs (World Bank, 2023)⁸. 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 the 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. The Northern region 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

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

⁷ Uganda Jobs Strategy for Inclusive Growth, 2019, pages, 26, 28, and 22.

⁸ World Bank (2023). Poverty & Equity Brief Uganda. https://databankfiles.worldbank.org/public/ddpext_download/poverty/987B9C90-CB9F-4D93-AE8C-750588BF00QA/current/Global_POVEQ_UGA.pdf



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



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

Figure 4.4: Economic Activities in Refugee Settlements (Photo by JBN, Nov. 2022)

4.3.9 Land Tenure and Land use in Uganda

The Constitution recognize four land tenure systems; i.e.: customary⁹, freehold¹⁰, Mailo¹¹ and leasehold¹². This provision is re-enacted in Section 3 of the Land Act (1998). 75 percent of the total land in the country is under customary tenure system. In West Nile¹³, 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. In some cases, customary land has been converted into freehold where individuals or families get their land titles from government authorities.

Under the current land tenure system, women often have low land holdings because customary inheritance arrangements normally favour men. Women rely on conjugal co-ownership of land if the couple stays married. The mailo land tenure system is like the freehold except that for the former, the

9 “customary tenure” means a system of land tenure regulated by customary rules which are limited in their operation to a particular description or class of persons the incidents of which are described in section 3 of the Land Act (1998);

10 “Freehold land tenure” means the holding of registered land in perpetuity subject to statutory and common law qualifications the incidents of which are described in section 3 of the Land Act (1998)

11 “Mailo land tenure” means the holding of registered land in perpetuity and having roots in the allotment of land pursuant to the 1900 Uganda Agreement and subject to statutory qualifications, the incidents of which are described in section 3 of the Land Act (1998)

12 “Leasehold land tenure” means the holding of land for a given period from a specified date of commencement, on such terms and conditions as may be agreed upon by the lessor and lessee, the incidents of which are described in section 3 (1998), and includes a sublease

13 West Nile has over 50% (7/13) of Refugee Hosting District (RHDs) that will benefit from component 2.3 of the INVITE Project

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, the application of these laws has not supported equitable distribution and benefits. This is partly due to the 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 continue to be dominated by customs that impose serious constraints on women's ability to own and control land resources. These customs limit the women's user rights of land 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 at birth.

Land use

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, 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. The three components are not exclusive of one another. According to the National Land Use Policy (2006), land availability, productivity potential, and sustainability for agriculture are not adequately known. Soil 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 districts, farmers and their livestock invade areas gazetted for nature conservation. Population pressure has triggered the expansion of land under agriculture, resulting in loss of vegetation, and cattle corridors continue to experience extensive clearance of woodlands and bush lands.

4.3.10 Economic Impact of COVID-19

The low economic activity 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 into 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 relaxed¹⁴. 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.

4.3.11 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%. Savings and Credit Cooperative Organisations (SACCOs) and MFIs are still experiencing weaknesses with 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 fraudulent activities that are a vice to the people's savings. Combined with the high cost 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.

4.3.12 Access to Credit

Uganda Census of Agricultural survey data shows that, at the national level, only 11.3 percent of the total 3.9 million agricultural households accessed credit. Of these, 61% accessed credit through informal means, 29% semi-informal, and 10% through formal financial institutions. Access to agricultural credit by smallholder farmers remains low. This is because supply factors include a weak institutional framework, policy inconsistencies on agricultural financing, high interest rates, and limited financial literacy. And demand side factors include a 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.

4.3.13 Agricultural sector

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 rural areas. Its contribution to total goods export earnings in 2012/13 was 40 percent of which the top 10 agricultural

¹⁴Uganda Bureau of Statistics and World Bank (July 2020).

exports accounted for 30.9% (Table 4.3). The sector provides food to the population, raw materials for industries, and generates foreign exchange earnings.

Table 4.3: 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

Agricultural production is mainly dominated by smallholder farmers engaged in food and cash crops, horticulture, fishing, and livestock farming using rudimentary techniques. Farmers 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 farmers respectively. There has been a very slow movement in commercial agriculture and therefore little value-added production has been achieved.

According to the UN’s Food and Agriculture Organization, Uganda’s fertile agricultural land has the potential to feed 200 million people. Eighty percent of Uganda’s land is arable but only 35% is being cultivated. In FY 2022/23, agriculture accounted for about 24% of GDP, and 35% of export earnings. The UBOS estimates that about 68% of Uganda’s working population is employed in agriculture. Uganda produces a wide range of agricultural products including coffee, tea, sugar, livestock, fish, edible oils, cotton, tobacco, plantains, corn, beans, cassava, sweet potatoes, millet, sorghum, and groundnuts.

4.3.14 Industrial Sector

Uganda’s economy is recognized as having already begun the transition towards an industrialized economy, with associated higher living standards. Ugandan manufacturing has been dominated by last stage (end-product) assembly and raw materials processing, a high share of which is food processing. The industrial sector, which includes mining and quarrying, construction, and manufacturing, accounted for 20.6 percent of the national economy 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 Vision 2040 and is 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 a 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. However, such industries must contend with the problems often associated with high maintenance costs 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 the Cassava Plant), have installed modern automated systems.

In some factories/old establishments, there are on-going rehabilitation activities and/or expansion of 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. A list of agro-processing industries in Uganda that are likely to be supported by the project is provided in Table 4.4.

Table 4.4: List of Types of agro-processing industries in Uganda

No	Industry	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 biogas 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 from 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.

5 STAKEHOLDER CONSULTATIONS, ENGAGEMENT AND DISCLOSURE

5.1 Overview

Stakeholder engagement is an inclusive process that will be conducted throughout all the different stages of the INVITE project. It will be aimed at supporting 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, the ESF recognizes the importance of open and transparent engagements with project stakeholders. The success of any project is hinged on the level and quality of stakeholder engagement which result in obtaining a social licence to operate¹⁵. Objectives of Stakeholder and Community Consultations and Engagement

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

- a. Build and maintain a constructive relationship with stakeholders, in particular, project host communities and beneficiaries;
- b. Provide information about the project to stakeholders;
- c. Solicit the stakeholders' views on the project and discuss their involvement in the various project activities;
- d. Assess the interest of the stakeholder in 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;
- e. Identify specific interests of and enhance the participation of the poor and vulnerable groups; and
- f. Inform the process of developing appropriate management measures as well as institutional arrangements for effective implementation of the Project.

5.2 Engagement with Stakeholders

The following key methods of engagement were used to inform the various stakeholders and the public about the proposed INVITE Project, specifically its key components and activities. The initial public consultations were carried out as part of the preparation of the project and draft E&S instruments in 2021. Additional consultations were undertaken as part of an update of the said instruments in 2022 with a specific focus on the RHDs where PSFU components will be implemented. Introductory meetings were held with the PSFU Project Team (project coordinator, component lead, and other project officers). Table 5.1 below provides a summary of stakeholders consulted in 2021 and 2022 during the preparation of the Environmental & Social Management Framework (ESMF) and Stakeholders Engagement Plan (SEP). The attendance lists are attached (Annex 8).

¹⁵ Social acceptance to operate refers to the level of social acceptance by society and key stakeholders of the project's standard practices and procedures.

Table 5.1: Summary of project stakeholders consulted

S/N	Date	Location	Stakeholder category	Stakeholder Group	Number of participants
1	08/11/2022	Goboro, Yumbe	The Refugee Host Communities	Business Communities/MSMEs/Firms/Local Leaders	Male 01 Female 08
2	04/11/2022 to 11/11/2022	Rhino Camp, Arua; Bidibidi Camp, Yumbe	The Refugee Communities	Business owners/SMEs/Firms/Local Leaders	Male 08 Female 23
3	04/11/2022	Yumbe	The Manufacturing and Exporting firms	Micro, Small and Medium Enterprises (MSMEs),	Male 01 Female 0
4	08/11/2022	Yumbe	The Financial Institutions such as tier III and IV in the country	FIs (SACCOs, MFI, Commercial Banks)	Male 01 Female 0
5	04/11/2022 to 16/11/2022	Mbarara, Kikuube, Arua, Lira, Hoima, Gulu	The Local Governments	District, and Sub County Political and Civic Leadership	Male 28 Female 09
6	08/12/2020 to 11/12/2020	Kampala	The National Government	OPM, MoGLSD, NEMA, UFZA, UDB	Male 11 Female 01
7	11/12/2020	Kampala	UNHCR	Field offices	Male 01 Female 01

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.

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

During implementation, the PSFU and the grant recipients will allocate adequate resources to undertake continuous and meaningful stakeholder engagements throughout the life cycle of the project.

5.3 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. Some of the issues discussed with stakeholders regarding the project are summarized below:

- Provision of information on the project to the stakeholders i.e. development objective, key components, and activities to be undertaken;
- Target beneficiaries of the project (section 1.3.3);
- Likely E&S impacts of project activities, including health and safety during the construction phase and operation phase;
- Suggestions on how best the project could be implemented while ensuring sustainability; and
- Any other suggestions to improve project design, plans, and implementation?

5.4 Face to Face Consultations and Issues Raised about INVITE

Where feasible and safe and in line with the Ugandan Ministry of Health Guidance on Public Consultations, the Consultant conducted face-to-face engagements, especially with stakeholder Government Ministries, Agencies, Departments, selected districts (Yumbe, Gulu, Lira, Arua, Adjuman, Mbarara, Hoima, Kikuube) refugees, and refugee host communities.

The stakeholders raised some concerns summarized in the Table 5.2 and details of the meetings are annexed as annexes 8 and 9:

Table 5.2: Summary of key issues/concerns raised by stakeholders and the recommendations

Issue	Stakeholder Category	Recommendation/response
❖ Participation of District Local Governments to monitor private sector projects is limited by financial resources;	District Local Government	As per the mandate, the District Local Governments are required to carry out compliance monitoring of sub-project activities within their jurisdiction.
❖ Stakeholders prefer low/ NO interest loans – such stakeholders can explore the possibility of applying for grants;	SMEs	PSFU will offer grants to applicants that will qualify. The project has set a selection criterion for the grants.
❖ Need to engage districts during project implementation;	District Local Government	PSFU has developed a stakeholder Engagement Plan that will guide continuous

		stakeholder mapping, identification, analysis and engagement.
❖ Many SACCOs and PFIs exist and offer loans in different sectors; these should be considered entry points;	Financial Institutions	Under components implemented by the INVITE Trust, credit/loans will be offered through the PFIs
❖ Need for adequate involvement of diverse stakeholders taking into consideration gender and related vulnerabilities, with specific targeting of women-led enterprises;	District Local Government	PSFU has developed a stakeholder Engagement Plan that will guide continuous stakeholder mapping, identification, analysis and engagement.
❖ Need for continued sensitization and mobilization of the communities	District Local Government Host communities	PSFU has developed a stakeholder Engagement Plan that will guide continuous stakeholder mapping, identification, analysis and engagement.
❖ 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	Host communities	PSFU will not acquire land for the INVITE project. However, for grant applicants to qualify, they will be required to provide proof of land ownership and availability and PSFU will carry out due diligence.
❖ Most of the manufacturing sector investments generate E&S impacts especially waste (both solid and effluent) and workers' health and safety, and yet they do not have required statutory approvals.	NEMA MoGLSD	Lead Investors will be required to have the require statutory approvals and implement mitigation measures to E&S impacts generated

5.5 Disclosure

Consistent with the requirements of the ESF (ESS-10), and Uganda’s NEA 2019; 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 INVITE project web portal, and for Lead Investors/Grant Recipients, and NEMA. Disclosure at the district and community level shall be undertaken by the host District Environment Officers and Community Development Officers, by displaying 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 for transmission to the lead investors for consideration and incorporation into subproject 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 (ESIA, ESMP) are required during the implementation of a subproject, the lead investors will also be encouraged to disclose updates in the district and on their respective web portals and INVITE project web portal.

6 ASSESSMENT OF POTENTIAL GENERIC ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS, AND MITIGATION MEASURES

This section presents generic E&S impacts and risks and the proposed mitigation measures. The baseline information is provided in section 4 of this report against which the performance of the project can be measured in terms of E&S Impacts.

6.1 Positive Environmental and Social Impacts

This Section presents a summary of the generic positive and negative environmental and social risks and impacts, and the measures or good practices to prevent, mitigate, and compensate for 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.

The list of potential positive impacts is presented in Table 6-1 below.

Table 6.1: Generic Potential Positive Environmental and Social Impacts of the proposed subprojects

Beneficiary	Benefits	Enhancement Measures
1. Refugees and Host Communities	<ul style="list-style-type: none"> • Direct employment. • Increase household income. • Increased market for the produce. • Increased access to credit and grants. 	<ul style="list-style-type: none"> • Lead Investor should prioritize refugees and host communities when employing. • Prioritise buying commodities from refugees and host communities.
2. Agriculture investments (crops and animals)	<ul style="list-style-type: none"> • Increase household income. • Increased access to credit and grants. • Improved welfare indicators (education, health Increase household assets ownership) • Reduced prevalence of child malnutrition. • Increased farm output (crops and animals) production • Better quality yields. • Improved farmer group organisation and self-governance. 	<ul style="list-style-type: none"> • Involve extension workers from the districts to work with the farmers by encouraging good agriculture practices • Have farmers' credit loans processed quickly and at a lower cost.
3. Processors/ traders/ service providers	<ul style="list-style-type: none"> • Improved quality grains (no aflatoxins). • Increased linkage with raw material producers. • Expansion and or diversification of businesses • Increased access to credit and grants. 	<ul style="list-style-type: none"> • Training to processors and traders on quality handling of the crops and animal products by trained district support facilities.

Beneficiary	Benefits	Enhancement Measures
4. Semi-commercial and commercial smallholders	<ul style="list-style-type: none"> • Market linkages • Increased access to credit and grants. 	<ul style="list-style-type: none"> • Cooperative unions and associations to help in the market & better prices for produce and products.
5. Women-led microenterprises	<ul style="list-style-type: none"> • About 120,000 refugees are expected to benefit from the project, of these at least 40,000 are expected to be women-led microenterprises. • Increased incomes and change in household indicators. • Reduced workload burden and use of mechanization. • Increased decision-making along the value chain. • Improved opportunities for capacity building in business management and financial literacy. • Increased production. • Increase access to credit and grants. • Increased access to land for production (buying, hiring) • Diversified sources of incomes including value addition to agriculture crops and animals. • Increased access to quality inputs, agro-chemicals. • Increased share of income from produce. • Increased self-esteem. • Reduced GBV cases. • Participation in farmer groups and community leadership. • Increased access to market information. 	<ul style="list-style-type: none"> • Sensitization and awareness of good agriculture practices and better means of production by use of good quality seeds, mechanization, fertilisations, etc. • Cheaper credit facilities
6. Input Suppliers/ transporters	<ul style="list-style-type: none"> • Increase linkage with producers. • Reduction in Transport cost • Increased access to credit and grants. 	<ul style="list-style-type: none"> • Increase access to better roads and reduction in fuel and charges on means of transport.
7. Financial institutions	<ul style="list-style-type: none"> • Increased linkage with smallholder producers in different crops • Development of agriculture and manufacturing-related products and innovations. 	<ul style="list-style-type: none"> • Sensitisation and awareness of good agriculture and value additions.

6.2 Negative Environmental and Social Impacts

6.2.1 Sources of Negative Environmental and Social Impacts

Component 3 is largely providing Technical Assistance entailing capacity development activities and hence is not expected to generate E&S risks and impacts. For subcomponent 2.3, E&S risks and impacts are expected to be influenced by various factors and characteristics that are different for each sub-project. The grant recipients will analyse the respective sub-projects' risks and impacts based on their distinctive features and develop specific, fit-for-purpose, E&S instruments and tools that are commensurate with the level of risks and impacts and these will include ESIAAs, Project Briefs, Audits, ESMPs etc. Example of subproject that will require E&S instruments is setting up an agro-processing unit. The project will support the existing or new supply chains, which are likely to cause significant impacts, as a result of subproject activities. The likely impacts and the proposed mitigation measures are provided in Table 6.2 below.

6.2.2 Description of the Potential Environmental and Social Impacts and proposed 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. It is understood that most of the sub-projects that will be supported by the INVITE project will be in existence within RHDs. However, it is also anticipated that some sub-projects may be new, and the existing ones may wish to expand their production lines and activities, and this may entail infrastructure-related developments, and expansion of manufacturing facilities, especially under subcomponent 2.3. This Section presents generic guidance for the management of E&S impacts of typical subprojects, which shall be identified and taken care of by the lead investors/grant recipient. They will be adopted and customized to specific subprojects during the implementation phase by the lead investors/grant recipients. Table 6.2 presents indicative impacts and mitigation measures. The exact measures will be defined as part of subprojects ESMPs. Table 6.2 provides indicative impacts/risks and proposed mitigation measures in line with the WB EHS General Guidelines. Other WB EHSGs will be used as applicable to subproject (e.g., agro-processing, manufacturing, etc), after they have been identified during project implementation.

Table 6.2: Anticipated Negative impacts – Generic covering all Sectors under subcomponent 2.3 and component 3

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
Construction phase	
Vegetation clearance	<ul style="list-style-type: none"> • Careful siting of all subproject components, to minimize the extent of vegetation clearance during construction. • Land clearing should be limited to within the sections of the subproject's premises designated for construction works. • Upon completion of construction of the subprojects' production facilities, tree planting within the sites should be undertaken under the decommissioning plan. • Rehabilitation of cleared areas with native species, and ecosystem restoration in habitats of conservation value, using specialist advice and input to maintain the

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	integrity of the habitat, backed up by a long-term monitoring programme and corrective actions as necessary.
Potential loss of fauna	<ul style="list-style-type: none"> • Careful site selection and siting of all subproject components, with approval of authorities. • Careful planning of phasing and timing of construction activities for production facilities. • Demarcation and avoidance of areas of conservation interest as stipulated in the list of E&S excluded activities • Awareness creation amongst the workforce on biodiversity conservation • Workers to sign a code of conduct to conserve biodiversity. • Minimize vegetation clearance at the site to leave a habitat for fauna. • To minimize death during site clearance, attempts to scare the fauna from the sites should be made. • Every effort should be made to save and release any amphibians and reptiles encountered during site clearance • 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. • Clearance during construction especially under new supply chains should be done cautiously and carefully to give time and chance to small mammals to escape from their hiding places. • Avoid unnecessary killing of small mammals like rodents that may hide in construction materials deposited at the sites.
Invasive Species	<ul style="list-style-type: none"> • Invasive Species Management Plan, which should be developed and implemented in consultation with authorities, including appropriate eradication measures for different species/groups of species. • Staff training and awareness raising in communities. • No introduction of exotic species (e.g. for site rehabilitation) as stipulated in the E&S list of excluded activities
Water Resource use and conservation	<ul style="list-style-type: none"> • Water study before any abstraction, to inform a Sustainable Water Management Plan. • No abstraction without prior approval of relevant authorities at all locations. • Promotion of water efficiency (including leak detection, and preventative maintenance of equipment) and water recycling. • Provision of adequate potable water.
Wastewater and Ambient Water Quality	<ul style="list-style-type: none"> • Promote use of sanitation facilities. • Get approval from the Authority for any discharge of wastewater or waste in the water sources. • Segregation of wastewater streams to ensure compatibility with selected treatment options. • Segregation of oil and grease containing effluents e.g. use of grease trap/ oil interceptors. • Treatment of wastewater before discharge to meet national water for sanitary water discharge.
Contaminated Land	<ul style="list-style-type: none"> • Get approval from authority before dumping construction wastes on land. • Where possible treatment of wastes before dumped on land. • Promote segregation of biodegradable wastes from non-biodegradable. • Promote recycling of construction wastes.
Impacts on Physical Cultural Resources	<ul style="list-style-type: none"> • INVITE to exclude all activities that are likely to damage or impact areas with physical cultural property attributes. • For subprojects that will establish new supply chains, there should be careful site selection and siting of all the subprojects' components, taking account of the list of

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<p>excluded activities. This shall be achieved through community consultations/specialist surveys.</p> <ul style="list-style-type: none"> • Preparation and Implementation of a “Chance Finds” procedure during construction.
Soil erosion and Sedimentation	<ul style="list-style-type: none"> • 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. • Retention of topsoil for restoration (including tilling and revegetation) as soon as practicable. • Minimization of cleared areas and soil disturbance, with revegetation as soon as feasible (with native species if not crops). • The project site should be cordoned off during the subprojects’ implementation phases. • If possible, site clearance should be undertaken during the dry season, with watering down of surfaces to avoid dust nuisance. • Need to attend to storm water drainage on subproject sites, to prevent flooding.
Impacts relating to construction materials extraction and transport	<ul style="list-style-type: none"> • Sourcing materials from sites operating in compliance with national environmental and social requirements e.g. having the NEMA EIA Certificate, having undertaken mandatory Annual E&S Audits, clearance from the Local Authorities, having operational & effective GRM in place, etc. • Adequate and appropriate road signs should be erected to warn road users of the construction activities. For example, reduced speed near subproject sites’ access roads. • 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. • Trucks transporting raw materials should be made to enter the proposed site through one access point and leave through another. • All machine operators and drivers are to sign a 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. • 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.
Proliferation of construction waste	<ul style="list-style-type: none"> • Prepare a waste management plan before the commencement of work following the waste hierarchy, including appropriate waste storage areas, and collection & disposal schedule, supported by staff training. All applicable waste licenses shall be obtained from NEMA (Storage, Transportation). • Burning of waste on-site or in waste containers should be prohibited. • For new supply chains, construction, and demolition wastes should be sorted and separated to encourage the recycling of reusable wastes to reduce the waste volumes for disposal. • Waste management measures should be observed to ensure that all solid waste, fuels, and solvents are stored in bunded areas. • Excavated 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. • Install signage/labels indicating the nature of the stored waste materials on waste storage containers or facilities. Waste storage areas shall be sheltered, paved, and banded for oil containment.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
Hazardous wastes	<ul style="list-style-type: none"> • Licensed vehicles and waste handlers to transport waste. • Hazardous wastes should be measured, stored and transported separately without mixing with non-hazardous wastes. • Licensed vehicles and waste handlers to transport waste. • Training of operators on release prevention, including drills specific to hazardous materials as part of emergency preparedness response training. • Implementation of inspection programs to maintain the mechanical integrity and operability of pressure vessels, tanks, piping systems, relief and vent valve systems, containment infrastructure, emergency shutdown systems, controls and pumps, and associated process equipment. • Preparation of written Standard Operating Procedures (SOPs) for filling or other containers or equipment as well as for transfer operations by personnel trained in the safe transfer and filling of the hazardous material, and in spill prevention and response. • SOPs for the management of secondary containment structures, specifically the removal of any accumulated fluid, such as rainfall, to ensure that the intent of the system is not accidentally or wilfully defeated. • Identification of locations of hazardous materials and associated activities on an emergency plan site map. • Documentation of availability of specific personal protective equipment and training needed to respond to an emergency. • Documentation of availability of spill response equipment sufficient to handle at least initial stages of a spill and a list of external resources for equipment and personnel, if necessary, to supplement internal resources. • Description of response activities in the event of a spill, release, or other chemical emergency.
Air Emissions and Ambient Air Quality	<ul style="list-style-type: none"> • Sensitive site selection and siting of the subprojects' production facilities. • Use of modern equipment meeting appropriate emissions standards, and regular preventative maintenance. • Dust control and suppression measures, such as dampening, and use of vegetation hedges. • Ensure appropriate manufacturer silencers and baffles are fitted for the specific project machinery. • Enforce vehicle speed restrictions. • Switch off all machinery when not in use. • Hoarding of sites and use of dust screens. • Cover and/or maintain appropriate freeboard on trucks hauling any loose material such as sand, cement, and bricks that could produce dust during the haulage process. • Re-vegetate rehabilitated disturbed areas as soon as possible after clearing with native trees and lawn grass. • Vehicle speed restrictions are 20 kph within worksites. • Provide appropriate PPEs (dust masks) to construction workers to mitigate exposure to dust nuisance.
Noise and ground vibration generation	<ul style="list-style-type: none"> • Sensitive local access road route selection and siting of construction facilities accompanied where necessary by noise attenuation measures. • Use of modern, well-maintained equipment fitted with abatement devices (e.g. mufflers, noise enclosures). • Strict controls of the 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

