

Terms of Reference (TOR)
For Environmental and Social Compliance Audit
One WaSH National Program- CWA II
(OWNP-CWA-II)

Ministry of Water and Energy

Prepared by

Environment, Social and Climate Change Desk

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1. Introduction

The then Ministry of Water, Irrigation and Electricity (MoWIE) of the Government of Ethiopia (GoE) and the World Bank (IDA), signed an agreement on February 25, 2014 to finance the Water Supply and Sanitation Project. This project is geared in to the One WaSH National Program-Consolidated WaSH Account (OWNP-CWA). The OWP- CWA is an innovative program towards bringing all WaSH sectors (MoWIE, MoH, MoE and MoFED) together and has introduced a move from project based approach to a more comprehensive and programmatic (sector wide) approach through a consolidated WaSH financing.

OWNP-CWA advocates for one plan, one budget, one reporting system and one Consolidated WaSH Account (CWA). As this is a flagship program, it is financed by the Government of Ethiopia and Development Partners (WB, AfDB, DFID, UNICEF, the Finland government) that started with the program development objectives of *“Increased access to improved water supply and sanitation services for residents in participating Woredas, towns and communities in Ethiopia”*. The program is focused on providing water and sanitation service to 382 woredas and 144 medium and small towns in all regions through implementation of its four major components. The OWP- CWA consists of four components: **Component 1: Rural Water Supply, Sanitation and Hygiene (R-WaSH):** this component aims to improve access to water supply and sanitation services, and to promote improved hygiene in rural areas. **Component 2: Urban Water Supply, Sanitation and Hygiene (U-WaSH):** this component aims to improve access to water supply and sanitation services in urban areas (small and medium towns), and to strengthen the capacity of WaSH officials to plan and manage these services in a sustainable manner.

Component 3: Institutional WaSH: aims to improve access to safe water supply and sanitation services and to promote improved hygiene practice in institution (health facility and schools) level.

Component 4: Project Management Monitoring and Evaluation: this component aims to support and build the capacity of WaSH agencies at federal, regional, and local government levels to plan, implement, and manage water supply and sanitation services

under their jurisdiction. This component will provide financing to the Ministry of Finance and Economic Development (MoFED), Ministry of Health (MoH), Ministry of Education (MoE), and Ministry of Water and Energy (MoWE), and to the regional Health, Education and Water bureau as well as woreda WaSH offices, the Bureau of Finance and Economic Development (BoFED) and Woreda Finance and Economic Development Office (WoFED) personnel and regionally - based consultants.

Projects to be implemented and which have been implemented under OWNP should adhere to the ESMF, RPF and other acceptable environmental and social safeguards requirements. The projects should, as far as possible, not result in involuntary resettlement and land acquisition and where this is necessary, it is minimized by exploring all feasible alternatives and where it is unavoidable, compensation activities are prepared and implemented. The project has therefore prepared the Environmental and Social Management Framework (ESMF) and the Resettlement Policy Framework (RPF) to be referred to and used by all stakeholders and implementing agencies under the OWNP. These documents are being made available to all regions, woredas and beneficiary towns. The following World Bank safeguards policies were triggered: OP 4.01 Environmental Assessment, Natural Habitats (OP/BP 4.04), Safety of Dams (OP/BP 4.37), Physical Cultural Resources (OP 4.11), International Waterways (OP/BP 7.50), OP4.10 underserved people, and OP4.12 Involuntary Resettlement. All require that appropriate instruments are prepared for applicable small-scale infrastructure projects.

2 Objective of the Assignment

The overall objective of the assignment is to conduct Environmental and Social safeguard Compliance audit through reviewing the implementation of safeguard instruments under the OWNP-CWA, identify significant environmental and social issues in the existing project or activities, and assess their current status, specifically in terms of meeting the requirements of WB E&S operational policies under the guidance of the Project ESMF, RPF, ESIA/ESMP and RAP.. Based on this to i) identify cases of non- or partial compliance;

ii) to recommend appropriate corrective actions if cases of non or partial compliance are identified and justifies appropriate measures and actions to mitigate the areas of concern, estimates the cost of the measures and actions, and recommends a schedule for implementing them; and iii) to make recommendations for strengthening the institutional systems for the preparation, implementation and monitoring of safeguard instruments. Based on audit findings, gap-filling and enhancement measures with agreed action plans will be recommended for the project going forward.

