

**INTEGRATED SAFEGUARDS DATASHEET
APPRAISAL STAGE**

I. Basic Information

Date prepared/updated: 06/16/2009

Report No.: 49330

1. Basic Project Data

Country: Tajikistan	Project ID: P115953	
Project Name: ADDITIONAL FINANCING FOOD SECURITY AND SEED IMPORTS		
Task Team Leader: Bekzod Shamsiev		
Estimated Appraisal Date:	Estimated Board Date: July 14, 2009	
Managing Unit: ECSSD	Lending Instrument: Specific Investment Loan	
Sector: Crops (80%);Agricultural marketing and trade (20%)		
Theme: Global food crisis response (67%);Other rural development (33%)		
IBRD Amount (US\$m.):	0.00	
IDA Amount (US\$m.):	0.00	
GEF Amount (US\$m.):	0.00	
PCF Amount (US\$m.):	0.00	
Other financing amounts by source:		
Borrower	0.00	
Special Financing	6.25	
<u>Financing Gap</u>	<u>0.00</u>	
	6.25	
Environmental Category: B - Partial Assessment		
Simplified Processing	Simple <input type="checkbox"/>	Repeater <input type="checkbox"/>
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)	Yes <input type="checkbox"/>	No <input type="checkbox"/>

2. Project Objectives

The original project development objective of the EFSSIP is to increase domestic food production and reduce the loss of livestock to help at least 28,000 poorest households in a timely manner to reduce the negative impact of high and volatile food prices. More specifically, the project provided agricultural production inputs and critical livestock-related inputs to the poorest farmers and female-headed households, to support their immediate food security as well as to recover their production losses and livelihoods.

Through restructuring of the project, the development objective would be changed to the following combination of objectives to: (i) increase domestic food production to help at least 55,000 poorest households; (ii) improve the ability of poor households to deal with seed shortages due to poor crops; and (iii) promote private commercial farming in order to increase food production and diversification.

3. Project Description

To achieve the above additional objectives, additional financing will be allocated for the existing project Component A "Support for Agricultural Inputs" and Component C "FAO Project Management" and two new components would be included in the EFSSIP for "Community Production Groups" and "Agro-Input Supply Market Development". Managing these additional activities will also require some additional financing for the PMU through the PMU Project Management component. There will be no changes to Component B "Improvement of Livestock Health and Husbandry" of the original EFSSIP design, except for modest reallocation of project savings from this component to Component A

Component A - Support for Agriculture Inputs (originally US\$2.7 million). Additional US\$1.65 million financing (for a total of US\$ 5.15 million including reallocation of about US\$800,000 of uncommitted funds from Component B) will be included to finance the cost of imports of high quality winter wheat seeds and fertilizer in time for autumn 2009 plantings in the severely food insecure areas identified by WFP Food Security Monitoring System. It is estimated that a package valued at about US\$60 per household would be sufficient for supporting winter wheat production for at least 27,000 families. The selection criteria for project beneficiaries will remain the same: female headed households, and households with children under 5 years old. Jamoat and district officials will compile beneficiary lists on this basis and these lists will be displayed publicly at Jamoat offices. Local NGOs will be used to check the compliance with project selection criteria based on 5% sample of the beneficiary list in each Jamoat, and will have to report acceptable levels of compliance before seed and fertilizer distribution. A second check will be conducted after the aid distribution, on the same basis, to monitor the effectiveness of distribution. Monthly pulse reports will be prepared to monitor aide disbursements and to note any ongoing problems with project implementation. These pulse reports will be based on Jamoat level information on beginning and ending stocks of project aid, the volume of aid distributed, and the numbers of beneficiaries receiving aid. Trends in food prices will also be summarized and reported based on available data from WFP and the State Statistical Agency, together with any actions associated with environmental compliance.