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<p>sought from NEMA, and local authorities and neighbours informed accordingly. Such works should majorly be tasks which don't generate a lot of noise.</p> <ul style="list-style-type: none"> • Observance of seasonal sensitivities (e.g. breeding seasons), and alteration of activity to reduce noise levels at that time. • Sensitise workers on the effects of noise and vibrations through toolbox meetings. • Truck drivers and equipment operators to switch off vehicle engines while offloading materials and when not in use. • Install silencers on heavy-duty equipment such as generators, and compactors among others to reduce the generated noise levels. • Provide earplugs or earmuffs to workers working in noisy conditions.
Energy Conservation	<ul style="list-style-type: none"> • Project should promote use efficient and energy conserving equipment. • Switch off equipment that use energy while not in use e.g., engines, lights, generators etc. • Continuous and timely servicing of construction equipment and other tools relevant to the project.
Occupational Health and Safety Risks	<ul style="list-style-type: none"> • Rest and recreational facilities and time should be provided, and rules on alcohol and drugs defined and communicated to workers. • The basis for differences in the standard of accommodation should be non-discriminatory; it should be documented and communicated transparently to the workforce. • Clear and comprehensive health and safety reporting and grievance procedure systems should be established and freely available to all the workforces. • Lead investors to undertake training of workers on how to use PPEs and why they must use them. Lead investors/grant recipients should enforce the use of PPEs as well as undertake regular sensitization. • Lead investors to carry out pre-employment medical examinations of workers to assess their fitness to work based on the hazards they are exposed to (i.e., hazard-based medical examination). • Health surveillance – the Lead investors to carry out Health surveillance for all workers to monitor their health status. • Lead investors to develop emergency plans before construction commences and carry out awareness programs like fire outbreaks among the workers especially on aspects of what to do in case of an emergency. • Lead Investors 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. • Undertake a risk assessment of all tasks before commencement. • Maintain an incidents/accidents log/register and undertake reporting of serious/severe cases to PSFU within 24 hours of occurrence. • 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.
Traffic Impacts	<ul style="list-style-type: none"> • The lead investors should develop a traffic management plan for the transportation within and around the construction site. • 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. • The project and subprojects' vehicles and equipment must be in proper working condition and have registration plates and numbering.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> • The project and subproject drivers and operators shall ensure proper driving discipline through the signing of a Special Code of Conduct for Drivers and Operators and sanction those in breach. • Maintain a log detailing every violation and accident on site or associated with the construction activities. • Use of flagmen to direct traffic, especially during the construction of production lines for new supply chains.
Security	<ul style="list-style-type: none"> • PSFU will make reasonable inquiries to verify that the direct or contracted workers retained by the grant recipients to provide security are not implicated in past abuses. • 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. • Require Security personnel to act within the applicable law and any requirements set out in the ESCP. • All security personnel should be trained on how to handle crowds and use appropriate force where necessary. • Hoarding/Fencing of the subprojects sites to limit access and keep-off wrong elements. • The casual labourers hired at the production lines shall be screened with the help of the local leaders and assistant settlement commandants to screen the wrong elements. • Develop a Code of conduct for security guards, and workers.
Labour influx	<ul style="list-style-type: none"> • Prioritize local communities when hiring workers. • Develop and implement a labour management plan. • Provide training to local communities to create a skilful labour force. • Strictly enforce the workers code of conduct.
Social tensions between host and refugees	<ul style="list-style-type: none"> • Ensure equal employment opportunities for host communities and refugees • Enforce local content policy by giving priority to host communities when employing wage laborers. • Undertake targeted and balanced stakeholder engagement to support social cohesion between the refugees and host communities.
Increased risk of HIV/AIDS spread	<ul style="list-style-type: none"> • Develop and rollout an HIV/AIDS action plan. • Information campaigns on STDs among the workers and host and refugee communities. • Education about the transmission of diseases. • Provision of condoms.
Risk of Contracting and Spreading COVID-19 and Ebola virus disease	<ul style="list-style-type: none"> • Sensitize all subprojects wage workers about the signs and symptoms of COVID-19 and Ebola VD as well as the ways to control their spread. • Screen wage workers including refugees for COVID-19 and Ebola during recruitment. • Management of potential COVID-19 and Ebola cases. • Wear masks. • Practice social distancing. • Prioritize sanitation. • Limit physical contact. • Enhance whole-of-society coordination mechanisms to support preparedness and response, including the health, transport, travel, trade, finance, security, and other sectors. • Continuously sensitize the workers and pass on any new guidelines by Government, Ministry of Health (MoH).

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> • Avoid travelling to places with suspected cases of outbreaks. • Practice personal hygiene especially after visiting a patient. • Handle the infected animals with utmost care using gloves. • Cook animal products thoroughly before consuming. • Hand dead, infected person's body carefully to avoid direct contact with fluid or skin.
Risk of Child labour and school dropout	<ul style="list-style-type: none"> • The grant recipients should have a child protection plan. • Ensuring that children and minors are not employed directly or indirectly on the subprojects. • 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.
Gender-based violence	<ul style="list-style-type: none"> • Safeguard women and girls including refugees from any form of sexual exploitation. • Ensuring women's equitable participation in project-related public consultations and information dissemination sessions. • Promoting employment opportunities, especially for women and youth refugees. • Paying special attention to access to the range of sanitation solutions and the affordability of services. • Strengthening the implementing agencies' institutional capacities for gender mainstreaming. • Mandatory and regular training for wage workers on required lawful conduct in the host community and legal consequences for failure to comply with laws. • Policy commitment to cooperate with law enforcement agencies investigating perpetrators of gender-based violence. • Creation of partnership with local NGO or refugee welfare committee to report workers' misconduct complaints/reports on gender-based violence or harassment through the GRM. • Operationalisation of GBV/SEA/SH referral pathways. • Provision of opportunities for workers to regularly return to their families.
Fire Risks	<ul style="list-style-type: none"> • Periodic training of production line workers and wage workers in emergency response and allocation of a fire assembly point outside the project sites. • All electrical systems must undergo regular checks. • Highly inflammable paints should be avoided in the kitchen walls and other areas where cooking activities are anticipated. • Incorporate a robust firefighting system such as hydrants and extinguishers within the proposed project designs. • Work closely with the Uganda Police Fire Brigade and ensure the unit contacts are displayed in strategic areas. • Ensure routine maintenance of power systems at the subprojects' sites, especially the generator.
Geology/Hydrogeology	<ul style="list-style-type: none"> • 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). • Minimize the loss of water caused by leaks, evaporation, and infiltration through canals and reservoirs (e.g. maintain vegetation along water canals).
Pollution of Soils and Water	<ul style="list-style-type: none"> • Ensure that drainage water complies with discharge standards and treat wastewater accordingly. • Collaborate with the district agricultural extension to train farmers in appropriate, sustainable application of fertilizer and other agrochemicals. • Implementation of standard good wastewater management procedures.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> • Installation of sewage treatment to meet required standards; hygiene training for workforce. • Materials handling and control procedures, use of storage and containment equipment meeting international standards. • Prohibition of vehicle washing in watercourses, and similar practices. • Emergency response plans during production (lead investors/grant recipients and local authorities for RHDs).
Land uptake and physical and economic displacement/land uptake	<ul style="list-style-type: none"> • Land acquisition and involuntary restriction of access to land use that may result in involuntary resettlement/physical displacement/relocation or loss of shelter falls under the excluded activities as stipulated in INVITE ESCP.¹⁶ • Lead investors to acquire land from owners in line with GoU land transfer under the willing seller willing buyer arrangement. • Acquire the legal land ownership documentation including titles. • Lead investors to avoid the acquisition of land with legal disputes under subcomponent 2.3. • The lead investors will be required to present proof of land availability and ownership without encumbrances. PSFU will undertake due diligence for land acquired by Lead investors.
Exclusion and non-discrimination in access to employment opportunities	<ul style="list-style-type: none"> • Development of an Employment Plan in line with the project LMP, with clear employment requirements and procedures for the construction and operational/maintenance workforce. • Transparent and culturally appropriate communication with communities regarding employment opportunities. • Fair and transparent hiring and staff management procedures. • Employment requirements and vocational training plans are to be agreed upon with local institutions so that local people can be trained to meet the project's needs in a timely fashion. • Exclusion of vulnerable or disadvantaged individuals or groups from project activities and benefits;
Community Health, Safety, and Security	<ul style="list-style-type: none"> • Subproject Infrastructure and Equipment Design and Safety; should be in accordance with national legal requirement, the EHSs and other Good International Industry Practices (GIIP), taking into consideration safety risks to third parties and affected communities. • Safety of services; the subproject should establish and implement appropriate quality management systems to anticipate and minimise risks and impacts that such services might have on community health and safety. • Management and Safety of Hazardous Materials; the subprojects should avoid or minimise the potential for community exposure to hazardous materials and substances that may be released by the subproject activities. • Emergency Preparedness and Response; the subproject should identify and implement measures to address emergency events such as fire, explosions, leaks, spills.

¹⁶ Land acquisition and/or restrictions on land use that may result in the physical displacement of people (involuntary resettlement/relocation or loss of shelter) as well as their economic displacement (as loss of assets or access to assets and/or means of livelihood, regardless of whether or not the affected people must move to another location). This includes the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons. Land must be acquired on willing-seller willing-buyer basis.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> • 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. • 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. • Provide information, education, and communication about community safety concerning project activities. • Facilitate programmes/measures to ensure appropriate sanitary and medical facilities are available. • Implement environmental management measures for vector control: e.g. monitoring for key vectors; contact avoidance via site selection; focal insecticide and molluscicide application. • Adoption of a Stakeholder Engagement Plan, as a framework for early and ongoing community consultation. • Implementation of a Grievance Procedure (see Grievance Procedure and Redress Mechanisms guidance note Section in the ESMF). • Works procedures, defining a Code of Appropriate Conduct for all workers, including acceptable behaviour concerning community interactions. • Careful design: e.g. alignment, minimal diversion, timing of works (overall duration and seasonality). • Speed controls and other traffic calming measures to reduce excessive acceleration around settlements/sensitive receptors.
Operational and Maintenance Phase	
The informality of refugee businesses	<ul style="list-style-type: none"> • Support refugees to register and formalize their businesses and companies • Provide relevant information to refugees on how to apply for business registration.
Water Resource use and conservation	<ul style="list-style-type: none"> • Water study before any abstraction, to inform a Sustainable Water Management Plan. • No abstraction without prior approval of relevant authorities at all locations. • Promotion of water efficiency (including leak detection, and preventative maintenance of equipment) and water recycling. • Provision of adequate potable water.
Wastewater and Ambient Water Quality	<ul style="list-style-type: none"> • Promote use of sanitation facilities. • Get approval from the Authority for any discharge of wastewater or waste in the water sources. • Segregation of wastewater streams to ensure compatibility with selected treatment options. • Segregation of oil and grease containing effluents e.g. use of grease trap/ oil interceptors. • Treatment of wastewater before discharge to meet national water for sanitary water discharge. • Ensure that drainage water complies with discharge standards and treat wastewater accordingly. • Implementation of standard good wastewater management procedures. • Installation of sewage treatment to meet required standards; hygiene training for workforce., • Prohibition of vehicle washing in watercourses, and similar practices. • Emergency response plans during production (lead investors/grant recipients and local authorities for RHDs).
Contaminated Land	<ul style="list-style-type: none"> • Get approval from authority before dumping wastes on land • Where possible Treatment of wastes before dumped on land

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> • Promote segregation of biodegradable wastes from non-biodegradable • Promote recycling of nonbiodegradable wastes. • Ensure that drainage water complies with discharge standards and treat wastewater accordingly. • Materials handling and control procedures, use of storage and containment equipment meeting international standards. • Emergency response plans during production (lead investors/grant recipients and local authorities for RHDs).
Proliferation of waste	<ul style="list-style-type: none"> • Burning of waste on-site or in waste containers should be prohibited. • Wastes should be sorted and separated to encourage the recycling of reusable wastes to reduce the waste volumes for disposal. • Waste management measures should be observed to ensure that all solid waste, fuels, and solvents are stored in bunded areas. • Install signage/labels indicating the nature of the stored waste materials on waste storage containers or facilities. Waste storage areas shall be sheltered, paved, and banded for oil containment. • Licensed vehicles and waste handlers to transport wastes. • Hazardous wastes should be measured, stored and transported separately without mixing with non-hazardous wastes.
Hazardous wastes	<ul style="list-style-type: none"> • Licensed vehicles and waste handlers to transport hazardous wastes. • Hazardous wastes should be stored and transported separately without mixing with non-hazardous wastes. • Licensed vehicles and waste handlers to transport waste. • Training of operators on release prevention, including drills specific to hazardous materials as part of emergency preparedness response training. • Implementation of inspection programs to maintain the mechanical integrity and operability of pressure vessels, tanks, piping systems, relief and vent valve systems, containment infrastructure, emergency shutdown systems, controls and pumps, and associated process equipment. • Preparation of written Standard Operating Procedures (SOPs) for filling or other containers or equipment as well as for transfer operations by personnel trained in the safe transfer and filling of the hazardous material, and in spill prevention and response. • SOPs for the management of secondary containment structures, specifically the removal of any accumulated fluid, such as rainfall, to ensure that the intent of the system is not accidentally or wilfully defeated. • Identification of locations of hazardous materials and associated activities on an emergency plan site map. • Documentation of availability of specific personal protective equipment and training needed to respond to an emergency. • Documentation of availability of spill response equipment sufficient to handle at least initial stages of a spill and a list of external resources for equipment and personnel, if necessary, to supplement internal resources. • Description of response activities in the event of a spill, release, or other chemical emergency.
Air Emissions and Ambient Air Quality	<ul style="list-style-type: none"> • Use of modern equipment meeting appropriate emissions standards, and regular preventative maintenance. • Dust control and suppression measures, such as dampening, and use of vegetation hedges. • Ensure appropriate manufacturer silencers and baffles are fitted for the specific project machinery.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> • Enforce vehicle speed restrictions. • Switch off all machinery when not in use. • Cover and/or maintain appropriate freeboard on trucks hauling any loose material such as sand, cement, and bricks that could produce dust during the haulage process. • Vehicle speed restrictions are 20 kph within worksites. • Provide appropriate PPEs (dust masks) to workers to mitigate exposure to air emissions.
Noise and ground vibration generation	<ul style="list-style-type: none"> • accompanied where necessary by noise attenuation measures. • Use of modern, well-maintained equipment fitted with abatement devices (e.g. mufflers, noise enclosures). • Strict controls of the timing of noisiest operation 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. • Sensitise workers on the effects of noise and vibrations through toolbox meetings. • Truck drivers and equipment operators to switch off vehicle engines while offloading materials and when not in use. • Install silencers on heavy-duty equipment like generators, among others to reduce the generated noise levels. • Provide earplugs or earmuffs to workers working in noisy conditions.
Energy Conservation	<ul style="list-style-type: none"> • Project should promote use efficient and energy conserving equipment. • Truck drivers and equipment operators to switch off vehicle engines while offloading materials and when not in use. • Continuous and timely servicing of equipment.
Occupational Health and Safety Risks	<ul style="list-style-type: none"> • Rest and recreational facilities and time should be provided, and rules on alcohol and drugs defined and communicated to workers. • The basis for differences in the standard of accommodation should be non-discriminatory; it should be documented and communicated transparently to the workforce. • Clear and comprehensive health and safety reporting and grievance procedure systems should be established and freely available to all the workforces. • Lead investors to undertake training of workers on how to use PPEs and why they must use them. Lead investors/grant recipients should enforce the use of PPEs as well as undertake regular sensitization. • Lead investors to carry out pre-employment medical examinations of workers to assess their fitness to work based on the hazards they are exposed to (i.e., hazard-based medical examination). • Health surveillance – the Lead investors to carry out Health surveillance for all workers to monitor their health status. • Lead Investors 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 subprojects. • Undertake a risk assessment of all tasks before commencement. • Maintain an incidents/accidents log/register and undertake reporting of serious/severe cases to PSFU within 24 hours of occurrence. • 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.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
Potential indirect EHS impacts/risks	<ul style="list-style-type: none"> • For indirect risks and impacts, the subprojects should introduce E&S risk management measures during operational phase of facilities (waste treatment facilities, logistics/collection centres, housing facilities for workers, training centres, testing laboratories, research and development facilities, etc.).
Traffic Impacts	<ul style="list-style-type: none"> • there should be 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. • The project and subproject vehicles and equipment must be in proper working condition and have registration plates and numbering. • The project and subproject drivers and operators shall ensure proper driving discipline through the signing of a Special Code of Conduct for Drivers and Operators and sanction those in breach. • Maintain a log detailing every violation and accident on site.
Security	<ul style="list-style-type: none"> • PSFU will make reasonable inquiries to verify that the direct or contracted workers retained by the grant recipients to provide security are not implicated in past abuses. • 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. • Require Security personnel to act within the applicable law and any requirements set out in the ESCP. • All security personnel should be trained on how to handle crowds and use appropriate force where necessary. • Hoarding/Fencing of the subprojects sites to limit access and keep-off wrong elements. • The casual labourers hired at the production lines shall be screened with the help of the local leaders and assistant settlement commandants to screen the wrong elements. • Develop a Code of conduct for security guards, and workers.
Labour influx	<ul style="list-style-type: none"> • Prioritize local communities when hiring workers. • Develop and implement a labour management plan. • Provide training to local communities to create a skilful labour force. • Strictly enforce the workers code of conduct.
Social tensions between host and refugees	<ul style="list-style-type: none"> • Ensure equal employment opportunities for host communities and refugees <ul style="list-style-type: none"> • Enforce local content policy by giving priority to host communities when employing wage labourers. • Undertake targeted and balanced stakeholder engagement to support social cohesion between the refugees and host communities.
Increased risk of HIV/AIDS spread	<ul style="list-style-type: none"> • Develop and rollout an HIV/AIDS action plan. • Information campaigns on STDs among the workers and host and refugee communities. • Education about the transmission of diseases. • Provision of condoms.
Risk of Contracting and Spreading COVID-19 and Ebola virus	<ul style="list-style-type: none"> • Sensitize all subprojects wage workers about the signs and symptoms of COVID-19 and Ebola VD as well as the ways to control their spread. • Screen wage workers including refugees for COVID-19 and Ebola during recruitment. • Management of potential COVID-19 and Ebola cases; • Wear masks, • Practice social distancing, • Prioritize sanitation,

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> • Limit physical contact, • Enhance whole-of-society coordination mechanisms to support preparedness and response, including the health, transport, travel, trade, finance, security, and other sectors, • Continuously sensitize the workers and pass on any new guidelines by Government (MoH), • Avoid travelling to places with suspected cases of outbreaks, • Practice personal hygiene especially after visiting a patient, • Handle the infected animals with utmost care using gloves, • Cook animal products thoroughly before consuming, • Hand dead, infected person's body carefully to avoid direct contact with fluid or skin.
Risk of Child labour and school dropout	<ul style="list-style-type: none"> • The grant recipients should have a child protection plan. • Ensuring that children and minors are not employed directly or indirectly on the subprojects. • 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.
Gender-based violence	<ul style="list-style-type: none"> • Safeguard women and girls including refugees from any form of sexual exploitation. • Ensuring women's equitable participation in project-related public consultations and information dissemination sessions. • Promoting employment opportunities, especially for women and youth refugees. • Paying special attention to access to the range of sanitation solutions and the affordability of services. • Strengthening the implementing agencies' institutional capacities for gender mainstreaming. • Mandatory and regular training for wage workers on required lawful conduct in the host community and legal consequences for failure to comply with laws. • Policy commitment to cooperate with law enforcement agencies investigating perpetrators of gender-based violence. • Creation of partnership with local NGO or refugee welfare committee to report workers' misconduct complaints/reports on gender-based violence or harassment through the GRM. • Operationalisation of GBV/SEA/SH referral pathways. • Provision of opportunities for workers to regularly return to their families.
Fire Risks	<ul style="list-style-type: none"> • Periodic training of production line workers and wage workers in emergency response and allocation of a fire assembly point outside the project sites. • All electrical systems must undergo regular checks. • Highly inflammable paints should be avoided in the kitchen walls and other areas where cooking activities are anticipated. • Incorporate a robust firefighting system such as hydrants and extinguishers within the proposed project designs. • Work closely with the Uganda Police Fire Brigade and ensure the unit contacts are displayed in strategic areas. • Ensure routine maintenance of power systems at the subprojects' sites, especially the generator.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
Land uptake and physical and economic displacement/land uptake	<ul style="list-style-type: none"> • Land acquisition and involuntary restriction of access to land use that may result in involuntary resettlement/physical displacement/relocation or loss of shelter falls under the excluded activities as stipulated in INVITE ESCP.¹⁷ • Lead investors to acquire land from owners in line with GoU land transfer under the willing seller willing buyer arrangement. • Acquire the legal land ownership documentation including titles • Lead investors to avoid the acquisition of land with legal disputes under subcomponent 2.3. • The lead investors will be required to present proof of land availability and ownership without encumbrances. PSFU will undertake due diligence for land acquired by Lead investors
Exclusion and non-discrimination in access to employment opportunities	<ul style="list-style-type: none"> • Development of an Employment Plan in line with the project LMP, with clear employment requirements and procedures for the operational/ maintenance workforce. • Transparent and culturally appropriate communication with communities regarding employment opportunities • Fair and transparent hiring and staff management procedures. • Employment requirements and vocational training plans are to be agreed upon with local institutions so that local people can be trained to meet the project’s needs in a timely fashion.
Community Health, Safety, and Security	<ul style="list-style-type: none"> • Safety of services; the subproject should establish and implement appropriate quality management systems to anticipate and minimise risks and impacts that such services might have on community health and safety. • Management and Safety of Hazardous Materials; the subprojects should avoid or minimise the potential for community exposure to hazardous materials and substances that may be released by the subproject activities. • Emergency Preparedness and Response; the subproject should identify and implement measures to address emergency events such as fire, explosions, leaks, spills. • Implementation of a health management system for the operation and maintenance workforce, to ensure it is fit for work and that it will not introduce disease into local communities. • 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. • Provide information, education, and communication about community safety concerning project activities. • Facilitate programmes/measures to ensure appropriate sanitary and medical facilities are available. • Implement environmental management measures for vector control: e.g. monitoring for key vectors; contact avoidance via site selection; focal insecticide and molluscicide application.

¹⁷ Land acquisition and/or restrictions on land use that may result in the physical displacement of people (involuntary resettlement/relocation or loss of shelter) as well as their economic displacement (as loss of assets or access to assets and/or means of livelihood, regardless of whether or not the affected people must move to another location). This includes the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons. Land must be acquired on willing-seller willing-buyer basis.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> • Adoption of a Stakeholder Engagement Plan, as a framework for early and ongoing community consultation. • Implementation of a Grievance Procedure (see Grievance Procedure and Redress Mechanisms guidance note Section in the ESMF). • Works procedures, defining a Code of Appropriate Conduct for all workers, including acceptable behaviour concerning community interactions. • Careful design: e.g. alignment, minimal diversion, timing of works (overall duration and seasonality). • Speed controls and other traffic calming measures to reduce excessive acceleration around settlements/sensitive receptors.
Decommissioning	
Contaminated Land	<ul style="list-style-type: none"> • Get approval from authority before dumping wastes on land • Where possible Treatment of wastes before dumped on land • Promote segregation of biodegradable wastes from nonbiodegradable • Promote recycling of nonbiodegradable wastes. • Ensure that drainage water complies with discharge standards and treat wastewater accordingly. • Materials handling and control procedures, use of storage and containment equipment meeting international standards. • Emergency response plans during production (lead investors/grant recipients and local authorities for RHDs).
Proliferation of waste	<ul style="list-style-type: none"> • Burning of waste on-site or in waste containers should be prohibited. • Wastes should be sorted and separated to encourage the recycling of reusable wastes to reduce the waste volumes for disposal. • Waste management measures should be observed to ensure that all solid waste, fuels, and solvents are stored in banded areas. • Install signage/labels indicating the nature of the stored waste materials on waste storage containers or facilities. Waste storage areas shall be sheltered, paved, and banded for oil containment. • Licensed vehicles and waste handlers to transport waste. •
Hazardous wastes	<ul style="list-style-type: none"> • Licensed vehicles and waste handlers to transport hazardous wastes. • Hazardous wastes should be stored and transported separately without mixing with non-hazardous wastes. • Licensed vehicles and waste handlers to transport waste. • Training of operators on release prevention, including drills specific to hazardous materials as part of emergency preparedness response training. • Implementation of inspection programs to maintain the mechanical integrity and operability of pressure vessels, tanks, piping systems, relief and vent valve systems, containment infrastructure, emergency shutdown systems, controls and pumps, and associated process equipment. • Preparation of written Standard Operating Procedures (SOPs) for filling or other containers or equipment as well as for transfer operations by personnel trained in the safe transfer and filling of the hazardous material, and in spill prevention and response. • SOPs for the management of secondary containment structures, specifically the removal of any accumulated fluid, such as rainfall, to ensure that the intent of the system is not accidentally or wilfully defeated. • Identification of locations of hazardous materials and associated activities on an emergency plan site map.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> • Documentation of availability of specific personal protective equipment and training needed to respond to an emergency. • Documentation of availability of spill response equipment sufficient to handle at least initial stages of a spill and a list of external resources for equipment and personnel, if necessary, to supplement internal resources. • Description of response activities in the event of a spill, release, or other chemical emergency.
Air Emissions and Ambient Air Quality	<ul style="list-style-type: none"> • Use of modern equipment meeting appropriate emissions standards, and regular preventative maintenance. • Dust control and suppression measures, such as dampening, and use of vegetation hedges. • Ensure appropriate manufacturer silencers and baffles are fitted for the specific project machinery. • Enforce vehicle speed restrictions. • Switch off all machinery when not in use. • Cover and/or maintain appropriate freeboard on trucks hauling any loose material such as sand, cement, and bricks that could produce dust during the haulage process. • Vehicle speed restrictions are 20 kph within worksites. • Provide appropriate PPEs (dust masks) to workers to mitigate exposure to air emissions.
Noise and ground vibration generation	<ul style="list-style-type: none"> • accompanied where necessary by noise attenuation measures. • Use of modern, well-maintained equipment fitted with abatement devices (e.g. mufflers, noise enclosures). • Strict controls of the timing of noisiest decommissioning 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. • Sensitise workers on the effects of noise and vibrations through toolbox meetings. • Truck drivers and equipment operators to switch off vehicle engines while offloading materials and when not in use. • Install silencers on heavy-duty equipment like generators, among others to reduce the generated noise levels. • Provide earplugs or earmuffs to workers working in noisy conditions.
Occupational Health and Safety Risks	<ul style="list-style-type: none"> • Lead investors to undertake training of workers on how to use PPEs and why they must use them. Lead investors/grant recipients should enforce the use of PPEs as well as undertake regular sensitization. • Health surveillance – the Lead investors to carry out Health surveillance for all workers to monitor their health status. • Undertake a risk assessment of all tasks before commencement. • Maintain an incidents/accidents log/register and undertake reporting of serious/severe cases to PSFU within 24 hours of occurrence.
Traffic Impacts	<ul style="list-style-type: none"> • The project and subprojects' vehicles and equipment must be in proper working condition and have registration plates and numbering. • The project drivers and operators shall ensure proper driving discipline through the signing of a Special Code of Conduct for Drivers and Operators and sanction those in breach. • Maintain a log detailing every violation and accident on site.
Security	<ul style="list-style-type: none"> • 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.