3. Purpose of Terms of Reference (TOR)

The purpose of this TOR is to conduct a project environmental and social audit for OWNP-CWA program and to ascertain compliance of the activities implemented under the project, the existing facilities and operation evaluating that the construction period considers the national rules, regulations and the World Bank environment and social safeguard policies and guidelines as well as the Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plans (ESMPs) and Resettlement Action Plan (RAP) prepared for this project. Thus, the purpose of the social and environmental audit is to improve decision making and ensure that theremaining subprojects will be implemented the way in which environmental and social

risks and impacts will be addressed in the assessment, development, and implementation of the project.

4. Methodology

The work will include desktop level review of relevant documents, and field assessment with consultation with relevant stakeholders at Federal, Regional, Woreda, Towns and community level including the national and regional project offices, Environmental and Social office and project affected communities.

Regarding the field work, the consultant shall submit an inception report which includes random samples from sub-project implementing Woredas and towns from each regions site health and , waste management any other The selection could be supported by the project safeguard experts.

An audit checklist supported by a semi structured interviews will be used with key informants, community and woreda levels. Group discussions will be held with different community groups: men, women, youth and the underserved. The consultant shall also:

consider the views and concerns of key stakeholders, including relevant authorities, local NGOs, and representatives of affected communities as identified during site visit and interviewed, where appropriate.

clearly state the condition of the areas and include maps with locations of key features (e.g. locations, land uses, natural features, communities and other sensitive receptors within the area of influence ...).

5. Scope of the Services

The consultant will conduct an Environmental & Social Safeguards Compliance Audit on the OWNP-CWA in accordance with the Ethiopian and World Bank relevant environmental and social legal frameworks. The audit will focus on identifying the non-compliance with adhering to national and WB legal requirements, evaluating environmental and social changes brought about by the OWNP Subprojects, and assessing the implementation and effectiveness of proposed mitigation measures against the Project ESMF. The basis for evaluating the Project will be in terms of national environmental policies such as:- the Environmental Policy of Ethiopia (EPE), Environmental Impact Assessment (Proclamation No, 299/2002), Hazardous waste management and control proclamation

(Proclamation No. 1090/2018), Environmental Pollution Control (Proclamation No. 300/2002), Expropriation of Landholdings for Public Purposes and Payment of Compensation Proclamation No. 1161/2019, Payment of Compensation for Properties Situated on Landholdings Expropriated for Public (Regulation No.472/2020) and the WB Operational policies and guidelines such as Environmental Assessment (OP 4.01), Natural Habitat (OP 4.04), Physical Cultural Resources OP/BP 4.11, Involuntary Resettlement (OP 4.12), Forests (OP 4.36), and Safety of Dams(OP 4.37) . The World Bank Group Environment, Health and Safety Guideline (WBG EHSG) shall also be applicable as deemed necessary. In addition, the Audit Report is expected to give detail insight into the implementation of the ESMF and RPF, along with some other project specific impacts and mitigation measures listed within the ESIAAs, ESMPs, RAPs, ARAPs).

The ESCA will touch all types of water supply schemes and focus on high to medium risk sub-project activities involving medium to large-scale civil works and relocation of project affected persons under OWNP-CWA. The consultant shall visit at least 50% of the beneficiary regions, along with representative sample sizes from the respective Woredas, medium/small towns and subproject activities. Selection criteria for sub-project activities include:

- a. Medium to small town water supply projects that have high contractual value and are expected to impact the environment in various aspects require large area of land and displace people
- b. Rural Piping Systems (RPS) and other environmentally and socially sensitive water supply and sanitation subproject activities,
- c. Institutional WaSH subproject activities, etc.