Indicative Impact	Impact Mitigation Commitments to be adopted by grant recipients
	<ul style="list-style-type: none"> Require Security personnel to act within the applicable law and any requirements set out in the ESCP.
Community Health, Safety, and Security	<ul style="list-style-type: none"> Emergency Preparedness and Response; the subproject should identify and implement measures to address emergency events such as fire, explosions, leaks, spills. Implementation of a Grievance Procedure (see Grievance Procedure and Redress Mechanisms guidance note Section in the ESMF). Works procedures, defining a Code of Appropriate Conduct for all workers, including acceptable behaviour concerning community interactions. Speed controls and other traffic calming measures to reduce excessive acceleration around settlements/sensitive receptors.

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.

6.3 Inclusion and non-discrimination of vulnerable and disadvantaged individuals or groups

This 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 11). 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 nondiscrimination.”

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 projects staff in assessing and addressing exclusion risk Project staff inability to ensure vulnerable or marginalized individuals or groups participation in public consultations
- iv. 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.
- v. What measures will be put in place to ensure job security for persons hired by the project?
- vi. What measures will be taken to ensure the safety and security of vulnerable or marginalized individuals or groups?
- vii. Around community safety and there needs to be a long-term consideration to be included in the mitigation measures.
- viii. Fear that people will not participate in projects because of lack of trust.
- ix. 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?
- x. 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 organization is expected to work with NGO/CSOs and country-based development partners in implementing these mitigation measures.

Specifically, the organization 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 organization 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 organization will provide is found in Annexes 11 and 12.

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 organization to ensure all measures are implemented and all reported incidents are shared with the Bank and addressed in a timely fashion.

7 PROCEDURES TO ADDRESS ENVIRONMENTAL AND SOCIAL ASSESSMENT ISSUES

This section defines steps, actions, and responsibilities for screening potential environmental and social (E&S) issues, classifying risk levels, and undertaking the appropriate Environmental and Social Assessment, including applicable E&S instruments. The classification of each sub-project under the appropriate environmental and social risk category will be based on the provisions of the World Bank ESS1, Assessment and Management of Environmental and Social Risks and Impacts, and this will be reviewed throughout project implementation. The screening will also be compliant with Uganda's National Environment Act N^o.5 of 2019, especially Section 113, which provides for Projects Categorization.

7.1 Environmental and Social Assessment Process in Uganda

The key guidance for environmental and social assessment in Uganda includes 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 under Section 112 and Schedule 4 of the Act; (ii) an environmental and social impact study is required to be undertaken under 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, the 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).

7.2 Key Steps in the Environmental and Social Assessment Process for INVITE Project

This section and Annex 2 illustrate the steps involved that the lead investors/grant recipients will undertake under subcomponent 2.3 and Component 3 during environmental and social assessment. It also includes E&S management processes as per Ugandan regulations, and World Bank ESF, Project ESCP and this ESMF. This section will also guide in the review and approval of environmental and social assessments for the INVITE subprojects' activities.

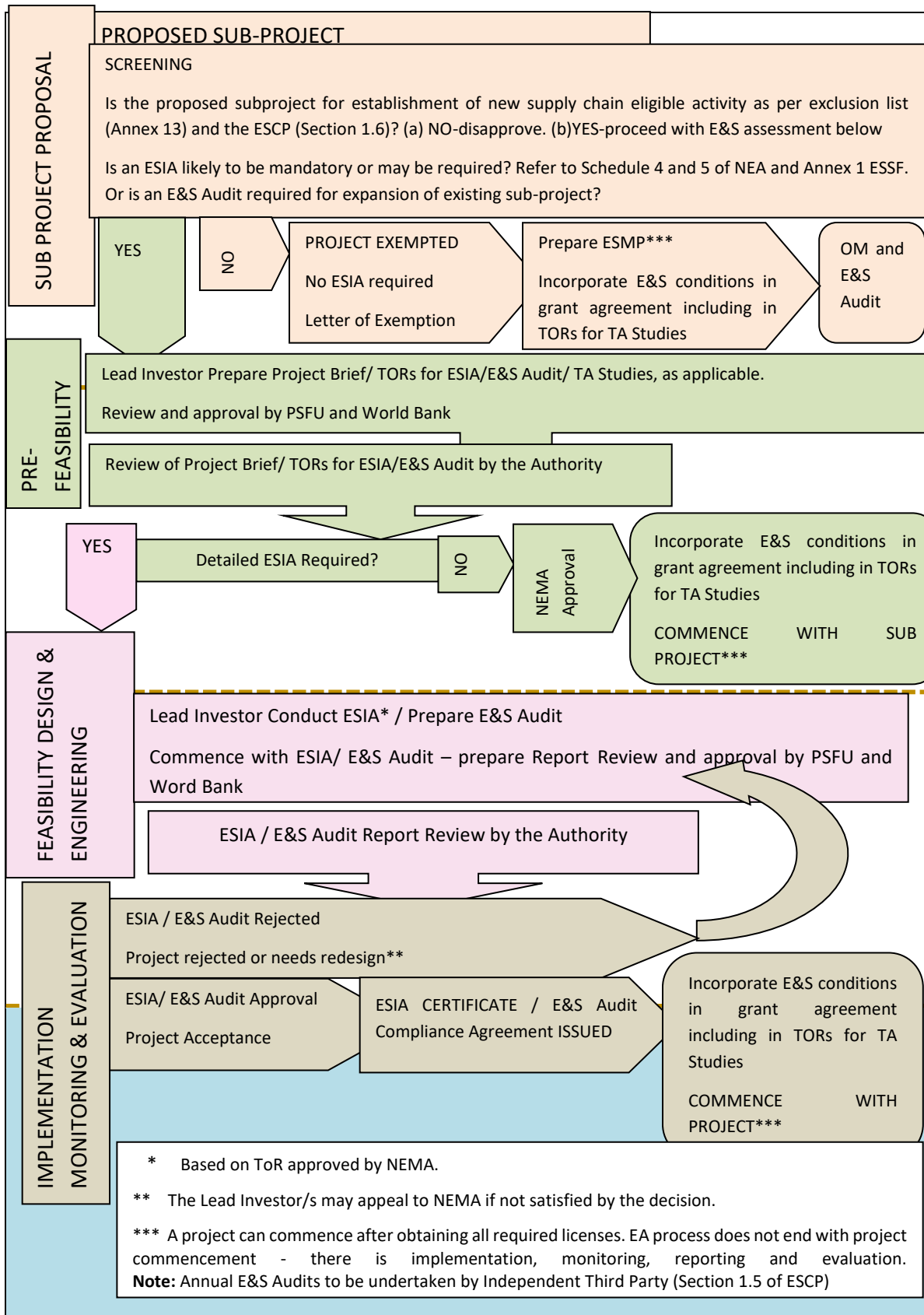


Figure 7.1: Illustration of the Environmental and Social Assessment Process for subcomponent 2.3

7.2.1 Step 1: Screening of Project Activities and Sites

a) E&S screening under Supply Chain in RHDs – subcomponent 2.3

Environmental and social screening is undertaken by PSFU to anticipate the likely E&S risks and to facilitate early identification of potential impacts and consequently guide on the needed level and form of assessment commensurate with the importance of possible impacts. It is recommended that application process, investor eligibility criteria, sub-project selection criteria under section 1.3, and related procedures incorporate E&S screening as part of the process to consider and/or award firms under subcomponent 2.3.

The initial application screening shall be based on the Eligibility Criteria following the List of Excluded Activities under Annex 13. Any sub-project activity listed under Annex 13 will be considered ineligible for project financing and will be rejected at this stage. Further E&S screening shall be conducted during the project eligibility screening of sub-project activities that pass the initial Eligibility Criteria screening using the E&S screening form in Annex 1. The E&S screening form establishes a Project’s Environmental and Social Risk Classification, form and level of assessment required for subprojects, and establishes the existing ESHS Capacity and past performance of the grant applicant.

Table 7.1: Subproject E&S screening process

Step	Screening process
1.	Consideration and shortlisting respective grant applications against the E&S exclusion list (annex 13) and Section 1.6 of the ESCP
2.	Subjecting the subprojects to the project eligibility criteria for E&S Risks and Impacts using the E&S screening form (annex 1)
3.	Assigning environmental categories and the required level of E&S assessment to the respective grant proposals using the World Bank ESF and NEA-2019 schedules 4 & 5

Preparation, review and approval of required E&S instruments including ESIA, project briefs, ESMPs and E&S Audits shall be done based on the recommended instruments after E&S screening. Technical review and clearance shall be undertaken by PSFU and/or World Bank. Statutory approval of the required E&S instruments will be done by the regulatory bodies and respective district local governments. The E&S assessments/verification shall be undertaken as part of subprojects application process.

b) E&S Screening under the Export Firm Support (EFS) – Component 3

Component 3: Enhancing Capabilities in Public Institutions and Private Firms will provide Technical Assistance (TA) and hands-on capacity building to a set of institutions. For example, the Export Firm Support (EFS) will fund hands-on support to the Uganda Investment Authority (UIA) and the Uganda Free Zone Authority (UFZA).

The EFS will also provide technical assistance to potential exporting MSMEs aligned to the manufacturing sector and value addition. The EFS will support a formal private business entity, legally established and

headquartered in Uganda, with established business interests in the manufacturing and semi-manufacturing sectors. The program will support MSMEs that are potential exporters or currently exporting with interest in increasing market share or exporting new products and or quality niche products.

Technical Assistance will be provided to MSMEs involved in exporting or manufacturing products that are not on the list of ineligible products or engage in excluded activities and ineligible products provided in Annex 13. Exporting MSMEs shall be screened to ensure that they have relevant and valid E&S certificates, permits, licenses, authorizations, and consent as part of the eligibility criteria outlined in section 1.3.2.

The terms of reference, work plans, or other documents defining the scope and outputs of Technical Assistance (TA) activities will be drafted with appropriate E&S requirements to ensure that the applications are consistent with comply with NEA (2019), the applicable ESSs, and the World Bank Guidance Note for TA (2019). TA provision should include: information on National EHS regulatory requirements, good practices on EHS management, understanding and managing EHS financial risks and capacity building on EHS management. Applications falling under the category of E&S excluded activities/ineligible products will be rejected. The applications shall be reviewed and cleared by the E&S team of PSFU. Where necessary, the relevant measures shall be specified to address the E&S risks that may be associated with applicant SME proposals.

7.2.2 Step 2: Assigning Appropriate Environmental and Social Risk Classification

In summary, the PSFU E&S team, using the Project Eligibility Review tool as prescribed in the POM, will assign the appropriate environmental and social category to the sub-project based on WB E&S classification criteria and the national (NEA, 2019) criteria for categorization. At this stage, if the subproject is classified as SUBSTANTIAL risk the subproject will be deemed to require a full ESIA for the establishment of new supply chains or an independent audit for the expansion of existing supply chains. These E&S risk assessments and management studies shall be undertaken by National Environment Management Authority (NEMA)-registered practitioners based on the World Bank's ESF and Uganda's NEA 2019. These will be facilitated by the lead investors/grant recipients.

Subprojects categorized as moderate risk for the establishment of new supply chains, the lead investors will be required to undertake a Project Brief/ ESMP or an E&S Self Audit for the expansion of existing supply chains consistent with the NEA (2019) and ESF requirements. These shall be undertaken by registered NEMA practitioners and facilitated by the lead investor/grant recipient. This shall be reviewed and approved by PSFU and WB. For subprojects categorized as low-risk, the lead investors/grant recipients will not be required to undertake an ESIA but will be required to carry out E&S screening and where necessary adopt specific mitigation measures.

Where necessary, the E&S Risk Classification of sub-projects under implementation may be adjusted based on the adaptive principle of ESS-1, between Low – Moderate – Substantial. E&S risks of subproject activities shall be continuously be assessed and rated based on their compliance level and impacts during implementation. The high-risk subprojects are excluded based on the exclusion list (Annex 13 and section 1.6 of the ESCP).

Substantial ESRC: The ESF classifies all projects into four classifications of Environmental and Social Risk Categorization (ESRC): *High Risk, Substantial Risk, Moderate Risk, or Low Risk.* *_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.

The screening based on the GoU requirements results in the following levels of assessments

- A high-risk project requires full ESIA, or a Comprehensive Compliance E&S Audit undertaken by NEMA Registered E&S Practitioners, with multisectoral monitoring by government agencies.
- A substantial Risk project requires a full ESIA or Independent E&S Compliance Audit both undertaken by NEMA-registered E&S practitioners;
- Moderate Risk project requires a simplified ESIA called a Project Brief/ ESMP, or an E&S Self Audit undertaken by Registered E&S Practitioners.
- A low-risk project requires no ESIA but compliance with General Procedures of Good International Practice in Environmental Management in the form of an environmental management plan.

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 nondiscrimination and inclusion in accordance with Article 21, including circulars issued by the GOU included in Annex 11.

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.

7.2.3 Step 3: Carrying Out Environmental and Social Assessment

The subprojects for the establishment of new supply chains which fall under *MODERATE* risk classification will be required to prepare ESMPs/ Project Briefs during Implementation by registered NEMA practitioners, following the Format/Content provided under Regulation 6 of the ESIA Regs (2020) <https://www.nema.go.ug> and consistent with the requirements of relevant WB ESSs. *SUBSTANTIAL* risk classification subprojects for new supply chains will be required to undertake a detailed/Full ESIA in line with ESS1 and Regulation 12 of the ESIA Regs (2020) under NEA 2019 (Schedule 5). Uganda ESIA Regs (2020) refer to the full ESIA as the Environmental and Social Impact Statement (ESIS) under Regulation 15. Preparation of an ESIS starts with E&S Scoping in line with Regulation 13 and consistent with ESS1. The Scoping Exercise is used to develop TORs which shall be submitted to PSFU and NEMA for review and approval before commencement of the ESIA process. Annex 6 provides a sample of generic TORs that can be customized to specific subprojects of ESIA during the implementation stage in line with Regulation 14 of ESIA Regs (2020). Existing production facilities for expansion of existing supply chains shall be required to undertake Environmental and Social Audits as part of their Application Package/s. Annex 14 provides the Generic Content of an E&S Audit report based on the Uganda National Environment (Audit) Regulations 2020.

The Lead Investors/grant recipients will be responsible for the preparation of their respective supply chain' ESIA/PB/ESMPs and E&S Audits for their projects. PSFU will review in consultation with the WB before submission to NEMA for approval. For expansion of supply chain proposals with already approved ESIA/BFs and ESMPs, they will have to be updated in line with the developed INVITE E&S instruments including ESMF, Labour Management Procedures, Stakeholder Engagement Plan, and Resettlement Policy Framework.

ESMPs and work plans developed by the lead investors for sub-projects shall have to integrate E&S instruments to demonstrate efficiency in managing E&S risks and impacts of activities financed under the INVITE funding. Implementation of the ESMPs and work plans will be the responsibility of the Lead Investors. PSFU will be responsible for monitoring E&S compliance during the implementation of sub-projects.

7.2.4 Step 4: Carrying Out Public Consultations and Disclosure

The lead investors/grant recipients under subcomponent 2.3 shall undertake consultations as part of the E&S assessment and/or audit process and the views of stakeholders (host communities, refugees, public and ministries, departments, and agencies) shall have to be included in the ESIA and/or E&S Audit report and/or Project Brief (ESMP). The Lead Investors/Grant Recipients will interact closely with beneficiary

refugee hosting communities, Refugee Hosting Districts Local Governments, PSFU, and development partners right from the initial stages of the subprojects' eligibility review and screening on a continuous and periodic basis for developing and implementing the respective project ESIA, ESMPs or E&S Audit Compliance Agreements. For this purpose, public awareness drives shall be organized by lead investors/grant/loan recipients in close collaboration with PSFU, the regional refugee desk, and respective local governments within the subprojects' sites. During the public consultations, the lead investors/grant/loan recipients will ensure that accurate information is given about the subprojects and their possible environmental and social impacts and mitigation measures to address them. The opinions/views of host communities, and refugee hosting districts, development partners, and MDAs shall be incorporated in the respective ESIA and ESMPs, E&S Audits, and subsequently implemented.

7.2.5 Step 5: Review and Approval

Following an internal review of the ESIA, PB/ESMP, or E&S Audit report by the respective implementing agencies, PSFU and WB, these shall be forwarded to NEMA for final review and decision (approval or disapproval). If the NEMA 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 subproject, by issuance of an ESIA Certificate of Approval or an E&S Audit Compliance Agreement and Schedule for the subproject under a particular supply chain.

Upon approval, the conditions of ESIA certificate, recommendations in the ESMP, E&S Audit/ compliance agreements should be incorporated as part of E&S terms and conditions in the grant agreements. The eligibility and selection criteria provided in section 1.3.1 will form part of the E&S terms and conditions in the grant agreements.

7.2.6 Step 6: Environmental and Social Monitoring and Reporting

Environmental and social monitoring aims at checking the effectiveness and relevance of the implementation of the proposed mitigation measures and/or E&S Compliance Schedule (E&S Corrective Action Plan). Monitoring and reporting exercises, including reporting of incidents shall be undertaken in sequences and frequencies stipulated in the ESCP, ESIA, PBs/ESMPs, Compliance Agreements, and Schedules, in accordance with the guidance provided under Section 8.3. PSFU E&S Specialists and the Local Governments will undertake quarterly monitoring missions as required by INVITE ESCP and the National Environmental Act (Section 122). It is critical to note that NEMA has a regulatory and coordinating role in monitoring compliance with permits, standards, regulations, and all approval conditions.

If engaged, E&S management plans shall be prepared by the respective lead investors, building upon ESMP/s or E&S Audit reports prepared for each sub-project as part of respective designs that shall be drawn for implementation. In addition, the subprojects aimed at expanding supply chains shall be required to update their Operational ESMPs or Compliance Schedules to incorporate applicable E&S mitigation measures.

PSFU shall identify a third-party monitor (Independent individual or firm) to undertake Environmental and Social Audit(s) under the Project. The third-party monitor shall undertake annual Environmental and Social

Audits, intended to complement, and verify the monitoring of environmental and social risks and impacts of the Project.

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 is reported. The scope, detailed activities as well as roles and responsibilities of the Enhanced Implementation Support and Monitoring are contained in Annex 12.

7.3 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 E&S instruments: The Resettlement Policy Framework (separate), Stakeholder Engagement Plan (Separate), Labour Management Procedures (LMP) (Annex 3), and Chance Finds Procedure (Annex 4), as appropriate for the project.

7.3.1 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 a summary of stakeholder consultations undertaken as part of the preparation of the ESMF.

7.3.2 Labour Management Procedures

The Labour Management Procedure has been developed to set how subproject wage workers will be managed under the requirements of Uganda Labour and Employment Laws and the World Bank's Environmental and Social Standard 2 (ESS2) – Labour and Working Conditions. The Labour Management Procedures (LMP) apply to project workers including full-time, part-time, 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 i.e. and the project implementing agencies) to work specifically concerning 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 lead investors among others;
- c. People employed or engaged to provide community labour (*community workers*) as that term is identified in paragraphs 34-38 of ESS2; and
- d. People employed or engaged by the 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 Labour Management Procedure (LMP) has been developed to manage labour risks during the implementation of the INVITE project. Details of LMP are in Annex 3 herein.

7.3.3 Chance Finds Procedure

A Chance Finds Procedure to guide management of any accidental discoveries of historical-cultural resources in the process of implementing the sub-project has been provided under Annex 4.

7.3.4 Grievance Redress Mechanism

This section provides guidance on the operation of a Grievance Redress Mechanism (GRM) for the project. GRM provides an avenue for expressing concerns and achieving remedies for communities, Refugees, grant recipients. It promotes mutually constructive relationships and enhances achievement of the project development objective. It provides a grievance reporting platform for communities and individuals who believe they are adversely affected by the project.

In summary and consistent with international standards, the GRM includes the following five-step procedures that will be adopted at the various levels:

- Step 1: Receipt and Registration

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

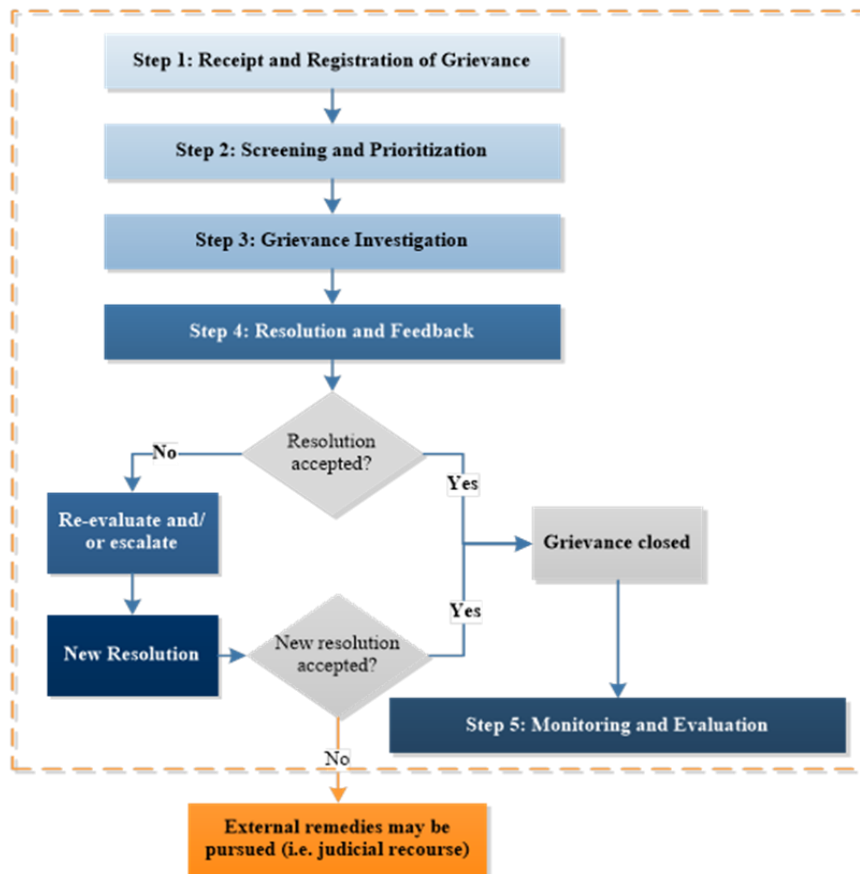


Figure 7.2: The Process Flow Chart of Grievance Redress Mechanism (GRM)

Complaints related to fraud and or corruption will be handled by the Inspectorate of Government (IG), who will involve judging authorities where required.

The INVITE GRM will be implemented at various levels including the following:

A. Community-level Grievance Redress Committee (Host Communities)

The Community Level Grievances Redress Committee (CL-GRC) will be the first level GRC committee to handle grievances and concerns raised at the community level within the hosting communities. This committee shall be coordinated by the Parish Chiefs. Other committee members will include the respective LCI Chairpersons, Representatives of selected Lead Investors, and Para social workers where they exist. The LCI chairpersons will be ex-officials while the parish chiefs will be permanent members and will be the committee chairperson. The committee will be set up at the parish level with cell/village representation by the LCI Chairpersons. The composition of the committee will be as follows:

1. Parish Chief – Secretary
2. Para social worker.
3. LCI Chairpersons
4. Representatives of Lead Investors
5. Wage labourers' representatives
6. INVITE E&S team (non-permanent member)

The INVITE E&S team shall serve as non-permanent members but as Ex-Officials to the committee. At the community level, the GRC particularly the parish chiefs, representatives of lead investors, workers' representatives, and LCIs will be permanent on the host community GRC. These shall resolve complaints directed to them. The grievances associated with the INVITE project under subcomponent 2.3 may include the following;

Social related grievances

1. Social tensions between host communities and refugees
2. Discrimination against female-owned firms
3. Discrimination based on gender, race, sexual orientation, age, socioeconomic class
4. Inadequate stakeholder engagement
5. Exclusion from the project due to vulnerability
6. SEA/SH related risks
7. GBV/VAC-related risks
8. Child labour
9. Work overload/overtime
10. Unfair dismissal
11. Delayed payment/missed payment period of wage workers
12. Unfair competition/application process
13. Discrimination against refugees
14. Unfair land transactions for willing seller/willing buyer
15. Restriction from accessing private land/property
16. Fraud/Corruption

Environmental related grievances

17. Noise/air pollution
18. Poor waste management by investors' production facilities
19. Health and safety at work
20. Accidents

B. Refugee Settlement Grievance Redress Committee

The Settlement Level Grievances Redress Committee (SL-GRC) will be the second level GRC committee to handle grievances and concerns and will be set up within the Refugee Settlements/communities. The committee shall be coordinated by the Settlement Assistant Commandant. Other committee members will include the respective refugee welfare committee chairpersons, parish chiefs, sub-county CDOs, the INVITE E&S team, and the representatives of lead Investors as ex-officials. The composition of the committee will be as follows:

1. Assistant Commandant-Chairperson
2. Refugee Welfare Committee Chairpersons.
3. Parish chief
4. Sub-county CDO
5. Lead investor representatives
6. INVITE E&S team

C. Sub-county Level Grievance Redress Committee

The Sub-County Level Grievances Redress Committee (S/C-GRC) will be the third-level referral committee to handle grievances and concerns referred from hosting communities and refugee settlements. This committee shall be led by the sub-county Senior Assistant Secretary (SAS) and the CDO as the Secretary. Other opted members will include LCIII chairpersons as representatives of host communities, production officers, commercial officers, natural resources officers, and probation & welfare officers among others. The sub-county SAS will be the Chairperson of the Committee while the CDO will be the Secretary.

The INVITE E&S team and representatives from the lead investors shall serve as non-permanent members but ex-officials to the sub-county committee. At the sub-county level, the GRC will be tasked with the following key tasks.

1. Addressing grievances as either referred by lower-level committees or lodged by individuals, refugees, or groups in exceptional circumstances;
2. Sensitizing host communities and refugees and their respective GRC committees on GRM;
3. Hold meetings as and when grievances are referred;
4. Ensure that handling of grievances is under the INVITE guidelines, national legal frameworks, and World Bank E&S procedures;
5. Maintain a database of referred and registered grievances;
6. Coordinate with relevant local government departments and civil society organizations in handling and resolving grievances/concerns and;
7. Where necessary undertake investigations and site visits to assess issues.

Any of the above types of complaints that cannot be resolved at the sub-county level shall be compiled and forwarded to the district level GRC under the District Community Development Officer for further review and resolution within 2 weeks.

D. District Level Grievance Redress Committee

The fourth level GRC referral committee at the district. This committee shall be led and chaired by the District Chief Administrative Officer (CAO) in the respective districts with various focal persons from the respective sectors and chairpersons of respective social protection and welfare committees at community levels. The district committee will have the following members:

1. DCDO team Leader-Secretary
2. CAOs Office Representative-Chair
3. Labour officer
4. Commercial officer
5. Refugee Desk
6. Lead investor representative
7. INVITE E&S team.

The representative from the Lead Investor and INVITE E&S team shall serve as non-permanent members but ex-officio to the committee.

Overall, the INVITE E&S team shall provide an oversight role to all the committee and ensure that all stakeholders at national levels are updated on the implementation of GRM activities by various GRCs.

E. PSFU PIU GRC level

PSFU INVITE will establish a GRC at the Project Implementation Unit (PIU) level. The PIU GRC will be composed of five members:

1. Project Coordinator (Chair)
2. Social Development Specialist (Secretary)
3. Environment Specialist (Member)
4. Refugee Specialist (Member)
5. CAO (representing the PAP District)

The PIU GRC will work with the relevant stakeholders at various levels including OPM-Department for Refugees, Regional Refugee Desk, Local Governments for Refugee Hosting Districts and Refugee Settlements to ensure that the GRM is integrated with structures for host communities and refugee settlements. The INVITE GRM will also have a Management Information System that allows the submission of grievances and concerns online through the INVITE project web portal. In case the PSFU INVITE PIU GRC, for any reason, does not appropriately respond to all received grievances and complaints, the grievance shall be referred to the National Level GRC described below.

F. National Level GRC

The Project will establish a GRC at National level. The National GRC will be composed of seven members drawn from National Steering Committee:

1. Permanent Secretary/Secretary to Treasury (Chair)
2. MoFPED/ Economic Development Policy and Research Department (Member)
3. PSFU (Secretary)
4. BOU/INVITE Trust (Co- Secretary)
5. OPM (Member)
6. MTIC (Member)
7. MoGLSD (Member)

This is the last level grievance resolutions before referral to the National Courts of Law.

G. Workers' Grievances Management Committees and Structure

In line with the provisions of ESS2 and ESS10, the PSFU and implementing entities will establish an accessible and functional Worker Grievance Mechanism for all categories of workers described in the LMP (Annex 3). All workers will have the liberty to communicate their grievances to their direct employer, and/or to PSFU and WB. Grievances shall be communicated by complainants verbally or using a telephone (Hotline to be established), email, or letter to either or all the entities. 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 Workers' GRC will be composed of;

1. The chairperson
2. Vice-chairperson
3. Secretary

4. Women's representative
5. Representative from respective work unit

It will be the duty of the project-implementing agency to work closely with its Lead investors 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; toolbox talk meetings, email, strategically located suggestion boxes, site emergency contact numbers, and 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. The 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 the 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.

H. INVITE Web-based GRM

INVITE has developed a web portal that the project Grievance Redress Mechanism will utilize for the online submission of grievances, complaints, and concerns. INVITE web-based grievance/complaint submission will provide a drop-down menu for the type of grievance/complaint for easy capturing of the details about the user and complaint. It will also have a section on the details of the complainant or if they prefer to remain anonymous.

The system will have a grievance registration form that has a similar outlook to the hard copy of the grievance/concern registration form to make input of relevant information easy for the users. In addition, the system will have an option allowing attachments where users fill in grievance forms or write on a paper and submit an attachment. All data entered/attached shall be received on the central dashboard and validated automatically by the system with a provision built into each of the data input controls. For instance, data on any grievance or concerns shall not be posted to future periods and data formats shall be coded in the format of dd/mm/yyyy. In addition, users shall be able to follow logically each of the grievance/concerns forms or attachments submitted. After centrally receiving the grievance form or an attachment, the users will be able to request feedback for purposes of checking whether the grievance/complaint/concern was received and for its completeness. The grant applicants for both components will be encouraged to utilize the web-based GRM to register their complaints right from the call for proposals to the disbursement of funds phase.

I. 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 to address project-related concerns. Project-affected communities and individuals may submit their complaints to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, because of WB's 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 allowed 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

7.3.5 Land Acquisition

Business investment applications under subcomponent 2.3 that involve land acquisition and/or restriction on land use resulting in involuntary resettlement or economic displacement will not be eligible for funding as stipulated in INVITE ESCP¹⁸. The Lead investors will be required to present proof of land ownership and availability, without encumbrances, for purposes of sub-project activities and PSFU will undertake due diligence.

7.3.6 Emergency Preparedness and Response Plan

The purpose of this plan is identification, assessment, and providing basic information and guidance for response to emergencies by the lead investors. This provides generic guidance to be customised and adopted in each emergency situation. The emergencies may include human-caused events such as fires, spills, explosives, ground water poisoning etc.; or natural event/disaster - floods, quake earthquake, landslides, lightning etc.

While it is recognized that all situations cannot be covered, the overall guidance is for the subprojects to provide documented systems, tailored for the type of anticipated emergencies specific to the activities to be undertaken, drills, and evacuation procedures as well as how to communicate them to the required people.

This Emergency Plan applies to subcomponent 2.3. PSFU will support the lead investors in drafting and setting up the Plan where applicable, but the ultimate responsibility for its development and enforcement lies with the respective lead investors/grant recipients.

¹⁸ Land acquisition and/or restrictions on land use that may result in the physical displacement of people (involuntary resettlement/relocation or loss of shelter) as well as their economic displacement (as loss of assets or access to assets and/or means of livelihood, regardless of whether or not the affected people must move to another location). This includes the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons. Land must be acquired on willing-seller willing-buyer basis.

Any emergency, serious injury, or dangerous occurrence must be notified or reported immediately to the health and safety officer for the lead investor.

7.3.7 Vulnerable Groups

Vulnerable groups within the host and refugee communities affected by the subprojects will be mapped, identified, and consulted during Environmental and Social Assessments in the case of establishment of new supply chains or updating of ESIA/ESMPs under the expansion of existing supply chains. Vulnerable stakeholders shall require an open and inclusive approach to engagement that provides them with suitable opportunities to participate and voice their concerns. Some vulnerable stakeholders will need targeted interventions due to the factors that define their vulnerability. Appropriate engagement approaches such as Focus Group Discussions (FGDs), home visits, Key Informant Interviews, emails, talk shows etc., may be applied to ensure effective participation and relevant feedback from the vulnerable groups. These methods will be selected based on the target group provided in Table 7.2.

Identification of vulnerable groups by the grant recipients will be a continuous process due to their disadvantaged status. The grant recipients shall adopt specific and proactive engagement measures for these groups. The outcomes of the various socio-economic baseline and impact studies identified the following potentially vulnerable groups as could be within or near the project’s area of influence (Table 7.2).

Table 7.2: Uganda Vulnerable People Groups

Conflict related	Demographic categories	Poverty related
<ul style="list-style-type: none"> ❖ Refugees ❖ Internally displaced Persons ❖ War orphans ❖ Abductees ❖ Households living near conflict zones. 	<ul style="list-style-type: none"> ❖ Asset- less widows and widowers; ❖ Orphans and abandoned children; ❖ Female-headed households; ❖ Child-headed households; ❖ People with disabilities [PWD) ❖ The chronically sick; ❖ HIV/AIDS infected and affected persons; ❖ Victims of domestic violence; ❖ Ethnic minorities; ❖ Street children 	<ul style="list-style-type: none"> ❖ Urban and rural poor; ❖ Urban unemployed; ❖ Low paid workers ❖ Informal sector workers ❖ Beggars ❖ Squatters ❖ Landless ❖ Nomadic pastoralists Peasants ❖ Plantation workers ❖ Unemployed Youth

Source: The National Equal Opportunities Policy, 2006, -MoGLSD-Kampala.

8 ESMF IMPLEMENTATION FRAMEWORK DETAILING PROJECT IMPLEMENTATION ARRANGEMENTS, RESPONSIBILITIES, AND CAPACITY BUILDING

8.1 Institutional Arrangements

The INVITE project i.e. subcomponent 2.3 and component 3 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 Labour 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 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 will be 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. The PACR will be an independent committee working outside the orbits of the PSC and advising specifically on the implementation of the RHD component of INVITE.

IDA will provide oversight, guidance, and technical support for project implementation. Periodic project implementation support missions and reviews will be undertaken for the purpose. The Bank will also monitor compliance with financial management, procurement, environmental, and social safeguard measures.

The project is being implemented by MoFPED through an INVITE Trust, BoU, and PSFU. Specifically, PSFU will implement subcomponent 2.3 and component 3 through the PSFU Project Implementation Unit (PIU) comprised of a Project Coordinator, an Environmental Specialist, a Social Development Specialist, a Refugee Specialist, a Gender Specialist, a Component Manager, a Procurement Specialist, Financial

Management Specialist, M&E specialist, IT officer, an Accountant, Communication Specialist. The staff will be responsible for managing the day-to-day activities of project implementation of the components:

- (i) project administration, reporting, monitoring and evaluations, etc.
- (ii) Procurement, participant in Grant agreement management, e c. ;
- (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 a secure web platform.

Project Implementation Structure

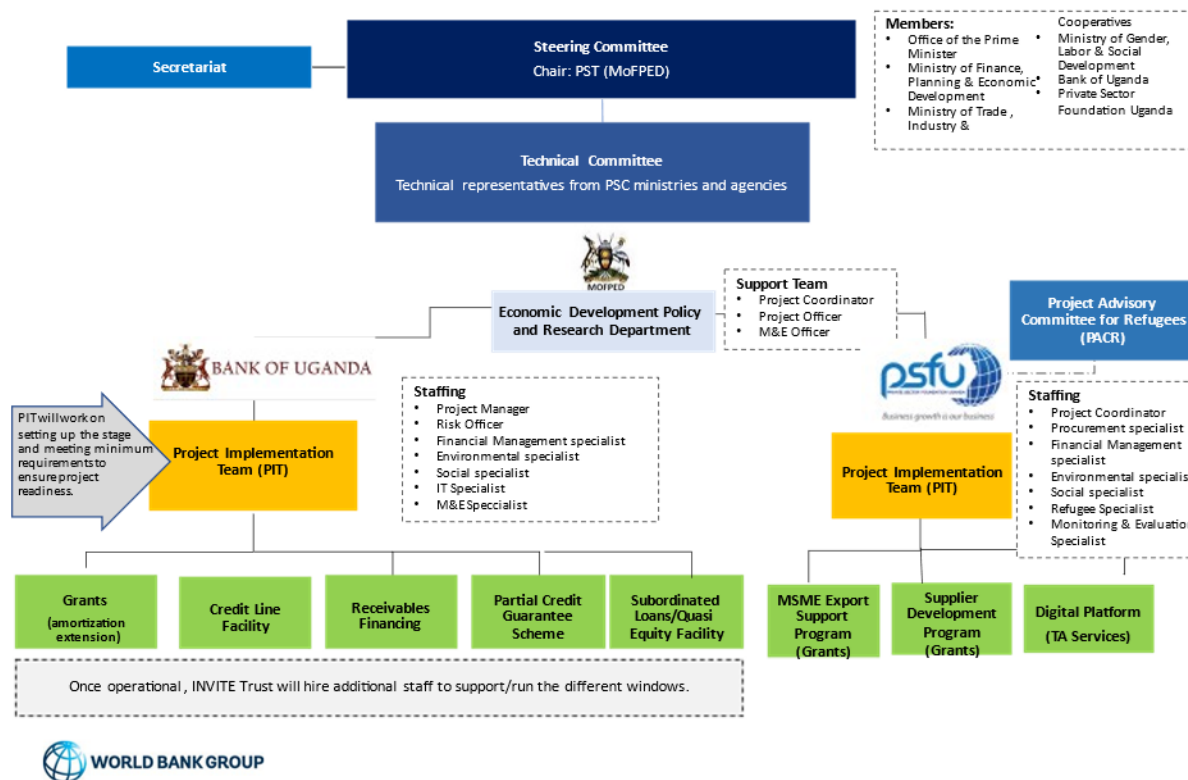


Figure 8.1: Project Implementation Structure

PSFU, as appropriate, will undertake overall coordination of the E&S requirements for subcomponent 2.3, component 3 and subcomponent 4b including engagement with national statutory institutions; such as NEMA, National Forestry Authority (NFA), Uganda Wildlife Authority (UWA), Ministry of Water & Environment, Ministry of Trade and Industry, Uganda Export Promotion Board (UEPB), Uganda National Bureau of Standards (UBOS), Uganda Investment Authority (UIA), Uganda Free Zone Authority (UFZA), Uganda Microfinance Regulatory Authority (UMRA), Uganda Warehouse Receipts Authority (UWRSA), Ministry of Gender Labour and Social Development (MoGLSD), Ministry of Lands and Urban Development,

Ministry of Agriculture, Animal Industry and Fisheries, Ministry of Local Government, District Local Governments, lead investors, host communities and refugee settlements among others. The roles and responsibilities of the above institutions are summarised in section 8.2 below.

8.2 Roles and Responsibilities in the Implementation of the ESMF

PSFU is the lead coordination entity for the INVITE project and has the responsibility for day-to-day operations and overall project coordination. PSFU will coordinate with NEMA and the respective host district local governments to ensure that the relevant WB ESSs and Project ESCP requirements are complied with and that the prepared environmental and social risk assessment and management instruments such as ESIA, ESMPs, and other related instruments are prepared, disclosed and implemented by the grant recipients throughout the lifecycle of the Project.

PSFU shall put in place the following instruments and actions in compliance with the requirements stated in the INVITE Project ESCP (December 2021):

- i. PSFU shall prepare, consult upon, adopt, and publicly disclose an ESMF and other framework documents (Labour Management Procedures, Vulnerable and Marginalized Groups Framework, Stakeholder Engagement Plan and Resettlement Policy Framework insofar it relates to project components managed by PSFU) to manage Project E&S risk and impacts; these instruments can be stand-alone or combined into one document.
- ii. Consistent with the ESMF and other framework documents referred to in (i) above, PSFU shall incorporate appropriate E&S clauses in all grant agreements, including ESHS conditions, to ensure that grant recipients develop and implement subproject E&S instruments to manage E&S risks and impacts of activities financed from the IDA funds as defined in the PSFU ESMF (which does not cover PFIs).
- iii. Ensure grant proposals under subcomponent 2.3 are screened for E&S risks as provided for in ESMF and corrective action plans put in place to mitigate E&S risks and impact of the MSMEs.
- iv. Ensure the relevant WB ESSs are complied with and that risk assessment and management instruments, such as ESIA, ESMPs, and other related instruments are prepared and disclosed by grant recipients.
- v. Supervise ESHS aspects during grant implementation.
- vi. Conduct quarterly monitoring and reporting on compliance of grant recipients with E&S requirements and provide annual E&S reports to the World Bank (grant recipients will need to report to PSFU to enable this).
- vii. Provide training and capacity building on EHS requirements etc.
- viii. Contract and supervise third party monitoring.
- ix. Ensure Component 3 TA activities are done in way to meet ESMF and Project ESCP requirements.

PSFU will take the lead role in implementation of its components, while other institutions will play statutory mandates as summarised in Table 8.1 below.

Table 8.1: Institutional Roles and Responsibilities for Environmental and Social Management under INVITE Project

No.	Organization	Mandate/ Responsibility
	Ministries	
1.	The Ministry of Finance, Planning and Economic Development (MoFPED)	<p>Mandate: 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 reports on compliance with sector and national objectives.</p> <p>Implementation role: Chair and coordinate the Project Steering Committee (PSC) i.e. by the Permanent Secretary/Secretary to the Treasury (PS/ST) of the Ministry of Finance, Planning and Economic Development (MoFPED).</p>
2.	Office of the Prime Minister (OPM)	<p>Mandate</p> <ul style="list-style-type: none"> i. Coordinate the Monitoring and Evaluation of the implementation of Government Policies and Programmes. ii. Coordinate the implementation of Government Policies, Programmes, and Projects including JAF Indicators and actions and PIRT decisions through the National Institutional Coordination Framework. iii. Coordinate and provide public relations to ensure good Government image, effective coverage of national events, communication of policies/practices, and defining the ideal National Character and Values for Development iv. Coordinate the development of capacities for prevention, preparedness, and response to natural and human-induced Disasters and Refugees. v. Coordinate and monitor the implementation of Special Government Policies and programs for Northern Uganda, Luwero-Rwenzori, Karamoja, Bunyoro, and Teso Affairs. <p>The office of the OPM is very key in the INVITE project and has been involved with the World Bank as part of the preparation appraisal document.</p>

		In line with function vi, OPM will be helpful in the coordination and implementation of subcomponent 2.3 of the INVITE Project
3.	Ministry of Trade, Industry and Cooperatives (MTIC)	<p>Mandate: Oversees the operations of the following semi-autonomous institutions;</p> <ul style="list-style-type: none"> i. Uganda National Bureau of Standards – UNBS ii. Management Training and Advisory Centre – MTAC iii. Uganda Export Promotion Board – UEPB iv. Uganda Industrial Research Institute – UIRI vi. Uganda Commodity Exchange – UCE vii. Uganda Development Cooperation – UDC viii. Uganda Warehouse Receipt Authority – UWRSA ix. Uganda Cleaner Production – UCPC x. Textile Development Agency – TEXDA <p>Implementation role: Some of these institutions under the ministry will be instrumental in the implementation of the project.</p>
4.	Ministry of Gender, Labour, and Social Development	<p>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.</p> <p>Implementation role: Supervision mainstreaming issues of OHS, gender, HIV/AIDS, and issues of child labour as well as employment issues in the project through the Community Development Officers.</p>
5.	The Ministry of Water and Environment (MoWE)	<p>Mandate: To promote and ensure the rational and sustainable utilization, development, and effective management of water and environmental resources for the socio-economic development of the country.</p> <p>Implementation role: To regulate water resources utilization and wetlands management through DWRM and DEA, respectively.</p>
6.	District Local Governments	<p>Mandate: 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.</p> <p>Implementation role: The Officers shall be involved in monitoring & supervising subproject activities and providing lead investors with guidance on the implementation of mitigation measures, including</p>

		reporting any event or activity, which has or is likely to have a significant impact on the environment.
7.	Ministry of Agriculture, Animal Industry and Fisheries	<p>Mandate: MAAIF is responsible for policy formulation, planning, and setting standards on irrigation, aquaculture, and water for livestock. The Crop Protection Directorate of MAAIF oversees all matters related to plant health, including the issuance of import and export phytosanitary certificates for live plant material and horticultural crops, as well as for plant pest prevention or eradication programmes.</p> <p>Implementation role: The department will be responsible for enforcing regulations on registration and the use of pesticides and other agrochemicals.</p>
	STATUTORY AGENCIES	
8.	Private Sector Foundation Uganda (PSFU)	<p>Mandate: Private Sector Foundation Uganda (PSFU) is Uganda’s apex body for the private sector. It is made up of business associations, corporate bodies, and the major public sector agencies that support private sector growth.</p> <p>Implementation role: The PSFU will coordinate the implementation of components, 2.3, 3, and 4b. PSFU shall prepare and submit periodic implementation progress reports to WB. PSFU E&S team will conduct quarterly monitoring and reporting on compliance of grant recipients with E&S requirements and provide annual E&S reports to the World Bank.</p>
9.	Uganda Export Promotion Board (UEPB)	<p>Mandate: Some of the functions of the Board include:</p> <ul style="list-style-type: none"> i. Market and Product Development The Board continuously undertakes market research, selection, and entry strategies and activities. It also undertakes resource mapping, product selection, development, and adaptation to target market requirements. The results are then disseminated regularly to the export community through the Board’s information systems. ii. Trade Promotion Services The activities undertaken under this function are primarily aimed at creating awareness about Uganda’s exports and export trade potential, as well as matching Ugandan and overseas business enterprises, through trade fairs, exhibitions, trade missions, etc.

10.	Uganda Investment Authority (UIA)	<p>Mandate: The Uganda Investment Authority is an Investment Promotion Agency that markets investment opportunities; promotes packaged investment projects; ensures local and foreign investors have access to information, especially about the business environment to make more informed business decisions; and offers business support, advisory and advocacy services.</p> <p>Implementation role: UIA will support the implementation of component 3 on carrying out feasibility studies of Industrial and Business Parks among other project activities</p>
11.	Uganda National Bureau of Standards	<p>Mandate: To develop and promote standardization; quality assurance; laboratory testing; and metrology to enhance the competitiveness of the local industry to strengthen Uganda's economy and promote quality, safety, and fair trade. UNBS also ensures quality imports through the implementation of the Import Inspection and Clearance Regulations 2002 by carrying out inspections of imports.</p> <p>Implementation role: UNBS will work hand in hand with MAAIF/INVITE to address issues of pesticide quality.</p>
12.	National Environment Management Authority (NEMA)	<p>Mandate: To coordinate the input by all the different lead agencies and ensure compliance with the National Environmental Policy and Law. NEMA also plays a mandatory role in the coordination, supervision, and monitoring of environmental issues. Implementation of the different environmental issues is done through the relevant government institutions (Lead Agencies) within whose mandate the respective issues lie.</p> <p>Implementation role: Responsible for reviewing and approving ESIA's, post-implementation audits, and compliance monitoring of approved subprojects. This will be through District Environmental Officers and environmental inspectors at 'EMA's head office.</p>
13.	National Forestry Authority (NFA)	<p>Mandate: NFA will closely monitor the activities of the project across / adjacent to forested areas, where applicable.</p>
14.	Uganda Wildlife Authority (UWA)	<p>Mandate: UWA will closely monitor the activities of the project across/adjacent to wildlife-protected areas such as National Parks and wildlife/ Game Reserves.</p>
	OTHERS	

15.	Host Communities/refugees	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 in 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.
16.	Development Partners	Uganda has many Development Partners supporting the private sector, Refugee agenda, and general development. Development Partners provide financial and technical support to GoU, including participating in monitoring the implementation of various undertakings they support.
17.	Lead investors/grant recipients	Undertake mainstreaming of E&S requirements into grant applications, including implementation of arising resultant specific E&S instruments. Where necessary undertake the required E&S assessments, E&S audits, and acquisition of permits, licensees, authorisations, notifications and consents

Project implementation structure and arrangements, including coordination mechanisms among the different actors are clearly stated in the " Project Operational/ Implementation Manual (POM/ "IM)", that has been 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 process as part of the POM incorporating E&S compliance 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 with the prior written concurrence of WB.