The audit will comprise of an independent evaluation of the overall environmental and social

performance in line with the project's ESMF/RPF across selected sub-projects under OWNP. Specific responsibilities include:

- a) Develop a broad audit program that will confirm the consultant's understanding of the audit objective, scope, methodology/approach and schedule and prepare an audit checklist that will cover meetings at the PMU, RPMU and PIU levels, relevant sub-national government agencies, community facilitators, PAPs, contractors, and supervision engineers. The detailed methodology and audit checklist templates shall be reviewed by the federal OWNP PMU and the World Bank. The audit program shall incorporate field visits to the would be selected project locations. This assignment will be the part of inception report.
- b) Based on clear and agreed criteria, select the beneficiary regions, Woredas, Towns and the respective sub-project activities to be included in the audit.
- c) Review and assess the adequacy of the sub-projects' stakeholder identification, analysis and engagement progress as part of the Environmental and Social Assessment (ESA) tasks and assess current and planned stakeholder engagement activities as outlined in the project's ESMF and RPF.
- d) Conduct an environmental and social compliance audit as per the audit program. This audit will assess compliance with the ESMF/RPF requirements (including preparation of screening and site specific instruments, their approval, proper documentation, consultations, disclosure, etc.) and relevant legislation and regulatory requirements, including environmental permitting and land acquisition legislation. The audit will assess whether a system for environmental and social management as stipulated in the ESMF/RPF has been duly followed and fully functional. These include effectiveness of the institutional arrangements, resource adequacy, environmental and social management processes for screening, environmental and social assessments, considerations of alternatives, risk mitigation and oversight, reporting and documentation, Feedback and Grievance Redress Mechanism (GRM), incident/accident recording and management.

Assess the implementing agencies' capacities and resources to implement environmental and social management measures. This covers assessment of institutional capacities of the federal and regional PMU and PIU, including the Woreda and town level implementing entities project consultants, contractors, Environmental and Social Safeguard Specialists etc. in implementing, monitoring and reporting the overall ESMF and RPF requirements. Key areas of concerns include

management of all relevant environmental and social risk mitigation measures of operations under OWNPN, in particular, specific E&S risks that were identified in the ESMF and sub-project environmental and social assessments and availability of requisite resources to do so. The assessment shall include feedback on the quality of the environmental and social risk instruments, its implementation, management reporting, including related reviewing and approving activities, risk management, plans,; as well as examining the implementation of mitigation measures and established mechanisms. Further elaboration of roles and responsibilities of the implementing units under the project to inform this assessment can be referenced in the ESMF.

e) Assess the capacities and resources of project consultants, contractors, Environmental and Social Safeguard Specialists and supervision engineers in implementing and addressing all relevant environmental and social risks and impacts of sub-project activities under OWNPN, specific E&S risks that were identified in the ESMF and sub-project environmental and social assessments. The assessment shall include feedback on the quality of the environmental and social management reporting, including project monitoring reports, as well as compliance with the national legislation and permitting process and implementation of mitigation measures and established mechanisms. Subject to any continued restrictions on travel and public gatherings, site visits to sub-projects/activities and focus group discussions with stakeholders shall be conducted to verify the findings. Should restrictions be in place on travel and public gatherings, the consultant shall propose alternative solutions to data verification in the field. Such alternative approaches, including stakeholder engagement tools in lieu of site visits shall be reviewed and approved by the PMU and the World Bank. On a sample basis, assess the availability and implementation of Constructors' Environmental, Health and Safety Management Plan (EHSMP) prepared by the contractors and assess whether the function of supervision engineers, particularly mitigation of environmental impacts on sensitive areas, sedimentation and storm water run-off, hazardous wastes management, occupational health and safety practices, and traffic management and

f) Assess risks related to labor influx, covering Occupational, Health and Safety (OHS) and community, health and safety. Assess the management of such risks at the project and sub-project levels, including whether a system is in place and functions to address risks related to Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH), including Gender-Based Violence (GBV) and Violence Against Children (VAC) in line with the project's ESMF (Appendix 11), and the World Bank's Good Practice Note on SEA/SH (which also covers