8.3 Monitoring, Evaluation, and Reporting

The PSFU and the grant recipients will put in place adequate institutional arrangements, systems, and resources to ensure effective monitoring of the ESMF, and the relevant plans associated with the INVITE Project. This shall be included as a clause in the contract between PSFU and the grant recipients.

The goal of monitoring activities will be to ensure that the respective components' activities comply with the E&S management plans and procedures laid out in the ESMF, ESCP, relevant World Bank ESSs and national environmental and social requirements including NEA, 2019. E&S Monitoring responsibilities and inspection activities will be carried out by PIU (PSFU) and grant recipients who will administer the overall project-related environmental and social monitoring and implementation as laid out in this ESMF through their E&S teams.

WB expects its clients to implement the environmental and social measures set out in the various plans (ESCP, ESMF, ESMP, SEP, etc.), which are referred to in the financing agreements, in compliance with the required deadlines. Implementation of the ESMF includes monitoring, evaluation, and reporting. 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 concerning social and environmental aspects of the Project.

The Environment and Social Management Plans (ESMPs) contain provisions for 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 11.

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 third-party monitoring for inclusion and non-discrimination that covers vulnerable and disadvantaged individuals or groups monitoring to ensure the implementation of the mitigation 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 arrangement 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, SEP, ESCP) to address all activities that have potentially significant impacts on the environment, occupational health and safety, and social during implementation.

In addition, the sub-projects site specific environmental and social monitoring shall address all 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 sub-projects site specific monitoring indicators will be determined during ESMP/PB/ESIA preparation and implementation and will be guided by the generic impacts' assessment contained in the ESMF. Appropriate site-specific monitoring reports will be prepared by the grant recipient and submitted to PSFU quarterly and annually as per the reporting template provided in Annex 15.

The ESMF M&E implementation key indicators:

- E&S screening of all subprojects is being undertaken and issues identified in the screening are being addressed. If not, Project beneficiaries should develop and present for approval a plan to regain and/or maintain future compliance.
- E&S instruments specific to the subproject level are being prepared in line with the guidance provided in the respective frameworks. Where an ESIA and or an ESMP is developed, all the commitments concerning impact mitigation, monitoring, training of workers, etc. have been implemented. If not, sub-project developers/Leaders Investors shall develop and agree with PSFU to a plan to regain and maintain future compliance.
- Implementation of all the requirements specified in the ESCP, following the relevant ESSs.
- Quarterly monitoring and reporting on compliance of grant recipients with E&S requirements undertaken to PSFU; and PSFU reporting to the World Bank
- Annual E&S reports to PSFU by grant recipients; and PSFU reporting to the World Bank

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 compliance of grant recipients with environmental, social, health, and safety (ESHS) requirements of the Project, including but not limited to, the implementation of the conditions and terms in the ESIA, PB, ESMPs and a functional grievance redress mechanism among others. The monitoring by PSFU will be quarterly and submission of E&S reports to the World Bank will be annual. E&S compliance monitoring may vary from time to time depending on the nature of the activities and the level of compliance by the recipients.

Regular monitoring and inspection for compliance on Environmental and Social risk management (monitoring reports) will be compiled by the lead Investors/grant recipients and submitted to the PIU (PSFU) for review, validation, and compilation. E&S monitoring reports by the lead investors will be consolidated by the PSFU E&S team and will be submitted to the World Bank for review. The E&S compliance reports may be shared with other external stakeholders by PSFU.

Reporting of Incidents and Accidents: The respective lead investors/grant recipients will report all environmental and social incidences to the PIU (PSFU) regularly for submission to the World Bank under the World Bank Environmental and Social Incident Reporting Tool Kit (ESIRT).

PSFU, Project beneficiaries/Sub-project developers/Lead Investors/Participating Institutions shall within 24-48 hours of occurrence promptly notify WB of Serious/ Severe Environmental (based on the categorization provided below, Social, Health, and Safety (ESHS) incidents or accidents-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 incidents will be reported to the World Bank through incidental, monthly, and quarterly reports – showing the 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 lead investors/grant recipients, as appropriate. Within fifteen days after the incident/accident, in consultation with WB, PSFU-PIU in close collaboration with the lead investors/grant recipients shall undertake a root-cause analysis (RCA) 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 the Lead Investors/Grant Recipients.

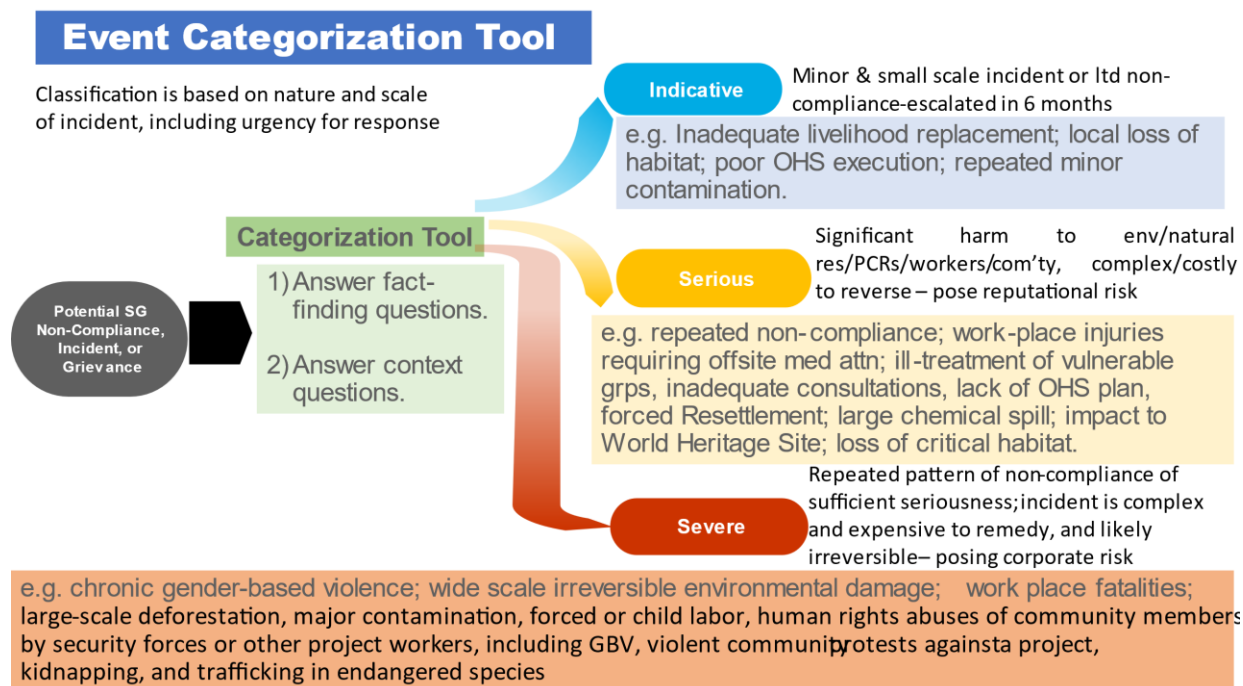


Figure 8.2: Incidents/ Accidents Categorization under World Bank, ESIRT.

Initial Communication within 24 hours of the 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 the 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)?

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

8.4.1 Introduction

To successfully implement the recommendations in this ESMF, it is important to ensure that key stakeholders/grant recipients who have a key role in implementing the ESMF have a 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 E&S screening and scoping procedures and impact identification. Training/capacity building is paramount during project implementation.

8.4.2 Capacity Development and Training

The collaborating institutions under the project will include Lead Investors, private sector players, and Government/ Public Agencies, among others. Each collaborating institution will require responsive capacity enhancement in environmental and social management based on their levels of involvement in INVITE project activities and their capacity needs. In addition, INVITE may request national and international university departments undertaking research in agricultural development, industrial manufacturing (to be customized based on the 12 supply chains and the EFS sectors), or NGOs, to provide support in capacity building or mentoring.

Despite there being technical staff to handle environmental and social safeguards at PSFU-PIU, at Government Agencies, and at host local governments, there is a need to augment capacity through training and operational equipment and transport, where possible. Training will be provided about ESMF implementation requirements and preparation of safeguard documents and their implementation to the INVITE PIU (PSFU) by the World Bank, NEMA, and Ministry of Gender, Labor, and Social Development during the Project Launch Workshop.

The PSFU, NEMA, MoGLSD, and Refugee Hosting Districts will undertake sensitization and awareness raising among key stakeholders and potential project beneficiaries within the refugees and hosting communities to sensitize them on the project objectives and its implementation modalities. The PIUs/

PSFU Environmental and Social Specialists will work through the CDOs, labour Officers, and DEOs at the respective Local Governments to organize practical training 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 hosting communities and refugees to participate actively in identifying appropriate mitigation measures to avoid or reduce potential negative impacts related to the subprojects' activities with the 12 supply chains. The following officers and/ or institutions, among others, shall be targeted to participate in the training workshops:

- PSFU-PIU-: Environment and Social Safeguards Specialists, Project Coordinator, Procurement Specialist, FM/M&E Specialist.
- DLGs: District Environment Officers, Community Development Officers, District Commercial Officers, District Agricultural Officers, District Engineers, District Labour Officers, Probation & Child Welfare Officers, and so on.
- Subprojects' management teams of Lead Investors/Grant Recipients.

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

The following are indicative capacity enhancement and training areas, which shall be reviewed and customized to each participating grant recipient and training workshop (to be updated and customized to the RHD and EFS components, when defined):

- a. Introduction to the project, description of each project Component and Implementation requirements and coordination/ management arrangements;
- b. Understanding Uganda's Environmental and Social Management Process, requirements, and integration with WB-ESF;
- c. Introduction of E&S Instruments prepared for the Project and their implementation requirements (ESMF, ESCP, SEP, LMP, GRM, ESMPs);
- d. Management and reporting on environmental and social aspects of projects;
- e. Emergency preparedness and response, including reporting of incidents and accidents, maintaining and maintaining incidents log;
- f. Traffic Management and general Health and Safety Management;
- g. Community Health and Safety;
- h. Emergency preparedness procedures
- i. Stakeholder mapping and engagement;
- j. Grievance resolution mechanisms
- k. Grant recipient management on environment and social risks;
- l. HIV/AIDS, GBV/SEA, and gender mainstreaming in projects and reporting on such themes;
- m. Employment and labour engagement processes;
- n. Waste Management and Disposal of hazardous materials and
- o. Implementation of ESMPs.

9 ESMF IMPLEMENTATION BUDGET

9.1 ESMF Budget Components

Financial resources are required to support the 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 to mitigate the 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 the implementation of the environmental and social mitigation measures and conduct effective and meaningful stakeholder engagement with all 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. The government of Uganda (GoU) through PSFU, and the Ministry of Finance Planning and Economic Development shall commit to implement the project in compliance with the World Bank's ESF requirements as documented in the Environmental and Social Commitment Plan which forms part of the Financing Agreement.

Table 9.1: ESMF Implementation Budget

Item	Annual Budget estimates (USD, 000)					
	Year 2023	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL
Implementation of General Capacity Development for Management of Environmental and Social Risks and Impacts in the project (Chapter 8.4).	000	20	20	20	10	70
Projects supervision by project Environmental and Social Specialists at PSFU.	000	50	60	60	20	190
Strengthening Grievance Redress Mechanism structures and facilitating general Stakeholder Engagement as spelt-out in the ESMF.	000	50	50	50	20	170
Facilitating and Monitoring implementation of the ESMF (Ref. 8.3)						
E&S Screening	000	50	50	50	20	170
Project annual and Closure E&S Audits		000	100	100	100	300
Hiring E&S Specialists at PSFU (covered under component 4b)						

Item	Annual Budget estimates (USD, 000)					
	Year 2023	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL
Total Annual Budget/ GRAND TOTAL	000	170	280	280	170	900

Note: The figures provided are lump-sum budget estimates

REFERENCES

Author & Year	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 the 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 http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:103404 .
OPM, 2019	Grievance Redress Handbook for Development Response to Displacement Impact Project – DRDIP.

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 the 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 done early in the sub-project, according to the guidance provided in the ESMF. The proponent must complete each section of this form, as outlined below.

A. First Step: E&S Screening against the Exclusion List

As a first step, all proposed activities should be screened to ensure that they are within the boundaries of the Project's eligible activities, and they are not considered as activities listed on the E&S Exclusion List in the table below.

Exclusion List for INVITE Project

- Production or trade in any product or activity deemed illegal under laws or regulations of Uganda or international conventions and agreements.
- High risk Environmental and Social category activities in accordance with the Government of Uganda regulations and WB ESF Risk Categorization under ESS-1.
- Production or trade in weapons or ammunitions.
- Gambling, casinos and equivalent enterprises.
- Production or trade in alcoholic beverages (excluding beer and wine).
- Activities targeting tobacco manufacturing, processing, or specialist tobacco distribution, and activities facilitating tobacco use.
- Trade in wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species (CITES).
- Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where DBE considers the radioactive source to be trivial and/or adequately shielded.
- Production or trade in, or use of unbounded asbestos fibers.
- Any activities involving significant degradation or conversion of natural and/or critical habitats and/or any activities in legally protected areas.
- Activities damaging to national monuments activities that are in or impacting on areas with physical cultural property attributes;
- Unsustainable fishing practices such as electric shocks or explosive materials.
- Production or trade in wood or other forestry products other than from sustainably managed forests.
- Production or trade in pharmaceuticals, pesticides/herbicides, ozone depleting substances, polychlorinated biphenyls (PCBs) subject to international phase outs or bans.
- Production or activities involving harmful or exploitative forms of forced labor or harmful child labor.
- Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals (gasoline, kerosene, other petroleum products, textile dyes etc.).

- Activities involving land acquisition and/or restrictions on land use resulting in involuntary resettlement or economic displacement. TA Activities: Parastatals, government entities and government-controlled firms will not qualify. Specifically, firms where the government or a parastatal is the largest shareholder, or has a majority on the board, will not qualify.

B. Second Step: Environmental and Social Screening Form

As a second step, the PSFU-PIU will use the screening form below to identify and assess relevant environmental and social risks specific to the individual subproject activities and identify the appropriate mitigation measures.

The E&S Screening procedure comprises of two stages-process: (1) Initial screening by using the **Exclusion List** Annex 13 of the ESMF; and (2) Screening the proposed activities to identify the approach for E&S risk management. This Screening Form is the second stage of the screening process and is to be used for all subproject activities. The completed forms will be signed and kept in the Project ESF file. The World Bank may review a sample of the forms during implementation support visits

1. Subproject Information:

Subproject Title	
Subproject Location	
District Local Government	
Estimated Cost	
Start/Completion Date	

2. Environmental and Social Screening Questionnaires

Questions	Answer		Next Steps
	Yes	No	
ESS1			
1. Is the subproject likely to have significant adverse environmental impacts that are sensitive and unprecedented that trigger the 'Ineligible Activities' or other exclusion criteria?			If "Yes": Exclude from project.
2. Does the subproject involve <u>new construction or significant expansion</u> of supply chains, ponds, solid waste management systems, shelters, roads (including access roads), community centers, schools, bridges, and jetties?			If "Yes": 1. Prepare a site-specific E&S Assessment and/or ESMP for the proposed subproject, based on the template in Annexes 6, 7 and 13 as applicable. 2. Include E&S risk management measures in bidding documents.
3. Does the subproject involve <u>renovation or rehabilitation</u> or maintenance of any small-scale supply chain, infrastructure, such as groundwater wells, latrines, showers/washing facilities, or shelters?			If "Yes": 1. Develop relevant measures based on the generic guidance given under Table 6.2 of this ESMF. (unless the follow-on screening requires a site-specific ESMP/PB/ESIA/Audit). 2. Include E&S risk management measures in bidding documents.
4. Will construction or renovation or maintenance works require new borrow pits or quarries to be opened?			If "Yes": 1. Prepare a site-specific ESMP/PB/ESIA/Audit for the proposed subproject, based on the template in Annexes 6, 7 and 13 as applicable. 2. Include E&S risk management measures in bidding documents.

5. Does the subproject lead to any risks and impacts on individuals or groups who, because of their circumstances, may be disadvantaged or vulnerable. ¹⁹			If "Yes": Apply relevant measures described in the ESMF and SEP.
6. Does subproject have the relevant Approvals, Permits, Licenses, Consents, annual E&S Audits, (past compliance records/ performance)?			If "No": offer the necessary support to acquire the missing requirements/ strengthen ESHS performance.
7. Does the subproject have any existing EHS regulatory non-compliances or material environmental liabilities?			If "Yes": offer the necessary support to compliance and exclude material environmental liabilities.
8. Does the Grant Applicant have ESHS capacity to implement the subproject?			If "No" recommend capacity development/strengthening measures commensurate to the E&S risks
ESS2			
9. Does the subproject involve use of goods and equipment involving forced labor, child labor, or other harmful or exploitative forms of labor?			If "Yes": Exclude from project.
10. Does the subproject involve recruitment of a workforce including direct, contracted, primary supply, and/or community workers?			If "Yes": Apply LMP in Annex 3.
11. Will the workers be exposed to workplace hazards that need to be managed in accordance with local regulations and EHSGs? Do workers need PPE relative to the potential risks and hazards associated with their work?			If "Yes": Apply LMP in Annex 3.
12. Is there a risk that women may be underpaid when compared to men when working on the project construction/ rehabilitation or maintenance?			If "Yes": Apply LMP in Annex 3.
ESS3			
13. Is the project likely to generate solid or liquid waste that could adversely impact soils, vegetation, rivers, streams or groundwater, or nearby communities?			If "Yes": 1. Prepare a site-specific ESMP for the proposed subproject, based on the template in Annex 7. 2. Include E&S risk management measures in bidding documents.
14. Do any of the construction/rehabilitation/maintenance works involve the removal of asbestos or other hazardous materials?			If "Yes": prepare hazardous waste management plan in consultation with NEMA
15. Are works likely to cause significant negative impacts to noise, air and / or water quality?			If "Yes": 1. Prepare a site-specific ESMP/PB/ESIA/Audit for the proposed subproject, based on the template in Annexes 6, 7 and 13 as applicable. 2. Include E&S risk management measures in bidding documents.
16. Does the subproject pose significant water and energy consumption?			If "Yes": 1. Prepare a site-specific ESMP/PB/ESIA/Audit for the proposed subproject, based on the template in Annexes 6, 7 and 13 as applicable. 2. Include E&S risk management measures in bidding documents.

¹⁹ "Disadvantaged or vulnerable" refers to those individuals or groups who, by virtue of, for example, their age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, sexual orientation, gender identity, economic disadvantages or ethnic peoples status, 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.

17. Does the activity rely on existing infrastructure (such as discharge points) that is inadequate to prevent environmental impacts?			If "Yes": 1. Prepare a site-specific ESMP/PB/ESIA/Audit for the proposed subproject, based on the template in Annexes 6, 7 and 13 as applicable. 2. Include E&S risk management measures in bidding documents.
18. Is there any potential to have impact on soil or water bodies due to agro-chemicals (e.g., pesticides) used in farmlands due to the consequences of the subproject activities (e.g., development of irrigation system, agriculture related activities, seed and fertilizer assistance, procurement of pesticides)?			If "Yes": prepare Pest Management Plan.
ESS4			
19. Is there a risk of increased community exposure to communicable diseases (such as Ebola, Cholera, COVID-19, HIV/AIDS, Malaria), or increase in the risk of traffic related accidents?			If "Yes": Apply LMP in Annex 3 and relevant measures in SEP.
20. Is an influx of workers, from outside the community, expected? Would workers be expected to use the health services of the community? Would they create pressures on existing community services (water, electricity, health, recreation, others?)			If "Yes": Apply LMP in Annex 3.
21. Is there a risk that SEA/SH may increase as a result of project work?			If "Yes": Apply LMP in Annex 3.
22. Would any public facilities, such as schools, health clinics, churches be negatively affected by construction/rehabilitation/maintenance?			If "Yes": Apply relevant measures based on the ESMF (unless one of the other questions in the screening form raises specific environmental and social risks and requires a site-specific ESMP).
23. Will the subproject require the government to retain workers to provide security to safeguard the subproject?			If "Yes": Prepare a site-specific ESMP for the proposed subproject, including an assessment of potential risks and mitigation measures of using security personnel.
24. Does the subproject comply with Infrastructure and Equipment Design and Safety requirements including Safety of Services?			If "No": Require the designs to be reviewed and approved by qualified Engineers and Health and Safety Authorities.
25. Does the subproject entail Traffic and Road Safety risks?			If "Yes": Develop a Traffic Management Plan
26. Does the subproject involve management and handling or use of hazardous materials?			If "Yes": Prepare a hazardous waste management plan
27. Does the subproject have an Emergency Preparedness and Response Plan including fire safety?			If "No": prepare an Emergency Preparedness and Response Plan in line with guidance provided in Annex 17
ESS5			
28. Will the subproject require the involuntary acquisition of new land (will the government use eminent domain powers to acquire the land)? ²⁰			If "Yes": Refer to and apply the project exclusion list under the ESCP.

²⁰ Environmental and Social Standard 5, Footnote 10: "In some circumstances, it may be proposed that part or all of the land to be used by the sub-project is donated on a voluntary basis without payment of full compensation. Subject to prior Bank approval, this may be acceptable providing the Borrower demonstrates that: (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce

29. Will the subproject lead to temporary or permanent physical displacement (including people without legal claims to land)?			If "Yes": Refer to and apply the project exclusion list under the ESCP
30. Will the subproject lead to economic displacement (such as loss of assets or livelihoods, or access to resources due to land acquisition or access restrictions)?			If "Yes": Refer to and apply the project exclusion list under the ESCP
31. Has the site of the subproject been acquired through eminent domain in the past 5 years, in anticipation of the subproject?			If "Yes": Refer to and apply the project exclusion list under the ESCP
32. Are there any associated facilities needed for the subproject (such as access roads or electricity transmission lines) that will require the involuntary acquisition of new land?			If "Yes": Refer to and apply the project exclusion list under the ESCP
33. Is private land required for the subproject activity being voluntarily donated to the project? ²¹			If "Yes": Refer to and apply the Land donation form (Annex 5)
ESS6			
34. Does the subproject involve activities that have potential to cause any significant loss or degradation of critical habitats ²² whether directly or indirectly, or which would lead to adverse impacts on natural habitats ²³ ?			If "Yes": Exclude from project.
35. Will the project involve the conversion or degradation of non-critical natural habitats?			If "Yes": 1. Prepare a site-specific ESMP for the proposed subproject, based on the template in Annex 7. 2. Include E&S risk management measures in bidding documents.
36. Will this activity require clearance of trees, including inland natural vegetation?			If "Yes": 1. Prepare a site-specific ESMP for the proposed subproject, based on the template in Annex 7.

the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Borrower will maintain a transparent record of all consultations and agreements reached."

²¹ Environmental and Social Standard 5, Footnote 10: "In some circumstances, it may be proposed that part or all of the land to be used by the project is donated on a voluntary basis without payment of full compensation. Subject to prior Bank approval, this may be acceptable providing the Borrower demonstrates that: (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Borrower will maintain a transparent record of all consultations and agreements reached."

²² Environmental and Social Standard 6, paragraph 23: "Critical habitat is defined as areas with high biodiversity importance or value, including (a) Habitat of significant importance to Critically Endangered or Endangered species, as listed in the IUCN Red List of threatened species or equivalent national approaches; (b) Habitat of significant importance to endemic or restricted-range species; (c) Habitat supporting globally or nationally significant concentrations of migratory or congregatory species; (d) Highly threatened or unique ecosystems; and (e) Ecological functions or characteristics that are needed to maintain the viability of the biodiversity values described above in (a) to (d)."

²³ Environmental and Social Standard 6, paragraph 21: "Natural habitats are areas composed of viable assemblages of plant and/or animal species of largely native origin, and/or where human activity has not essentially modified an area's primary ecological functions and species composition."

			2. Include E&S risk management measures in bidding documents.
31. Will there be any significant impact on any ecosystems of importance (especially those supporting rare, threatened, or endangered species of flora and fauna)?			If "Yes": Exclude from project.
ESS7			
32. Are there any Indigenous Peoples or Sub-Saharan African Historically Underserved Traditional Local Communities present in the subproject area and are likely to be affected by the proposed subproject negatively?			If "Yes": Prepare an Indigenous Peoples Plan OR Include the requirements of an Indigenous Peoples Plan in the SEP.
ESS8			
33. Is the subproject to be located adjacent to a sensitive site (historical or archaeological or culturally significant site) or facility?			If "Yes": Apply Chance Find Procedures in Annex 4.
34. Locate near buildings, sacred trees or objects having spiritual value to local communities (e.g., memorials, graves, or stones) or require excavation near there?			If "Yes": Apply Chance Find Procedures in Annex 4.

3. Conclusion

Based on the result from the screening above, please indicate ES Risk Classification and list the E&S risk management instruments to be prepared / adopt and implemented:

ES Risk Classification.....

ES Instruments to be prepared:

- a)
- b)
- c)

CERTIFICATION BY THE GRANT RECIPIENT

We certify that we have thoroughly examined all the potential adverse effects of this subproject and recommended appropriate Risk Categorization and E&S Instrument/s to be prepared/used.

Reviewer/s Title:

Name/s and Contact/s (EM + TEL):

.....

Signature/s:

Date:

CERTIFICATION BY THE DISTRICT / MUNICIPALITY/ CITY

(District/Municipal/ City Environment Officer & Community Development Officer)

We certify that we have thoroughly examined all the potential adverse effects of this subproject and recommended appropriate Risk Categorization and E&S Instrument/s to be prepared/used.

Reviewer/s Title:

Name/s and Contact/s (EM + TEL):

.....

Signature/s:

Date:

CERTIFICATION BY THE PSFU

(Project Environmental Specialist & Project Social Development Specialist)

We certify that we have thoroughly examined all the potential adverse effects of this subproject and recommended appropriate Risk Categorization and E&S Instrument/s to be prepared/used.

Reviewer/s Title:

Name/s and Contact (EM + TEL)

Signature/s:

Date:

Screening Results were reviewed and approved by: (Project Coordinator)

Name _____

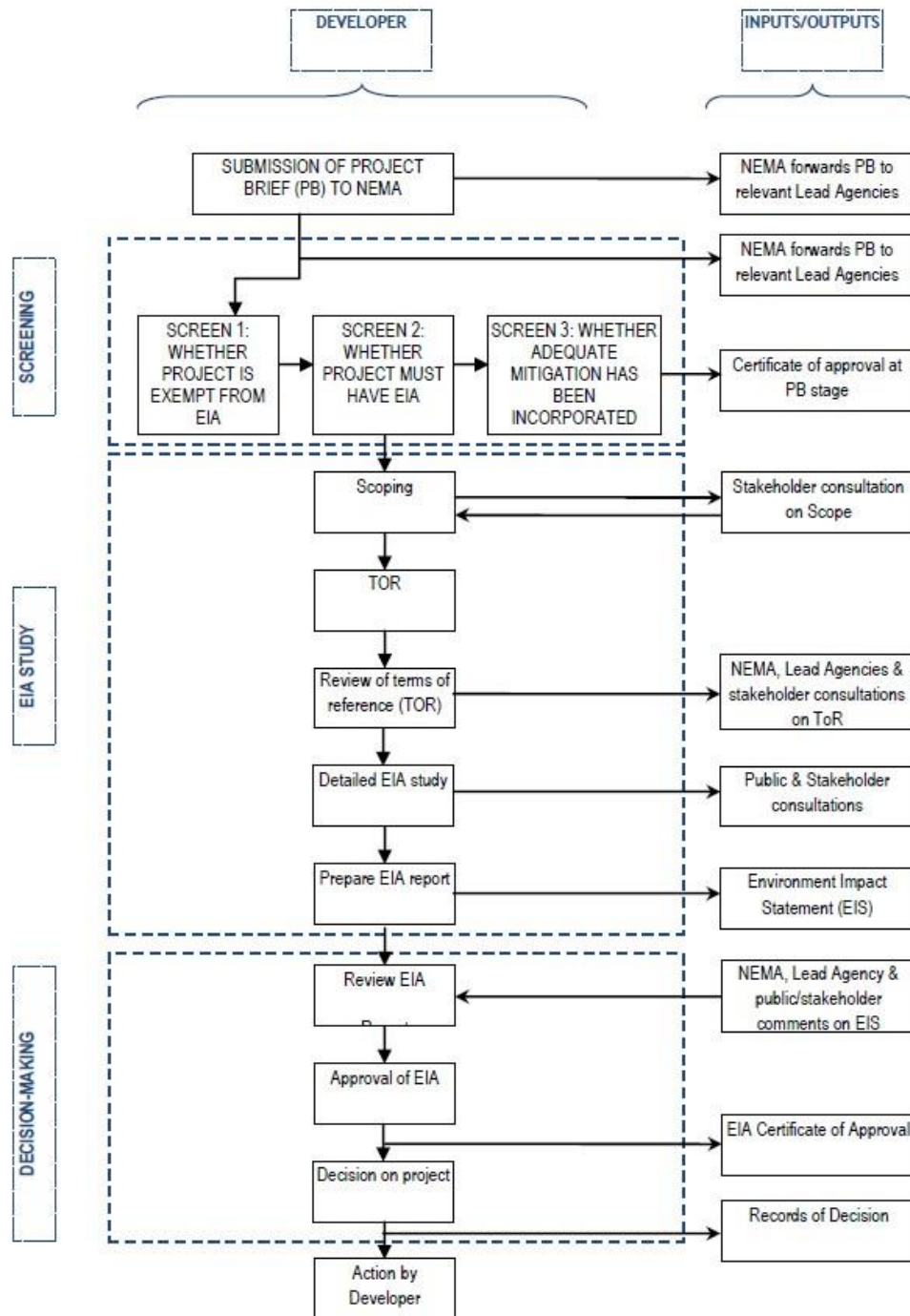
Position _____

Signature _____

Date _____

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, should be incorporated in the Grant Agreements for implementation.

Labor Management Procedures apply to any project component where labor management aspects need consideration. Since this ESMF has been prepared before full knowledge of all project details, including detailed or individual project-activities labor requirements, the labor management procedures should be revised annually to cater for any emerging labor 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/PSFU 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 lead investors/grant recipients among others;
- 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/Grant Recipients’ 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 Labor Use in the Project

The characteristics of Project workers in terms of types, numbers and timing of the individual requirements cannot be provided 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 requirements of the work force at various 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 projected workforce needs dictated by the type of subcomponents, 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 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, 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		

N°	Type of worker	Estimated numbers	Remark
	MoGLSD	02	Will take lead in monitoring labor 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 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 lead investors.
4.	Community/ Voluntary Workers	50	To undertake the implementation of some project activities on a voluntary basis and/ or providing community labor contribution by project beneficiaries, 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.

Assessment of Key Potential Labor 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 resources (water, energy) efficiency issues, community health and safety, labor 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 subproject works (construction, rehabilitation, etc.), O&M of any facility, and also related to TA activities (which include road travel, etc.)
- project host community health and safety arising from project activities, labor influx with its associated social ills and associated spread of diseases.

One of the key labor 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, operation and maintenance 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., refer to the WB EHS General and sector guidelines for a more complete list of OHS risks under section 3.5. Managing these risks requires adequate training for direct, contracted, community workers, and Government employees involved in project implementation.

Labor 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 prioritize the participation of the vulnerable pro-poor groups. Under ESS2 and the Ugandan Labor Laws, the project will not recruit any labor of under 18 years of age (applicable also to community workers). In addition, the project will not employ forced labor, and all workers shall be required to have a working contract/ appointment letter before assuming work. Where Community/ Voluntary workers are engaged, the project shall ensure the use of a Community Agreement, containing agreed terms of engagement.

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, lead investors etc.) and mobilization of communities.
- Include in the grant agreement provisions of non-discrimination and enhance CoCs (Codes of Conducts) to guard against all forms of discrimination.
- Enhance monitoring and supervision through third parties, and community monitoring.
- Principles of inclusion and non-discrimination, including based on vulnerability, are included in enhanced hiring procedures (TORs, advertisements, etc.).

Overview of Labor 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 consistency 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 for termination of employment shall be clear and understandable.

The Employment Act of 2006: The Employment Act 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.

The Workers Compensation Act of 2000: The Act outlines matter 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 per the Constitution and the principles of sustainable development.

International Labor Management Requirements:

The applicable international instruments to the project include; the World Bank Environmental Health Safety Guidelines (EHSs), World Bank's Environmental and Social Standard two (ESS-2) on Labor 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 labor 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 Labor 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 clauses 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 with requirements of the OHS Act by employers (lead investors/grant recipients).
- 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):** as described under Section 8 will oversee 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 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 Labor 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 the lead in coordinating participation, working closely with designated labor officers, designated community development officers, and involvement of MGLSD. The project will further build the capacity of participating/ host decentralized/local governments in overseeing the 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 impacts on the communities and workers, and will also monitor implementation and enforcement of labor 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 the labor and working conditions of the project.

Working Conditions for Project Workers

Provision	Project Staff/ PSFU, MSMEs, SMEs, lead investors/grant recipients 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 holidays and sick, maternity, and family leave	X	X	—
Termination in accordance with Uganda Labor 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 Labor	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 labor risks are provided below:

- a. All employers on this project shall develop and implement OHS management system

(plan);

- 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;
- a. Vulnerable and disadvantaged individuals or groups shall not be excluded from employment opportunities based on their particularities; OHS measures related to TA activities;
- b. Reporting of significant OHS incidents.

4. Forced Labor, Child Labor, and Age of Employment

- i) Forced labor 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 18 will not be employed or engaged in connection with this project.
- iii) The age of workers will be verified from their national identity documents.
- iv) If an underage worker is found on the project, the lead investors/grant recipients who employed such workers shall be stopped from working at their 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 lead investors/grant recipients according to Ugandan laws.
- The 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 and implementing entities will establish an accessible and functional **Worker** Grievance Mechanism for all categories of **workers** described in this LMP. All workers will have the liberty to communicate their grievances to their direct employer, and/or to PSFU and WB. Grievances shall be communicated by complainants verbally or using a telephone (Hotline to be established), email, or letter to either or all the entities. The various laws listed in the above paragraph provide employers and workers or their respective associations with opportunities to use social dialogue to prevent and resolve labor 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 to work closely with its Lead investors 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; toolbox talk meetings, email, strategically located suggestion boxes, site emergency contact numbers, and 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 Labor 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. The 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 the legal system for receiving and handling grievances. However, this is formed to mediate and seek appropriate solutions to labor-related grievances, without escalating to legal redress. Legal redress is noted as the last resort mechanism to resolve labor 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 protect and preserve 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, historical, 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 of 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 the safeguards of the heritage;
- i. These procedures must be referred to as standard provisions in grant agreements, 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

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

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 ofha/ orm Xm 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 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 this agreement's provisions will come into force from the date of signing of this deed.

Signature of the Landowner:

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*):

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

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

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 considered during construction as well as during the 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 way 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 the 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 considered 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) Review 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. The 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: ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN (ESMP) TEMPLATE

Environmental and social risks and impacts are strongly linked to subproject location and scope of activities. This ESMP should be customized for each specific subproject location and activities.

1. Subproject Information

Subproject Title:	
Estimated Cost:	
Start/Completion Date:	

2. Site/Location Description

This section concisely describes the proposed location and its geographic, ecological, social, and temporal context including any offsite investments that may be required (e.g., access roads, water supply, etc.). Please attach a map of the location to the ESMP.

3. Subproject Description and Activities

This section lists all the activities that will take place under the subproject, including any associated activities (such as building of access roads or transmission lines, or communication campaigns that accompany service provision).

4. ESMP Matrix: Risk and Impacts, Mitigation, Monitoring

This section should identify anticipated site-specific adverse environmental and social risks and impacts; describe mitigation measures to address these risks and impact; and list the monitoring measures necessary to ensure effective implementation of the mitigation measures. It may draw from the ESMF's pre-identification of potential risks/impacts and mitigation measures, as applicable, and drill down further to ensure relevance and comprehensiveness at the site-specific level. For subprojects involving construction, two sets of tables may be needed, for the construction phase and the operation phase.

Anticipated E&S Risks and Impacts	Risk Mitigation and Management Measures	Impact Mitigation		Impact/Mitigation Monitoring		
		Location/Timing/Frequency	Responsibility	Parameter to be monitored	Methodology, including Location and Frequency	Responsibility

5. Capacity Development & Training

Based on the implementation arrangements and responsible parties proposed above, this section outlines any capacity building, training or new staffing that may be necessary for effective implementation.

6. Implementation Schedule and Cost Estimates

This section states the implementation timeline for the mitigation measures and capacity development measures described above, and a cost estimate for the implementation. The cost estimate can focus on the line items that will be covered by the project implementing agency, with costs of mitigation measures to be implemented by the contractor left to the contractor to calculate.

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. Some women 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 powered by Diesel.

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

Yumbe district

In Yumbe district Agro-processing is gradually picking up backed-up government interventions for instance under the ACDP project being implemented by MAIIF, 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, the 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 woman-led enterprise located in Goboro village, Kochi sub-county. The factory was established with support from DanChurchAid (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 them to the processing factory at 1500/= per Kg during the peak season but at off-peak a kg cost between 3000/= - 3500/=. This has encouraged communities to conserve shea nut trees as they are considered a source of livelihood.

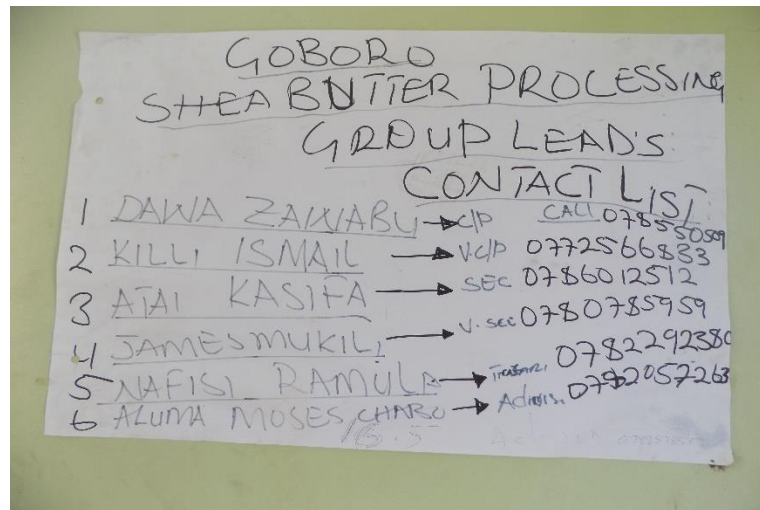


Goboro shea nut processing factory



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's group.



The women's 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's group needs training in manufacturing other products like cosmetics and cooking oil from the shea nut butter.

The cost of processing the shea nut is high as the women use gas as 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 and trains farmers in the latest technology in Apiary production. The company could not transport 250 cartons to the market given the measures instituted by Government to check the spread of COVID-19.

Currently, the company works with 2112 Apiary farmers who supply honey to the factory, but 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 in 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 the capacity of processing and quantity of products. This machinery however has not yet been installed due to financial constraints.

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, and charcoal, attending mobile money kiosks, selling foodstuffs 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 Mandazi 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, which are 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 Communities with a total of 30 members and fully registered by the Registrar of Cooperatives.

The factory was established to reduce the expenses of purchasing soap distributed to refugees

The soap factory currently employs a total of 16 people out of which 7 are women and the rest men, Factory has a capacity of producing 300 bars of soap per hour and currently, its operations are still supported by UNHCR until the SACCO has obtained enough liquidity to manage its operations.

Hoima city

MSMEs

Agro-processing is the 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 involved in selling of processed products like rice, and posho.

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

The city has several financial institutions including Commercial banks such as Centenary, Absa, Stanbic, Post Bank, Equity, KCB, Opportunity, etc. Microfinance Institutions such as FINCA, Encourt, Kolping, Premier Credit, and 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, and 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 the assessment and selection of beneficiary enterprises and 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

Having an account with Post Bank

Have a productive Enterprise not one that is collapsing

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

Small business loan maximum is 50 million.

Post has an environmental Policy in place and always participates and encourages its customers to plant trees.

Currently, the bank does not have a staff dedicated to 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-COVID-19 impacts - many businesses have failed to recover from the COVID-19 impacts and are struggling to repay their loans.

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

Ruhunga Banyankole Tweyambe Maize Farmers Association.

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

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

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

The SACCO is willing to obtain credit during the harvest season 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), Roofing, 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 must 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 certificates 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.

The department also lacks gadgets for air quality monitoring, and 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 the 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, a savings portfolio of 1,6Billion, Loan Portfolio of 5 billion

Becoming a member requires;

purchasing a share at 10,000/=,

membership fee 10,000/=

stationery charge 3000/=

opening a savings account

operations

The SACCO is owned by the General Assembly of 1400 members

The Board of Governors consisting of 9 members elected by the General Assembly supervises the technical staff who run the day-to-day 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.

The 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*
- *Ekannungji (Home improvement loan) – nonsecure loan package for only women.*

Attendance Sheets



ATTENDANCE LIST

Project Name: Investment for Industrial Transformation & Employment Project
 Location: MPSARARA CITY Date: 16/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	AGABA EMMANUEL	M	Environment Officer	0705944229	agabacemma@gmail.com	<i>[Signature]</i>
2.	NYIRAMUJIZO FLORAN	F	Environment Officer	0701907272	nyiramujizo@gmail.com	<i>[Signature]</i>
3.	Mwogata David Samba	M	Senior Env't Officer	0702455289	samba.dave@gmail.com	<i>[Signature]</i>
4.	BYAKUHAMWA ARTHUR	M	DCDO	0704437979	byakuhanga@gmail.com	<i>[Signature]</i>
5.	Adams Bwileho	M	DCO	072070006		<i>[Signature]</i>
6.	Mubizi Allan	M	IT Manager Kwenzirakembe street	0789933706	mubiziallan@gmail.com	<i>[Signature]</i>
7.						
8.						
9.						
10.						
11.						
12.						
13.						



ATTENDANCE LIST

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

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	NSITA GERTRUDE	F	ENV'T OFFICER	0782-2911921	gertrude.nsita@yahoo.com	<i>[Signature]</i>
2.	Kyahunoa Philip	M	Town Clerk	0789494132	phillyahunoa@yahoo.co.uk	<i>[Signature]</i>
3.	Kwenzirakembe George M	M	Member	0770550164		<i>[Signature]</i>
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						

ATTENDANCE LIST

Project Name: Investment for Industrial Transformation & Employment

Location: HOIMA

Date: 14/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	Alice Ayegga	F	comm. officer	0774411996	ayeggaalice6@gmail.com	
2.	Kambubi M Anna	F	Principal Treasurer	0772644987	annetkambubi@yaho.com	
3.	Ashaurie Edison	M	BBM - Postbank	0703822832	edison.ashaurie@postbank.co.ug	
4.	Hellen Katalide	F	BSM - premier credit	072266172	hellenkatalide@gmail.com	
5.	Hope Susan	F	PCDO	0772544227	cupoorcissusan@gmail.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 Nabuge	M	Commandant	0781779777	michael.nabuge@gmail.com	
2.	Angulia Christopher	M	Assistant Settlement Commandant	0777879244	chris.angulia@gmail.com	
3.	Innocent Hauko Nwa	M	Sr. Livelihood & Inclusion Associate	0782900120	innocentnwa@gmail.com	
4.	Ester Kinembazi	F	UNITED			
5.		F	Asst. Development office - UNITED	0772901692	ainemlab@united.org	
6.	Edou Brahon Nawn	M	Project Manager Nexus	0782541574	ebnaw@dea.dk	
7.	Matusi Nancyek Joo	M	Production manager	0783424522	matusimanyek2015@gmail.com	
8.	Ayan Elisa	M	Soap Project factory	078615572		
9.	DOREEN TABU	F	Administrate & 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.	ADROOZI H	M	ENVI. OFFICER	0782834250	hammadroozi@gmail.com	
2.	EUDRAA EDWARDS	M	Ag. DCB	0772647992	eudraa@edwards.com	
3.	Jean Pierre Bwalema	M	UCSO	0774279282	piere55@yahoo.com	
4.	Naukome Rehema	F	Base manager	0712-914226	rehema.naukome@ducingo.com	
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ATTENDANCE LIST

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

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	ATAMA MUDASIA	m	Lc III	0775800679	atamamudasia@gmail.com	
2.	Feni Gant	w	AD	0778165807	fenifeni@gmail.com	
3.	TOKO ROGGER S	m	SACA0 (ARUA)	0702919950	rogierstokko@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 Kibata	F	PA-GBV	0777443966	duc.pgo@industrialtransformation	
2.	AFIATI LILIAS PETA	F	R	0787029072	OCEA E	
3.	JOICE Abau	F	R	0786141509	"	
4.	Mary Sadio	F	R	0775792531	"	
5.	Abau Monica	F	R	0762162729	"	
6.	Ereselna Bayi	F	R	-	"	
7.	Charity manono	F	R	-	"	
8.	Reida Kaziko	F	R	-	"	
9.	BETH YANO	F	R	-	"	
10.	cicia TABCA	F	a	0788705472	OCEA C	
11.	BETTY NIGHT	F	R	-	OCEA C	
12.	KIDEN ESTHER	F	R	0773154697	OCEA C	
13.	Sunday Chritie	F	R	-	OCEA C	

ATTENDANCE LIST

Project Name: Investment for Industrial Transformation and Employment Project
Location: Quana 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	richorjanga@gmail.com	
4.	KOMARKEFF NIXOH	M	PCO	077286085	atombinit@omnitel.com	
5.	Adwona J. Mofu's	M	DTIC	0782777116	adwona@yahoo.com	
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ATTENDANCE LIST

Project Name: INWITE PROJECT

Location: ADJUMAN

Date: 9/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	Oryono Grandfield	m	cto	077262037	oryono.mandi@gnab.com	
2.	Amyama Ben	m	LC5 Chemist	0772541807		
3.	Vuduko Tali Poku	m	CO	0772543792	vuduko.tali@gnab.com	
4.	Obuleto Ezachiel	m	Tourism officer	0776621600	obuleto1972@gmail.com	
5.	Abdul Ramadhani	m	SC	0777956821	abdulramadhan@icloud.co.uk	
6.	Mawawani Ramadhani	m	DCDO-ADI	0772841354	mawawani@gnab.com	
7.	Giyaya Charles	m	DNRO	0772543284	giyaya1@gmail.com	
8.	SEBIA RANGI	m	KFO	81p 933111	Sebiafong@gnab.com	
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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.	Tane 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.	Bala Simon E.	m	RWCIC/P	0789390694	oceac	
9.	JUSTINE MARE	m	block II Leader	078970365	oceac	
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ATTENDANCE LIST

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

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	NAFISI RAMUHA	F	TREASURER	0782292380	MARU-WRJI	
2.	JOJA ROSE	F	MEMBER	-	MARU-WRJI	
3.	CHANDRY MATUWA	F	MEMBER	-	"	
4.	BAKO ZABIBU	F	MEMBER		"	
5.	DIKA MAZU	F	MEMBER		"	
6.	Dudu ZAINABU	F	MEMBER		"	
7.	SAFINA SARAH	F	MEMBER	0785110920	"	
8.	ABITO ZARUKA	F	MEMBER	0775785446	"	
9.	KOLE (JEBI)	M	PARA/CHEF	0783026040	MURBUCHAKW	
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ATTENDANCE LIST

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


No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	Andenanil Austin	M	DCDO	077348855	andenanil25@gmail.com	
2.	Kawawa Seber	M	DNTO	077267368	Kafabonadokola	
3.	Agotne Zubairi	M	DCO	078477967	agotne@gmail.com	
4.	Maffu Mapharf	M	Director	0782501912	blessedba4life@gmail.com	
5.			Blessedba for life	Trade Post		
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ATTENDANCE LIST

Project Name: INNITE PROJECT

Location: RATNO CAMP SETTLEMENT

Date: 04/11/2022


No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	<u>Wivan KAJOKI</u>	<u>f</u>	<u>Protection team leader</u>	<u>0775109823</u>	<u>wivan.kajoki@drconsa</u>	
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ATTENDANCE LIST

Project Name: Investment for Industrial Transformation and Employment

Location: LIRA

Date: 11/11/2022

No.	Name	Gender M/F	Designation	Contact	Email	Signature
1.	<u>OCEN WALTER</u>	<u>M</u>	<u>Environment Officer</u>	<u>0972678409</u>	<u>ocenwalter2015@gmail.com</u>	
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ANNEX 9: FIRST FIELD/ STAKEHOLDERS CONSULTATIONS REPORT

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 Councillor,	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	Community Batwa Focal Person	The Batwa, 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 Nalumuamuno	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

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

Attendance List

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. Several issues were raised by the consultant including the rights of the refugees, services being offered to them, and expectations of the refugees and their hosts, among others.	Dr. Koojo
2. Discussion	Lilian indicated that there are several 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 others in southwestern Uganda. 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 several businesses with their camps and out of camp A number of these business have been observed to be	Lillian

	<p>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 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"> • Trading/businesses • Can negotiate with host communities to avail land (rent, free of charge) • Involve in cottage industries among others <p>UNHCR has engaged 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 having access to credit is the transit nature of the refugees.</p>	
Way forward	<p>The consultant requested some information which was agreed to be requested through an email and provided by the Agency.</p> <p>Reference was also made to DRDIP, 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

Thèmes	Description	Responsible Person
1. Introductions	<p>The Consultant introduced the team and gave a background of the study to the stakeholders. He further, opened a discussion with the need to understand the mandate of UFZA, and its plan for the INVITE program specifically on vulnerable populations.</p>	Dr. Koojo
2. Discussion	<p>Rebecca highlighted the mandate of the UFZA which includes the following:</p> <ul style="list-style-type: none"> • Establish a Free Trade zone 	Lillian

	<ul style="list-style-type: none"> • Develop a free Trade zone • Supervise free trade zones • Give out Licenses -to private entities to develop free trade zones. <ul style="list-style-type: none"> - Assess land for free zone establishment. - License operators within the free zone <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"> • 25 private entities are within the free zones. • 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. • Other free Trade zones 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 <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 1000 acres of land to attract private developers who can offer services within these free trade zones.</p> <p>The FTZ is planned to have all the basic utility services like power, water, roads etc, public production units, and 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 the 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> <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 and managed by a developer (ADRIDCO) measuring about 33 hectares with 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</p>	
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	<p>within 2 years from now. It is targeting agro-processing, horticulture, Fish, beef, and high-value minerals.</p> <p>Process in the establishment of the Free zone</p> <ul style="list-style-type: none"> • Undertake an ESIA before commencement • Comply with Internal environmental policy and guidance provided by the organization. • Undertake periodic inspections with NEMA for compliance. <p>Recommendations at the authority</p> <ul style="list-style-type: none"> • Need to build internal capacity to deal with all the issues that may come up, like inspection of the compliance with NEMA guidelines. • Need to strengthen more cooperation with other agencies. Currently, there is a corporation and presentation of a number of agencies on their Board that include, representatives from the private sector, UMA, Small scale associations, Private Sector Foundation, Uganda Women Association etc. <p>Consideration for the Vulnerable Groups</p> <p>The authority has encouraged women, disabled to be part of the Free Zone activities and the following has specifically been.</p> <p>Construction and provided services for:</p> <ul style="list-style-type: none"> • Small business • Marketable rental space • In-house training • Offer services for business registration, and tax training. • Encourage Free zones to employ women. • Outsourcing services like training facilities 	
Way forward	<p>The consultant requested some information, and it was promised to be sent.</p> <p>The meeting was closed with a word of thanks.</p>	ALL

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 logistics for enhancing and mitigating environmental and	There shall be need for a focal officer in OPM assigned to take lead to speed up

	social management, monitoring, and evaluation.	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 the urban and rural settings.	Refugees are currently engaged in agriculture-related economic activities crop farming because of our generous policy where refugees can access land. Future economic activities should focus on value addition, alternative livelihoods in the manufacturing service sector, entertainment, etc.
4	Financial institutions that give loans to these refugees and modalities of 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 a need for training and equipping the ground teams on what is expected of the teams, implementation strategies, etc.