GBV/VAC). Assess implementation of specific risks related to implementation and practices in land acquisition and relocation/resettlement processes of project affected persons. Key aspects cover consultations, compensation processes, grievance handling, management of risks related to informal land claims and vulnerable groups and use of security forces. Assess the implementation practices and the satisfaction of the PAPs, of the Resettlement Action Plan (RAP) or Abbreviated Resettlement Action Plan (ARAP) in all the sample woredas and sub-projects. Assess the effectiveness of the project's Grievance Redress Mechanism (GRM) for subprojects in terms of its accessibility, credibility, effectiveness in resolving grievances, resourcing, etc. Specific attention needs to be paid to the assessment of GRM for SEA/SH and focus will be on understanding whether the system is functioning and protocols and practices established are in line with the World Bank's Good Practice Note on SEA/SH. Cautions and utmost care of data handling in relation to SEA/SH are needed to ensure protection of victims and confidentiality.

- g) Present audit findings and recommend gap-filling and enhancement measures for the overall environmental and social management, with Corrective Action Plan (CAPs) agreed by the Ministry of Water and Energy (MOWE). Audit results shall be analyzed to identify key issues and gaps to be addressed as part of the Project implementation and recommendations shall propose clear actions needed to address technical and capacity building gaps.
- h) Stakeholder Engagement: The draft ESCA is expected to be delivered to MoWE and shall be presented to all relevant stakeholders. This includes a validation workshop to discuss the findings of the ESCA and collect valuable information for ESCA finalization.

The final deliverable shall include extensive visual and graphic documentation including photographs of field conditions (including timestamps and geo-tagged reference points). The E&S audit team will submit audit reports to the Federal PMU and PIU and discuss a mutually agreed timeframe for the implementation of proposed follow-up actions. Federal PMU will submit all final audit reports to the World Bank for review/record. The audit will be deemed as closed only after this review and confirmation on action plans have been obtained.

6. Team Composition

Specific qualifications and experiences of the desired individual consultants are outlined below:

A. Environmental Individual Consultant

- At least a Master's degree in Environmental Science / Engineering / Planning;
- A minimum of 10 (ten) years relevant professional experience particularly in environmental

management of infrastructure projects, post-disaster reconstruction and rehabilitation;

- Demonstrated experience in environmental impact assessments and development of risk management instruments, especially addressing impacts on civil works projects; and
- Experience in conducting similar audit and possess an auditor certification for ISO, and/or relevant environmental management systems.

Evaluation criteria

S/N	Criteria	Weights
I	Technical compliance	Comply or not comply
1	Meeting national and W. Bank environmental and social safeguarded standards	
2	Adequacy and quality of the proposed methodology responding to the TOR	
3	Work plan and schedule responding to the TOR	
II	Education and experience	100%
1	Education	25%
1.1	PHD degree in Environmental Science / Environmental Engineering / Environmental Planning	25
1.2	At least Master's degree in Environmental Science / Engineering / Planning	20
2	Experience	70
2.1	General experience	20
2.1.1	15 and above years of general experience	20
2.1.2	13-14 years of general experience	18
2.1.3	11-12 years of general experience	15
2.2	Similar relevant experience to the assignment	40
2.2.1	13 and above years of relevant professional experience particularly in environmental management of infrastructure projects, post-disaster reconstruction and	40

	rehabilitation; environmental impact assessments Experience in conducting similar audit and possess an auditor certification for ISO, and/or relevant environmental management systems.	
2.2.2	11 to 12 years relevant professional experience particularly in environmental management of infrastructure projects, post-disaster reconstruction and rehabilitation; environmental impact assessments, Environmental and social compliance audit, Experience in conducting similar audit and possess an auditor certification for ISO, and/or relevant environmental management systems.	35
2.2.3	At least a minimum 10 years of relevant professional experience particularly in the environmental management of infrastructure projects, post-disaster reconstruction and rehabilitation; environmental impact assessments Experience in conducting similar audit and possess an auditor certification for ISO, and/or relevant environmental management systems.	30
2.2.4	Bellow 10 years of experience	0
2.3	Number of Environmental Audit experience	10
2.3.1	Auditing three and above projects	10
2.3.2	Auditing two projects	8
2.3.3	Auditing one projects	5
3.	Participation of nationals	5