ANNEX 10: Key Issues and Concerns Raised by Stakeholders During Engagements In 2020 And 2021

Summary of stakeholder issues during the first consultations in 2020

Date of engagement	Stakeholders	Summary of stakeholders' key issues and concerns	Responses and comments
08/12/2020	Office of the Prime Minister (OPM)	<ul style="list-style-type: none"> • 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. • OPM is a key stakeholder and should be involved in the preparation of the project appraisal document. • 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 a need for training and equipping the ground teams on what is expected of the teams, implementation strategies, etc. • There are logistical problems in terms of reaching the refugees in host district communities and there is a strong need to have the capacity of OPM strengthened through the INVITE project. • Capacity building and environmental awareness in terms of ESMF, and GRM issues in these areas have to be addressed by money being budgeted for OPM's interventions. • OPM to be part of the implementation monitoring and evaluation. • The challenges include refugees being used to handouts, high numbers of refugees and limited land, and 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. 	<ul style="list-style-type: none"> • The invite project will ensure that the beneficiaries are supported through this program. • Training has been integrated into the project and shall start with the project launch workshop • Participation and involvement of all stakeholders shall be undertaken while considering their specific role/s • The project is designed to benefit both refugees and host communities while enhancing self-reliance
11/12/2020	UNHCR	<ul style="list-style-type: none"> • There are several 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 others in southwestern Uganda. • The Refugees have the right to get all the basic services except they do not 	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

Date of engagement	Stakeholders	Summary of stakeholders' key issues and concerns	Responses and comments
		<p>have the 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 businesses have been observed to be mushrooming within the camps and in other areas having been started by the refugees.</p> <ul style="list-style-type: none"> • 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"> ✓ Trading/businesses ✓ Can negotiate with host communities to avail land (rent, free of charge) ✓ Involvement in cottage industries, among others. <p>UNHCR has engaged 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 credit as in the case of the transit nature of the refugees.</p>	
08/12/2020	Uganda Development Bank (UDB)	<ol style="list-style-type: none"> 1. They have given out loans and are familiar with their appraisal procedures and World Bank environmental social safeguards will have to be adhered to. 2. UDB has already done an Environmental and Social Commitment Plan (ESCP), and Environmental and Social Management Systems (ESMS) in fulfilment of the requirements of a previous facility funded by the World Bank. 3. A draft stakeholders engagement plan is in place which was prepared in conjunction with PSFU and this also has informed the preparation of the ESMF. 4. The documents that are relevant to INVITE were received and analysed. 5. The discussions also revolved around UDBS's environmental policy, processes, screening, guidelines, and differences with the World Bank. 6. The Eligibility criteria and list includes those activities that you do not give to 	<p>The information was helpful in assessing the capacity of UDB in terms of environmental and social aspects. UDB has experience implementing the World Bank projects.</p> <p>A project launch workshop will be undertaken and will among other topics cover ESF-ESSs requirements during implementation.</p>

Date of engagement	Stakeholders	Summary of stakeholders' key issues and concerns	Responses and comments
		<p>loans, types of MSMEs, and likely receipts and activities.</p> <p>7. The capacity of UDB concerning environmental and social framework and modalities is likely to require additional specialists to be recruited.</p> <p>Training on the WB environmental and social framework for FIs that will apply for the loans will have to be undertaken under the INVITE project.</p>	
11/12/2020	Uganda Free Trade Zones Authority (UFTZA)	<ol style="list-style-type: none"> 1. Discussions centred on the activities of the Uganda Free Zones Authority (UFZA) which is mandated to establish, develop, manage, market, maintain, supervise, and control Free Zones. Some developers were affected by COVID-19 and would be beneficiaries of the INVITE project. 2. It was also indicated that most of the free zones are involved in mineral development, transport, and logistics. 3. The following has been achieved so far. <ul style="list-style-type: none"> ✓ 25 private entities are within the free zones. ✓ 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. ✓ Other free Trade zones 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. 4. Employment creation, Program Diversification, and Expansion of Export Markets to foster increased Export Earnings and the ESMF of INVITE will ensure that some activities that are with the Zone may benefit as per the UDB list of services not allowed. 5. UFTZA has environmental guidelines which all the developers have to follow and ESIA's have to be undertaken. 6. Requested for environmental capacity building, training, and environmental monitoring from INVITE as they do not have in-house staff specifically to handle environmental issues as they rely on NEMA which also is thin on the ground. 7. Some gaps emerged showing a lack of adequate knowledge of WB Safeguard 	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.

Date of engagement	Stakeholders	Summary of stakeholders' key issues and concerns	Responses and comments
		Policies, policy requirements of the ESMF, monitoring procedures as well as screening and scoping procedures, and impact identification.	
09/11/2020	National Environment Management Authority (NEMA)	<ol style="list-style-type: none"> 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. 2. As World Bank's requirement for ESMFs could have some gaps with Uganda's procedures but in such cases then the WB takes precedence. <p>As for the disclosure, the Uganda law is not mandatory but if required by the bank INVITE would disclose on the 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"> 1. UIA has an environment and social safeguard unit and could be overwhelmed by the number of SME's and MSMEs which could necessitate more staff to be able to handle and monitor environmental aspects. 2. The small-medium businesses' affordability of undertaking ESIA or project brief could hamper their efforts to benefit from the loans. 3. UIA has serviced land and organization capability of ensuring that there are no land disputes in terms of ownership. 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. 5. Capacity building and enhancement especially on environmental monitoring and annual audits 6. The authority has encouraged women, and the disabled to be part of the UIA activities and the following have been specifically provided services for: <ul style="list-style-type: none"> ✓ Small business ✓ Marketable rental space ✓ In-house training ✓ Offer services for business registration, and tax training. ✓ Employ women. ✓ Outsourcing services like training facilities. 	<ul style="list-style-type: none"> • The worry of the numbers of ESIA's to be undertaken to be linked with BOU and PSFU with UIA to work out a mechanism of supporting the MSMEs. • Gender equality especially in women's business will be supported
10/11/2020		<ul style="list-style-type: none"> • Poor post-harvest handling by farmers leads to poor grain quality. 	The concerns are well noted, and limitations are to be addressed for

Date of engagement	Stakeholders	Summary of stakeholders' key issues and concerns	Responses and comments
	Consultations with Sun shines millers in Lira	<ul style="list-style-type: none"> • The price of seed is extremely expensive for farmers. • There is a need to develop capacity among farmers to produce quality seed. • Adulteration of oil by businesspeople. • There is no functional association of millers that regulates milling practices. • Expensive oil seed Vs price of grain • Limited time and land allocated to food production by farmers. • Uncontrolled and poor application of agrochemicals by farmers. • Poor disposal of agrochemical containers. • Unequal sharing of proceeds at household level between men and women –leading to gender-based violence. • High risk of borrowing money for production due to climate change and lack of agricultural insurance 	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"> • Issues of occupational health and safety for workers should be adhered to i.e., PPEs. • Permits to be obtained for workplaces. • Registration of workplaces • Gender considerations for women should be taken into to constitute 30% of the workforce. <p>INVITE should work with the Ministry of Labour Gender and Social Development to ensure that compliances and audits are strictly enforced.</p>	<ul style="list-style-type: none"> • Have been incorporated and implementation mechanism and monitoring costed as part of the INVITE environmental costs. <p>Occupational health and safety shall be taken into consideration as part of the project safeguards instruments.</p>
7/11/2020	Batwa vulnerable and marginalized group	<ul style="list-style-type: none"> • Extreme poverty levels in the community are caused by highly undependable climate, low produce, and low market prices, for their produce even if the community would depend on farming. • There are very segregated rates in terms of business opportunities. • 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, 	<ul style="list-style-type: none"> • Sensitization and awareness are very crucial • Business opportunities under INVITE are very encouraged • Employment opportunity is very much part of the INVITE objectives

Date of engagement	Stakeholders	Summary of stakeholders' key issues and concerns	Responses and comments
		<p>has persistently provided various crop seeds through their agricultural initiatives but the Batwa have in turn sold such agricultural inputs.</p> <ul style="list-style-type: none"> 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. They also do sing, and dancing as a form of entertainment for payment by visitors. Tourists pay some money to the dancing groups to be entertained. 	
12/12/2020	Ik-Vulnerable	<ul style="list-style-type: none"> The Ik are hunter-gatherers, and they depend on honey and fruits from the forests. Those who can slope downhill practice subsistence farming with small 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. Although the Ik community is positive to development, education levels have remained extremely low with high rates of school drop-out due to a 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 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. There is a high prevalence of alcohol abuse. 	<ul style="list-style-type: none"> Sensitisation and awareness are very crucial INVITE will endeavour to support the livelihoods of the IPs.

Summary of stakeholder issues during the second consultations in 2022

Details of Stakeholder	Issues of concerns/views raised	How the Project Design has addressed the issue
District Natural Resources Officer 5 th November 2022	All development projects require the preparation of Environment and Social Safeguards. In Yumbe the Natural resources and Community departments are always involved by development partners in preparation for environmental and social safeguards.	INVITE Project has developed the ESMF to facilitate the integration of environmental and social risk

	<p>Currently, the Yumbe district is implementing the 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 the 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 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 to monitor safeguards implementation in their operations.</p>	<p>management in subprojects to be supported both in the public and private sectors. District Local Governments shall be involved in E&S screening and monitoring implementation in line with their mandate provided in the Local Governments Act.</p>
<p>Commercial Officer 5th November 2022</p>	<p>The Department of Trade 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 Processors Cooperative Society, Yumbe Mango Farmers Association, Yumbe Ex-Combatants SACCO in Bidibidi.</p> <p>Yumbe District, the Private sector comprises retail businesses including dealers in common merchandise, grinding machines, carpentry, and foodstuff stalls.</p> <p>Women-led enterprises are mostly dominated by food stuff vending, mobile money kiosks, and small restaurants.</p> <p>Manufacturing is still low in the district due to extreme poverty levels and inadequate power supply. Most investors have preferred setting up factories in Arua City.</p> <p>The government through the 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 Muslim Community and some of these people do not accept credit with interest. The Commercial Office is working with the Microfinance Support Centre to introduce Islamic Banking in Yumbe district.</p>	<p>There are opportunities to support the manufacturing sector and provide low-interest rate loans to SACCOs and other beneficiaries, and this is in line with the project design and objectives.</p>

	<p>Many small-scale businesses obtain loans from Banks and Microfinance Institutions, but their interest rates are extremely high, sometimes people fail to pay and end up closing the businesses.</p>	
<p>Director Blessed Bee Honey Company 7th November 2022</p>	<p>The company processes honey, and beeswax, and manufactures modern Bee Hives.</p> <p>The company was severely affected by COVID-19 as products could not easily be transported to Kampala the biggest market. The company incurred a loss of 250 cartons which could not be transported for sale due to lock down measures implemented by Government.</p> <p>The company works directly with over 2000 smallholder farmers by purchasing honey and providing extension services.</p> <p>The company is promoting the 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 credit and end up selling to however offers cash, thereby affecting operations during off-peak seasons.</p>	<p>The company has opportunities and is encouraged to be a beneficiary of the INVITE project and offer more jobs to the host community and refugees.</p>
<p>District Community Development Officer 5th November 2022</p>	<p>The department has implemented projects such as UWEP, Youth Livelihood Fund, and SFG for people with disabilities.</p> <p>Women-led enterprises are picking up in the district especially dealers in foodstuffs, agro-processing, and 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 sensitization of the communities and eliminate political actors if it is 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 prioritize business growth.</p>	<p>The project has developed a SEP to facilitate meaningful and effective stakeholder engagement and involvement during the preparation and implementation of the project. The project design targets women-owned businesses and will accordingly be prioritized during the selection of the subprojects.</p>

<p>Goboro Shea Nut Processors</p> <p>Goboro Shea Nut Processing</p> <p>7th November 2022</p>	<p>The factory was established with support from DCA an NGO working both refugees and Refugee host communities to uplift the livelihood of rural women.</p> <p>The factory was established to help conserve the Shea Nut tree that is 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>	<p>The company has opportunities and is encouraged to be a beneficiary of the INVITE project gain access to cheaper capital/loans for expansion and offer more jobs to the communities that are recovering from the impacts of COVID-19. The company should explore avenues for gaining access to grants facility in the project.</p>
<p>Senior Livelihood & Economic Inclusion Associate, UNHCR</p> <p>7th November 2022</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 organizations to help refugees for instance currently there is a Japanese Organisation called ITOCHU promoting the 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 depends on these people. This can be done by 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 provide businesses with enough grace periods.</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 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 a grant window specifically for RHDs and refugee communities.</p>

	<p>The project should also consider strengthening the capacity of Rural farmer's Associations as these can easily trace the loan defaulters.</p>	
<p>Asst. Development Officer, UNHCR</p> <p>7th November 2022</p>	<p>Refugee communities are a vulnerable population with financial limitations, socially undermined and traumatized therefore should be 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 enterprises that can generate daily incomes for the refugee women.</p> <p>Refugees do not own land, therefore any enterprises that will be established on land should include the landlords who have a MoU with the government.</p> <p>For sustainability, the project should be implemented in a group model rather than individuals. Group dynamic training enables the management of groups.</p> <p>The project should define the roles and responsibilities of each stakeholder during project implementation.</p> <p>The project should offer financial management to mitigate the risks involved.</p> <p>Safeguards</p> <p>The 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 the time in land use agreements and define the role of each.</p> <p>A clear stakeholder matrix should 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>The selection of beneficiaries should be developed and clearly defined.</p>	<p>INVITE has been designed taking into consideration and targeting the unique requirements of RHDs and Refugees.</p> <p>Besides the low-interest loans, the project also contains a grant window specifically for RHDs and refugee communities.</p> <p>The project is designed to target women-owned businesses.</p> <p>The ESMF has provided a sample document/ land-donation agreement that can be used to gain access to land for production.</p>
<p>Project Manager DCA, Yumbe Office</p> <p>7th November 2022</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 Goboro, Odravu, and Bidibidi in livelihood improvement activities including shea nut processing, briquette making, and farming.</p> <p>The market for processed products is available in Yumbe but raw materials are inadequate.</p> <p>DCA has a partnership with Mukwano to promote the growing of Oil Seeds including soybean, Sunflower, and sim-sim.</p>	<p>The INVITE project will make use of existing structures following the project's design and Project Operation Manual.</p> <p>Government structures in</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 subsidized interest rates so that communities can access capital to undertake productive enterprises.</p> <p>Vision Fund works with Refugee Communities by organizing 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>Refugee Host Communities, OPM, and Refugee Settlements have been consulted and shall continue to be involved during project implementation.</p>
<p>Chairperson LCIII, Sub-County Chief, Production Officer, Aria S/C</p> <p>7th November 2022</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 the selection of beneficiaries.</p> <p>Currently, the government has established two Cassava processing plants in the sub-county to increase cassava growing in the area and add value to the harvested crop.</p> <p>Many projects offering credit to communities fail by high-interest rates, therefore let the project provide loans with low and/or 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>The roles of different stakeholders should be clearly defined to prevent contradictions.</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 a grant window specifically for RHDs and refugee communities. 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 a clearer definition of the roles of the different stakeholders.</p>

<p>Production Manager Bidibidi</p> <p>8th November 2022</p>	<p>Bidibidi Soap Processors Cooperative is fully registered with the Registrar of Cooperatives.</p> <p>The cooperatives comprise 30 members from both the Refugee Host Community and refugees, 70% of whom are refugees.</p> <p>Members pay 50000/= as a subscription fee and 10000 to buy shares.</p> <p>The Soap Factory was established by UNHCR to reduce the cost of buying soap from outside sources and 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 the 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.</p>
<p>Commercial Officer</p> <p>8th November 2022</p>	<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 an Annual Trade Fair to enable MSMEs to highlight their products to potential clients.</p> <p>The commercial office works with the private sector through regulation making sure businesses are registered and providing advisory services where possible.</p> <p>Manufacturing is 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 the government claiming it is their turn to eat.</p> <p>Under UWEP, women are provided interest-free loans, and they are willing to pay back compared to their 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 and local Tourist companies.</p>	<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.</p>
<p>DCDO Adjuman</p> <p>8th November 2022</p>	<p>The private sector in Adjuman is not very vibrant especially processing and manufacturing. Agro-processing is dominated by small-scale grinding machines 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 shall engage the existing government structures and private structures in line with the guidance provided in the project's SEP.</p>

	<p>The project should involve the current structure in the 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 this hides information about government projects from the community.</p>	All beneficiaries shall be assessed per the set criteria.
<p>Senior Commandant OPM Adjumani</p> <p>8th November 2022</p>	<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> <p>Project should put in place mechanisms 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 learned from working with refugee communities.</p> <p>Group farming should also be considered among the enterprises to be selected to complete the supply chain.</p> <p>Under the DRDIP project, OPM has been able to provide business Grants to 41 villages in Adjuman district, groups are formed at the village level and each group receives 55 million shillings as a Revolving Fund.</p>	The project is designed to benefit RHDs and refugee populations. So, the proposals shall be considered as per the project operational manual.
<p>DNRO, Adjumani</p> <p>9th November 2022</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>	The project has prepared ESMF to facilitate the 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>Issues of GBV and child labour due to the sprouting of industries within the district.</p> <p>Provision of security at manufacturing facilities to prevent vandalism.</p> <p>Put in place mechanisms for handling land conflicts in case they arise during project implementation.</p> <p>Destruction of natural vegetation due to opening large farms to supply the increased agro-processing plants.</p>	
<p>Commercial Officer Hoima City</p> <p>14th November 2022</p>	<p>The commercial office should be involved in project implementation as it regulates and monitors the activities of SACCOs.</p> <p>MSMEs to benefit from the project should be 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>	<p>District structures shall be involved and engaged in line with their mandate as per the Local Governments Act.</p>
<p>Community development officer</p> <p>14th November 2022</p>	<p>The project should engage all stakeholders including the Technical, political, and community before implementation.</p> <p>Hoima City community department is underfunded, but the project can help in providing some resources like transport.</p> <p>The department handles all complaints from the community, but the most common one is land related.</p> <p>The grievance redress committee is in place composed of 5 members and is 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 be provided with a special grant free of interest to enable them to compete effectively with their male counterparts.</p>	<p>The project ESMF, SEP, and Operational Manual will guide the handling and management of the raised E&S issues.</p> <p>By design, the project will target and prioritize supporting women-led enterprises.</p>
<p>Environment Officer Kikuube district</p> <p>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 – the workforce for the manufacturing industries should be inclusive.</p>	<p>The project ESMF has provided the required guidance for assessing and managing all the raised E&S issues.</p>

	<p>Safety of the workforce should be prioritised; provide PPE, and First AID Kits at the facilities.</p> <p>Compensation for workers injured at these processing/manufacturing facilities.</p> <p>Agro-processing may have indirect negative impacts on the environment. The increase in Rice Hullers has encouraged farmers to grow more rice and they encroach on wetlands.</p> <p>Waste management – Kikuube district does not have a designated solid waste landfill, increase in agro-processing/manufacturing leads to the accumulation of waste,</p>	
<p>ICT Manager, Rwanyamahembe SACCO</p> <p>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 organizations in providing credit services including ABI Trust, SNV for Solar Energy, and MSC for Cheap Loans.</p> <p>To become a member, a person must buy 1 share of 10,00ugx and pay the 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>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.</p>

ANNEX 11: ACTIONS TAKEN BY THE GOU TO ENSURE INCLUSION AND NONDISCRIMINATION

Annex 11 highlights recent actions taken by the GOU to ensure the 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 the Ugandan Constitution which emphasizes equality of all persons without prejudice or discrimination.
- **Circular on the 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 the provision of education** (August 18, 2023) services to all people without discrimination and exclusion in the delivery of education services, programs, and projects.
- **Circular was issued by the Director of Public Prosecutions** (August 29, 2023) stating that prosecutors should seek guidance from ODPP before the 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 18th 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 third-party 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 the provision of health services; Circular on the provision of education; Circular issued by the Director of Public Prosecutions, and relevant excerpts from the Circular on Budget Execution.

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

21st September 2023

The World Bank Country Manager
Uganda Country Office
Kampala, Uganda.



UGANDA'S SOCIAL SAFEGUARD POLICIES

I am writing in reference to the above subject. Further reference is made to our letter dated 28th July, 2023 on the same.

Government of Uganda wishes to reiterate that World Bank-financed projects will be implemented in a manner consistent with the principles of non-discrimination within the provisions of Article 21 of our Constitution.

The Government confirms that it will ensure that under these projects, no person will be discriminated against or stigmatized and that the principles of non-discrimination and inclusion will be adhered to. The Public Finance Management Act, 2015 also emphasizes equality of all persons to access opportunities and benefits from projects and programs without prejudice and discrimination.

Further to the above, we have issued the attached instructions to all implementing entities of Government projects and programs which communicate about specific mitigation measures to take and the legal requirement for non-discrimination.

Please accept Country Manager, the assurances of my highest consideration and esteem.

A handwritten signature in blue ink, appearing to read 'RAMATHAN GGOOBI'.

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

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"

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

Solicitor General, Ministry of Justice and Constitutional Affairs

The Director of Public Prosecutions

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This subject please quote No.



Ministry of Finance, Planning &
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Kampala, Uganda

BPD 86/179/01

10th 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 NDP III 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 ensure that sound economic policies, revenue mobilization, sound financial management and accountability for public resources are in place 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.