B. Social Individual Consultant

- At least a Master's degree in social sciences, sociology, anthropology, or community development;
- Preferably a minimum of 10 (ten) years relevant professional experience particularly in social risk management in infrastructure projects, post-disaster reconstruction and rehabilitation;

- Demonstrated experience in social impact assessments and development of risk management instruments, especially addressing impacts on vulnerable or diverse groups (e.g., people with disabilities), land acquisition and resettlement, Indigenous Peoples, etc.; and
- Experience in conducting similar audits, especially in the areas of social risk management.

Evaluation criteria

S/N	Criteria	weight
I	Technical compliance	Comply or not comply
1	Meeting national and W. Bank environmental and social safeguarded standards	
2	Adequacy and quality of the proposed methodology responding to the TOR	
3	Work plan and schedule responding to the TOR	
II	Qualification and experience	Weight 100%
1	Education	25%
1.1	PHD degree in social sciences, sociology, anthropology, or community development;	25
1.2	At least Master's degree social sciences, sociology, anthropology, or community development;	20
2	Experience	70
2.1	General experience	20
2.1.1	15 and above years of general experience	20
2.1.2	13-14 years of general experience	18
2.1.3	11-12 years of general experience	15
2.2	Similar relevant experience to the assignment	40

2.2.1	13 and above years of relevant professional experience, particularly in social management of infrastructure projects, post-disaster reconstruction and rehabilitation, social impact assessments addressing impacts on vulnerable or diverse groups, experience in the management and implementation of land acquisition and resettlement, and experience in conducting similar audit in the areas of social risk management..	40
2.2.2	11 to 12 years relevant professional experience particularly in social management of infrastructure projects, post-disaster reconstruction and rehabilitation; social impact assessments addressing impacts on vulnerable or diverse groups, experience in the management and implementation of land acquisition and resettlement, and Experience in conducting similar audit in the areas of social risk management	35
2.2.3	At least minimum 10 years of relevant professional experience particularly in social management of infrastructure projects, post-disaster reconstruction and rehabilitation; social impact assessments addressing impacts on vulnerable or diverse groups, experience in the management and implementation of land acquisition and resettlement, and Experience in conducting similar audit in the areas of social risk management	30
2.2.4	Below 10 years of experience	0
2.3	Number of social safeguard Audit experience	10
2.3.1	Auditing three and above projects	10
2.3.2	Auditing two projects	8
2.3.3	Auditing one projects	5
3.	Participation of nationals	5

7. Duration and Timetable

The Team of consultants conducts the field work and is expected to be completed within 14(fourteen) weeks from contract signed. An inception report will be expected within 3 weeks of contract signing, a draft E&S audit will be within 4 weeks. After the Client and World Bank reviewed in 4 weeks, the final E&S Audit report that has been updated based on the comments received will be delivered within 3 week and it will be finalized.

8. Outputs and Deliverables

a. Inception Report

A half day meeting will be held with MoWE. Environmental and Social Office and Project PIU safeguard experts, the World Bank safeguard specialists, and the consultant to discuss the proposed methodology and plan to accomplish the task prior to submitting an Inception Report. An Inception Report shall be submitted within 3 weeks after the commencement of the assignment, reflecting the agreed methodology, auditing techniques, and an outline of the proposed contents of the Environmental and Social Performance Audit Report.

b. Draft Environmental and Social Audit Report:

- Draft Environmental and Social Audit Report, with an Executive Summary.
- The environmental specialist will be responsible for preparing the environment section and contributing to the executive summary.
- The report will be submitted within 4 weeks after the field assignment is completed. A copy of the draft report shall be sent to MoWE and the World Bank country office for review & comments, the review shall take 4 weeks.

c. Final Environmental and Social Audit Report:

Professionally edited Final Environmental and Social Audit Report shall be submitted within 3 weeks, with an Executive Summary, a consolidated section for all selected woredas and kebeles with relevant recommendations and the way forward to effective environmental and social management of future projects by incorporating comments and suggestions made on the draft final Environmental and Social Performance Audit Report. Pictures and maps shall support the report, and meeting minutes, letters, and other documents shall be attached/annexed to the draft and final report.