B. 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, Emyooga, 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 (11) (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 6th 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
Website: 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

5th 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

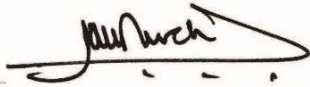
The constitution of the republic of Uganda recognises that health is a fundamental right and guarantees access to health care services for all. The Ministry of Health is mandated to provide Preventive, Promotive, Curative and Rehabilitative Health Services to all people in Uganda in their diversity **without 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 line extending to the right.



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



THE REPUBLIC OF UGANDA

Ministry of Education and Sports
Embassy House
P.O. Box 7063
E-Mail: permasec@education.go.ug
Website: www.education.go.ug
Kampala, Uganda

18th 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

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General +256-414-332500
+ 256-414-332501
Toll Free: 0800112300



Office of The Director of Public Prosecutions,
Workers House, 12th& 11th Floor
Plot 1, Pilkington Road,
P.O. Box 1550,
Kampala (Uganda)
admin@dpp.go.ug
www.dpp.go.ug

Our Ref: ADM 12/01
Your Ref:

Date: 25th 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 30th 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.

A handwritten signature in black ink, appearing to read 'JFABODO'.

Jane Frances ABODO
DIRECTOR OF PUBLIC PROSECUTIONS

ANNEX 12: ENHANCED IMPLEMENTATION SUPPORT AND MONITORING OF NON-DISCRIMINATION

1. Background and Objectives

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.

Table 12.1 illustrates the enhanced implementation support and monitoring steps. Figure 12.1 contains the enhanced implementation support and monitoring process. Figure 12.2 contains the Complaint Management for Vulnerable or Marginalized Individuals or Groups.

2. 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.

Table 12.1: 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.
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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 centre 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.

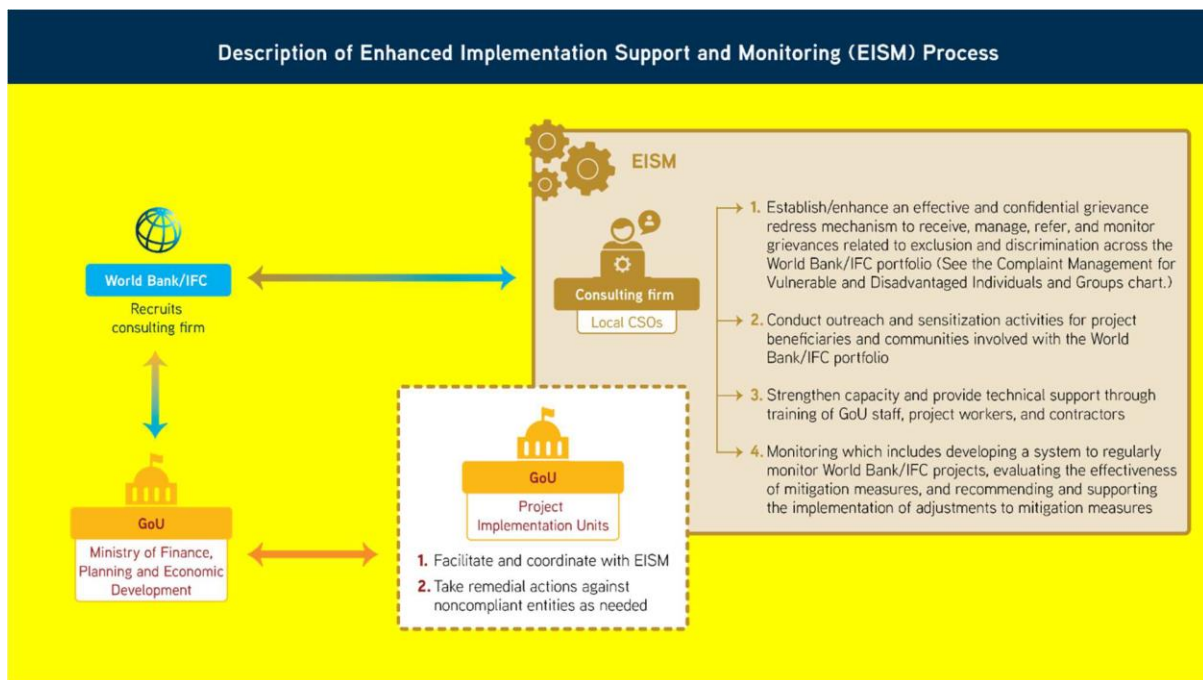
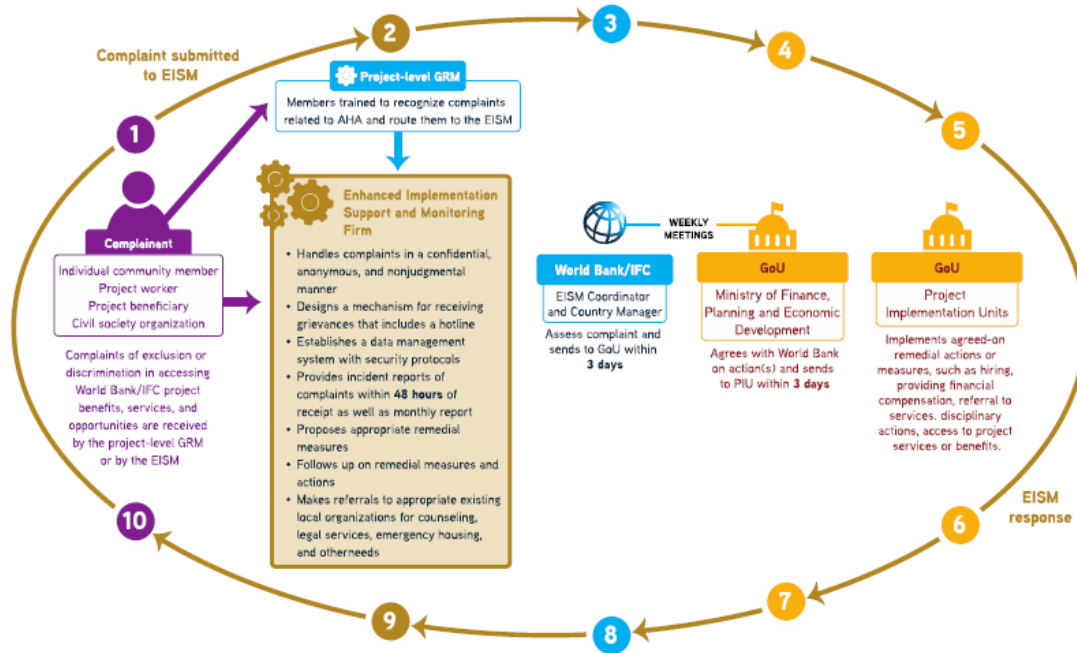


Figure 12.1: The enhanced implementation support and monitoring process.

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.

Figure 12.2: The Complaint Management for Vulnerable or Marginalized Individuals or Groups

ANNEX 13: LIST OF EXCLUDED ACTIVITIES

1. Production or trade in any product or activity deemed illegal under laws or regulations of Uganda or international conventions and agreements.
2. High risk Environmental and Social category activities in accordance with the Government of Uganda regulations and WB ESF Risk Categorization under ESS-1.
3. Production or trade in weapons or ammunitions.¹
4. Gambling, casinos and equivalent enterprises.¹
5. Production or trade in alcoholic beverages (excluding beer and wine).¹
6. Activities targeting tobacco manufacturing, processing, or specialist tobacco distribution, and activities facilitating the use of tobacco.¹
7. Trade in wildlife or wildlife products regulated under Convention on International Trade in Endangered Species (CITES).
8. Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where DBE considers the radioactive source to be trivial and/or adequately shielded.
9. Production or trade in or use of unbounded asbestos fibres.
10. Any activities involving significant degradation or conversion of natural² and/or critical habitats³ and/or any activities in legally protected areas.⁴
11. Activities damaging to national monuments activities that are located in or impacting on areas with physical cultural property⁵ attributes;
12. Unsustainable fishing practices such as electric shocks or explosive materials.
13. Production or trade in wood or other forestry products other than from sustainably managed forests.⁶
14. Production or trade in pharmaceuticals, pesticides/herbicides, ozone depleting substances, polychlorinated biphenyls (PCBs) subject to international phase outs or bans.
15. Production or activities involving harmful or exploitative forms of forced labor⁷ or harmful child labor⁸.
16. Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals (gasoline, kerosene, other petroleum products, textile dyes etc.).
17. Activities involving land acquisition and/or restrictions on land use resulting in involuntary resettlement or economic displacement.⁹TA Activities: Parastatals, government entities and government-controlled firms will not qualify. Specifically, firms where the government or a parastatal is the largest shareholder, or has a majority on the board, will not qualify.

18.

19. Footnotes

1. This does not apply to enterprises that are not substantially involved in these activities. "Not substantially involved" means that the activity concerned is ancillary to an enterprise's primary operations.

2. Natural habitats are land and water areas where (i) the ecosystems' bio-logical communities are formed largely by native plant and animal species, and (ii) human activity has not essentially modified the area's primary ecological functions. All-natural habitats have important biological, social, economic, and existence value. Important natural habitats may occur in tropical humid, dry, and cloud forests; temperate and boreal forests; Mediterranean-type shrub lands; natural arid and semi-arid lands; mangrove swamps, coastal marshes, and other wetlands; estuaries; sea grass beds; coral reefs; freshwater lakes and rivers; alpine and sub alpine environments, including herb fields, grasslands, and paramos; and tropical and temperate grasslands. Biodiversity outside of natural habitats (such as within agricultural landscapes) is not covered under this policy. It is good practice to take such biodiversity into consideration in project design and implementation.

3. Critical habitat is a subset of both natural and modified habitat that deserves particular attention. Critical habitat includes areas with high biodiversity value that meet the criteria of the World Conservation Union (IUCN) classification, including habitats of significant importance for required for critically endangered or endangered species as defined by the IUCN Red List of Threatened Species; habitats of significant importance for endemic or restricted-range species; habitats supporting globally significant concentrations of migratory species and /or congregatory species; areas with unique assemblages of species or which are associated with key evolutionary processes. Primary Forests or forests of High Conservation Value shall be considered Critical Habitats.

5. Also known as 'cultural heritage', 'cultural patrimony', 'cultural assets' or 'cultural property'. Physical cultural resources are defined as movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other culture I significance. Physical cultural resources may be located in urban or rural settings, and may be above or below ground, or under water. Their cultural interest may be at the local, provincial or national level, or within the international community.

6. Sustainable forest management may be demonstrated by the application of industry-specific good practices and available technologies. In some cases, it may be demonstrated by certification/ verification or progress towards certification /verification under a credible standards system. Additionally, the following types of activities involving forests will be excluded: (a) activities that have or may have impacts on the health and quality of forests; (b) activities that affect the rights and welfare of people and their level of dependence upon or interaction with forests; and (c) activities that aim to bring about changes in the management, protection, or utilization of natural forests or plantations, whether they are publicly, privately, or communally owned.

7. Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

8. Employees may only be taken if they are at least 14 years old, as defined in the ILO Minimum Age Convention (C138, Art. 2) ratified by Uganda in 2003. Harmful child labour means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development.

9. Land acquisition and/or restrictions on land use that may result in the physical displacement of people (involuntary resettlement/ relocation or loss of shelter) as well as their economic displacement (as loss of assets or access to assets and/or means of livelihood, regardless of whether or not the affected people must move to another location). This includes the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons. Land must be acquired on willing-seller willing-buyer basis.

ANNEX 14: CONTENT OF AN ENVIRONMENTAL AND SOCIAL AUDIT REPORT

Source: SCHEDULE 2. *Regulations 10(1), 15(1). Of Uganda National Environment (Audit) Regulation 2020.*

1. An environmental audit report shall include—

- the names and composition of the environmental audit team, including their qualifications, specific skills, and relevance to a specific subject matter;
- a description of the project or activity audited and its physical location including a map, coordinates, boundaries of the site, plot number, block number, name of cell, village, parish, ward, sub-county, division, county, and district;
- (a) the identity of the developer or representatives of the developer who took part in the environmental audit and their specific roles;
- the criteria, objectives, scope, protocol, and methodology used during the conduct of the environmental audit and any obstacles encountered, including gaps in knowledge and any other limitations encountered;
- (b) the period covered by the environmental audit and the dates on which the audit was conducted;
- (c) the terms of reference for the audit, including where applicable, consideration of the environment assessment baseline, and the date and issues raised in the previous environmental audit, environmental monitoring reports or inspections;
- (d) a description and an assessment of the effectiveness of the environment management system and the compliance with the environmental management and monitoring plan, including environmental, health and social safeguards associated with the project or activity;
- (e) a description of the observed impacts of the audited project or activity, including both qualitative and quantitative data and information, where applicable;
- the audit findings, including any identified non-compliance, causes of the non-compliance, proposed corrective actions and timeframe for implementing the corrective actions;
- (f) record of consultations with relevant stakeholders;
- (g) an implementation plan, including an audit corrective action plan proposed by the developer in consultation with the audit team that addresses the correction of past environmental non-compliance, the current environmental compliance and prevention of future non-compliance;
- (h) any other recommended action;
- (i) copies of all relevant approval certificates, permits and licences as an annex to the report; and
- (j) any other information the Authority may require.

2. As a separate document, the environmental audit report shall include a statement of the confidential nature of the information obtained or parts of the information, if any.

3. The environmental audit report shall contain a declaration dated and signed by all members of the environmental audit team.

4. The developer shall, every three years, submit, together with the environmental audit report, an updated environmental management and monitoring plan of the project or activity.

ANNEX 14. SAMPLE FORMAT FOR E&S PERIODIC SUBPROJECTS PROGRESS REPORTING (QUARTERLY, ANNUAL)

1. Format for Quarterly Project/Subproject Progress Report

- i. Period under Reporting.
- ii. Introduction to the Project/Subproject.
- iii. Project/Subproject Objective/Activity Information.
- iv. Achievement(s) made planned activity.
- v. Performance indicators and targets.
- vi. Challenges and Risks encountered during activity/activities implementation.
- vii. How were the challenges/risks addressed?
- viii. Project activity/activities planned for the second quarter and tentative timelines.
- ix. Annexes.

2. Guidelines/Format for Annual Project/Subproject Progress Report

- i. Financial Year under Reporting (On Cover Page).
- ii. Project No. and Title (On Cover Page).
- iii. Executive Summary.
- iv. Acronyms and Abbreviations.
- v. List of Tables.
- vi. List of Figures.
- vii. Introduction to the Project/Subproject.
- viii. Objective(s).
- ix. Activity Planned/Planned Achievement/Actual Achievement and Remarks/Achievement indicators (To be Presented in a Table Form).
 - Challenges and Risks faced during Project implementation.
 - How were the challenges/risks addressed or planned to be addressed during the second year?
- x. Planned activities for the next financial year.
- xi. Indicative list(s) of resources required.
- xii. Conclusion and Recommendations
- xiii. Annexes

ANNEX 16: STAKEHOLDERS CONSULTATION INTRODUCTORY LETTER



October 18, 2022

PSFU/CEDP/GEN/482/2022

Dear Stakeholder,

INTRODUCTION OF M/S JBN CONSULTANTS

The Government of Uganda and World Bank are preparing the investment for Industrial Transformation and Employment (INVITE) Project which among others will support the Government's strategic objective as reflected in the NDP III, of facilitating the emergence of new growth corridors as an approach to accelerating private sector growth and job creation. The project aims to increase private investment and market linkages in nascent growth corridors in Uganda, intending to accelerate economic transformation and improved incomes for lower-income households.

INVITE will be implemented by Bank of Uganda (BoU) and the Private Sector Foundation Uganda (PSFU).

As part of the preparatory activities, PSFU has engaged M/S JBN Consults and Planners Limited to undertake the preparation of Environmental and Social Safeguard Instruments including: Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), Stakeholders Engagement Plan (SEP), and Vulnerable and Marginalized Groups Framework (VMGF) for the INVITE.

This therefore serves to introduce the staff from M/S JBN Consultants and Planners Ltd and request you to avail them the necessary information and cooperation for smooth execution of the assignment.

In case you require any additional information or clarification, please contact: Jerome Mugondi the Project Environmental and Social Safeguards Specialist on telephone 0773378926 or Email: jerome.mugondi@cedp.go.ug

We count on your active participation and cooperation for the successful execution of this assignment.

Regards,

John Marie Kyewalabye
PROJECT COORDINATOR

ANNEX 17: GENERIC/BASE EMERGENCY PREPAREDNESS AND RESPONSE PLAN

The purpose of this plan is to provide guidance for identification, assessment and providing basic information and guidance for response to emergency situations.

While it is recognized that all situations cannot be covered, the overall guidance is for the project to provide documented systems, tailored for type of anticipated emergencies specific to the activities to be undertaken, drills, and evacuation procedures as well as how to communicate them to the required people.

This Emergency Plan applies to the INVITE project for subcomponent 2.3 and component 3 undertaken by PSFU. PSFU will support the institutions/firms once the need arises, but the ultimate responsibility for their own employees lies with the respective institutions/firms.

Any emergency, severe injury or dangerous occurrence must be notified or reported immediately to the project coordinator.

Roles and responsibilities

A. Project Coordinator

- Demonstrate commitment to and support for all emergency preparedness and response procedures and activities.
- Exercise due diligence, when establishing that:
 - appropriate emergency response equipment is available and maintained within their area of responsibility,
 - emergency co-ordinators within their area of responsibility are adequately resourced with suitably trained and/or qualified personnel,
 - workers within their area of responsibility are receiving first response and emergency evacuation instructions within legislated timeframes,
 - worksites within their area of responsibility are conducting annual emergency evacuation drills,
 - corrective or preventative actions identified during incident investigations or emergency evacuation drills are being implemented.
- Follow all reasonable instructions issued by member of the emergency team during drills and emergency evacuations.

B. Institution/firm management

- Review and approve the Emergency Evacuation Procedures for their specific institution or firm of responsibility.
- Ensure that adequate firefighting and spill management equipment are available and maintained at the specific institution/firm of responsibility.
- Verify that the workers within their area of responsibility are receiving first response and general evacuation training within legislated periods.

- Ensure that emergency evacuation drills are regularly conducted on all worksites within the area of responsibility.
- Oversee the implementation of corrective and preventative actions identified during incident investigations or emergency evacuation drills.
- Take control of an emergency within their area of responsibility.
- Inform the project Co-ordinator/ E&S Specialists of an emergency.
- Follow all reasonable instructions issued by the Project Co-ordinator/ E&S Specialists during an emergency.

C. E&S Specialists

- Responsible for ensuring the safety of the worksite occupants from the time an emergency alarm is sounded, until the relevant emergency services arrive.
- During an emergency, acts as the principal liaison officer between company/institution/firm and the emergency services.
- Work with other institution/firm management to identify and then implement improvements to the Emergency Evacuation Procedure.
- Coordinate mock emergency drills with the institutions/ firm's management.
- Following a drill or emergency incident, provide the institutions/ firms management and all other relevant stakeholders with a performance report which identifies any improvement actions.

D. Fire fighters

- Be aware of the correct use of firefighting equipment and procedures through attending adequate firefighting training
- Regularly inspect firefighting equipment to ensure it will function optimally in the event of a fire.

E. First Aiders

- Provide ill or injured workers with primary medical care, up to their level of training or competency, until the appropriate emergency services arrive.
- Act as the liaison between the project and the emergency services during a medical emergency.
- If necessary, will seek support or assistance emergency team during a medical emergency.
- Maintain records of any first aid treatment they have provided.
- Ensure that first aid kits are available and adequately stocked.

F. Employees

- Report all emergency evacuation related incidents or hazards in accordance with the relevant company/institutional procedure.

- Follow all reasonable instructions given by members of the Emergency Co-ordinator during an emergency evacuation.
- Complete first response and emergency evacuation training within legislated periods.
- Fully participate in all emergency evacuation drills.
- Where required, contribute to emergency planning activities or risk assessments.

Emergency Management Framework

A. Overview

A sudden, emergency incident within the project worksite can all too easily result in an injury, loss of life, property damage or service interruption. It is therefore important that the project consider in advance how to adequately respond to any potential emergency scenario.

To help the project management do this more effectively, the following six-step emergency planning framework have been established:

STEP 1: consider all the several types of emergency scenario that might occur on within the project worksites.

STEP 2: determine what types of response systems such as firefighting equipment, spill kits/ booms or external assistance which may be needed to respond to these emergency scenarios,

STEP 3: develop a site-specific emergency response plan which reflects the county or area specific emergency response numbers etc.

STEP 4: ensure that any employees working within the various project area understand what they need to do in an emergency by providing them with first response training and clearly displaying the emergency response contact details for each participating institution or firm.

STEP 5: test the suitability and effectiveness of these emergency procedures by conducting regular practice drills.

STEP 6: implement any improvement actions identified during practice drills or the review of these plans and communicate these changes to effected employees.

B. Emergency Preparedness

All worksites must have a documented Emergency Response Plan. These documents are designed to ensure the safety of everyone on these sites by providing them with detailed instructions to follow in the event of an emergency response.

The latest versions of these procedures must be displayed on the Safety Noticeboards at each worksite. Each procedure contains the following key information:

- The name of work area and the address of the workplace/ site,
- The name, and contact numbers of the E&S Manager, first aiders, firefighter, and emergency services (Ambulance, police, fire station);
- The Emergency Response flow diagrams.

C. General evacuation and response training

All employees and visitors must be informed about the:

- Evacuation/ response procedure to be followed in the event of an emergency;
- escape routes in the event of an emergency within the site camp and the location of the designated assembly point;
- location and method of operation of firefighting equipment and alarm systems.
- first aid arrangements for the work area/work site,
- Correct procedure/ protocol for communicating an emergency/ person to inform in the event of an emergency, and;
- Emergency numbers.

D. Evacuation Drills

Emergency evacuation drills must be conducted at least annually, with the type of emergency scenario being tested varying on each occasion. All staff must participate in these drills. When planning an evacuation drill, the following must be considered for each worksite:

- The name of each Emergency team member and the role that they perform,
- The type and location of the emergency notification system/ air horns,
- The methods used to report emergency incidents on that site (e.g. manual call points),
- The action that should be taken in response to an alarm signal,
- Where applicable, the location of the marshalling area for each work area,
- The evacuation routes that should be taken,
- The location of the assembly areas or any designated alternatives, and
- The action that should be taken at the completion of the drill.

Following a drill, the Emergency Coordinator/ E&S Specialist must hold a debriefing meeting with members of the Emergency team and other relevant stakeholders. During this session, any opportunities for improvement should be discussed and, if required, a corrective action plan developed.

An Emergency Evacuation and Response Evaluation Form must also be completed and, along with the minutes from the debrief meeting.

During a drill or real emergency incident, it is essential that all people present on worksites comply with the following evacuation instructions:

- Everyone is to stop work, turn off all equipment (if safe to do so) and leave the work area immediately,
- Evacuees must then proceed directly a designated assembly point which will be agreed upon for each section of road that will be worked on,
- Once at the assembly point, evacuees must follow all reasonable instructions given by the Supervisor/ E&S Specialists or the emergency services,
- The Emergency Coordinator (usually the Supervisor/ E&S Specialists) should brief the emergency services on arrival and direct them as required, and
- No one, other than the Emergency Co-ordinators (Supervisor/ E&S Specialists) or the emergency services, should re-enter the worksite until all clear has been given.

Emergency scenarios and proposed procedures

A. First Aid

It is the institution/firm's responsibility to provide First Aid arrangements and equipment for his own employees. The participating institutions and firms shall provide or ensure that all workers are provided with first aid treatment by well-trained first aiders at each work point as necessary putting into consideration the magnitude of the hazards.

A First Aid box shall also be available to assist institution or firm who may not be obliged to have their own First aider and to provide a stretcher or couch for an injured or ill person or in any other emergency situations.

Each First Aider (supervisor) shall keep their First Aid Box in a prominent place, clearly marked and fully always stocked. A list of all equipment needed to be maintained in the first aid boxes are presented in Table below.

List of items required in each First Aid box.

ITEM DESCRIPTION	QTY
Bandages	10
Cotton Wool	Enough
Crepe Bandages	5
Strapping	1
Sulphadiazine Cream	1

Pair of Scissors	1
Disinfectant (Povine)	1
Deep Heat Rub (Diclofenac Topical)	1
Hand Sanitizer / Soap Bath	1
Gauze Swabs	10
Vaseline Gauze	1 packet
Gloves Examination	20 pairs
Triangular Bandages – Armsling	10

B. Anticipated Emergency Scenarios

The Institutions/firms will assess the anticipated Project risks which will form the basis of this Emergency Preparedness and Response plan and will do so on a continuous basis to ensure all potential emergencies are adequately addressed.

For this stage of the project the following potential emergency situations have been identified:

- Fire and medical emergencies;
- Vehicle Collisions;
- Chemical/ Hazardous Substances Spills;
- Civil disorder/ Terrorism;
- Natural calamities e.g. floods, landslides, epidemics etc.

C. RESPONSE PROCEDURE – GENERAL EVACUATION

Flow diagram has been prepared for general scenario and is presented below