9 Management and Accountability relationships

MoWE is the client for this work. In terms of performance and deliverables, the consultant will carry out the assignment under the direction and accountable to OWNPCWA PMU. The consultant will also liaise closely with the project safeguard experts in Environment, Social and Climate Change Desk.

10. Relevant Documents

The Environmental and social audit will use all available documents prepared during the preparation and implementation of the program. These documents will be organized and provided to the consultant in the preparation phase of the Environmental and Social audit. Relevant reference documents may include but not limited to:

- ✓ OWNPCWA Program Document (PAD),
- ✓ Program Operational Manual (POM),
- ✓ OWNPC ESMF, RPF documents and social assessment
- ✓ Annual and quarter CWA Program Implementation Reports (PIR)
- ✓ OWNPC Joint Implementation support and Review Mission Aide memoires
- ✓ WB OPs and WBG EHS

11. Payment

The payment for this audit will be made in three installments. The first payment will be 20% upon an inception report submission and the second payment equivalent to 40% of the agreed contract value will be upon submission and approval of the draft audit report and the third payment will be 40% upon submission and approval of the final audit report.

Annex A: Indicative Outline for Independent Environmental and Social Audits

Environmental and social audit is an instrument to determine the nature and extent of all environmental and social areas of concern at an existing project or activities. The audit identifies and justifies appropriate measures and actions to mitigate the areas of concern, estimates the cost of the measures and actions, and recommends a schedule for implementing them. For certain projects, the environmental and social assessment may consist of an environmental or social audit alone; in other cases, the audit forms part of the environmental and social assessment. The aim of the audit is to identify significant environmental and social issues in the existing project or activities, and assess their current status, specifically in terms of meeting the requirements of the ESSs.

- a) **Executive Summary:** Concisely discusses significant findings and sets out recommended measures and actions and timeframes.
- b) **Legal and Institutional Framework:** Analyzes the legal and institutional framework for the existing project or activities, including the issues set out in the WB's safeguards policies, the OWP ESMF and RPF, any applicable environmental and social requirements of existing financiers.
- c) **Project Description:** Concisely describes the existing project or activities, and the geographic, environmental, social, and temporal context and any Associated Facilities. Identifies the existence of any plans already developed to address specific environmental and social risks and impacts (e.g., land acquisition or resettlement plan, cultural heritage plan, biodiversity plan). Includes a map of sufficient detail, showing the site of the existing project or activities and the proposed site for the proposed project
- d) ESCA Methodology.
- e) **Environmental and Social Issues Associated with the Existing Project or Activities:**
The review will consider the key risks and impacts relating to the existing project or activities. This will cover the risks and impacts identified in the WB's safeguards policies, as relevant to the existing project or activities.
- f) **Environmental and Social Analysis:** The audit will also assess (i) the potential impacts of the proposed project (taking into account the findings of the audit with regard to the existing project or activities); and (ii) the ability of the Sub-project to meet the requirements of the WB safeguards policies, ESMF and RPF.
- g) **Proposed Environmental and Social findings, Gap-filling/Enhancement Measures:**
Based on the findings of the audit, this section will set out the suggested measures to address such findings. These measures will be included in the Environmental and Social Action Plan for the Project. Measures typically covered under this section include the following:
- Specific actions required to meet the requirements of the ESMF/RPFs (Legal, institutional and technical)
 - Capacity assessment and analysis
 - Corrective measures and actions to mitigate potentially significant environmental and/or

social risks and impacts associated with the existing project or activities

- Measures to avoid or mitigate any potential adverse environmental and social risks or impacts associated with the proposed project.

h) Project Capacity Building and implementation

i) ESCA implementation Estimated Budget

Annexes

- ES Screening checklist
- Stakeholder engagement and consultation summary
- Samples of evidence
- Others