Component B - Improvement of Livestock Health and Husbandry (originally US\$1.80 million). No additional financing is required for this Component. Due to difficulties in securing veterinary supplies and animal feed for component B it was decided to change this component to the provision of fodder (alfalfa) seed and fertilizer for beneficiary households. The cost savings of about US\$800,000 created by these changes, together with a fall in the prices of seed and fertilizer have been reallocated to Component A. Locally produced alfalfa varieties were procured due to the difficulty of procuring small quantities of seed internationally. Delivery of alfalfa seed and fertilizer in the Rasht Valley took place on April 10-12, 2009. More than 7,000 beneficiaries in 4 districts and 15 Jamoats received their inputs, with distribution problems reported in only one Jamoat.

Component C - FAO Project Management (originally US\$0,5 million). Additional US\$0.165 million financing will be allocated for project management costs incurred by

FAO. This funding will also cover expenses such as program audit, the hiring of additional specialists, as well as training farmers, and monitoring and evaluation.

Component D - Community Production Groups (US\$3.235 million). This new component will support the formation and functioning of groups of poor rural households at the community level to help them improve their food security and nutrition and simultaneously diversify their production away from the predominant, but unprofitable cotton crop. This program will be implemented with the involvement of local grassroots NGOs, who will help identify eligible group members, assist in the formation of the groups, provide basic training, and help monitor program implementation and impact. Well-established international and/or national NGOs operating country- or region-wide will be contracted to mentor and oversee the work of the grassroots NGOs and to provide crucial linkages to other support service providers such as rural extension services, agro-input suppliers and marketing outlets. The Community Production Groups (CPGs) will be formed within the communities and will consist initially of between 10 and 20 members, selected from among the poor households as identified by the local Mahalla Committees and CBOs/NGOs. Specific eligibility criteria will include considerations such as size of household land (kitchen garden and private use-right land), income level, etc., with priority given to families with the poorest endowment of land and other resources per capita, families with a large proportion of economically inactive members (children and elderly) and female-headed households.

Members of potential CPGs groups will receive intensive initial information about the program and the conditions and requirements of participation. Grassroots NGOs will take the lead in community and group information and mobilization and in facilitating the formal constitution of the CPGs. The CPGs will have simple, locally appropriate, governance arrangements to ensure transparency, probity, inclusion, and accountability. Several types of CPGs are envisaged, differing in terms of the primary focus of agricultural production they wish to pursue. The CPGs will be able to choose the commodities they wish to produce. Production itself will be managed by the individual households, but access to initial inputs, to training and to output markets will be provided at the group level (and in some cases for clusters of CPGs). Three major categories of CPGs are envisaged: (i) crop CPGs (wheat, fodder crops, oilseeds), (ii) vegetable and fruit CPGs (potatoes, vegetables, spices, soft fruits), and (iii) small livestock CPGs (poultry, rabbits). The principles of project support and CPG operation will be similar, but there will be some differences in specific implementation arrangements and associated support services.

Component E - Agro-Input Supply Market Development (US\$0.9 million). The component will attempt to develop a private network of agro-input dealers to supply Tajik farmers with quality inputs and technical knowledge that would increase farm incomes and reverse the low-input, low-output spiral. This component will finance the following set of activities: (i) assessment of the needs of farmers and the agro-input demand and supply situation; (ii) identification of potential agro-input dealers and their training; (iii) organization of field demonstrations with improved technologies; (iv)

production of technical brochures and conduct of public outreach to increase production and stimulate farmer demand for inputs; and (v) help to dealers to find supplies and credit, expand business, and provide extension services. The project would also demonstrate to farmers the profitable return from investing in improved inputs and farming techniques.

The dealers will be better trained, better equipped and motivated to improve the availability of quality inputs, technology and value-added services for farmers. The project will collaborate with other donor projects, including ACTED, Swedish International Development Agency (SIDA), EU, German Agency for Technical Cooperation (GTZ), Japan International Cooperation Agency (JICA) and Swiss Secretariat for Economic Affairs (SECO). Given better access to seasonal finance from other sources farmers would seek other suppliers in order to obtain better input prices and more reliable delivery. The resultant increase in competition would strengthen the non-cotton investor component of the input supply market and create a more level playing field, to the benefit of farmers and overall sector output. Similar interventions have worked very well in Albania, Kosovo, Afghanistan and the Kyrgyz Republic. This initiative support will complement expected policy changes related to resolution of the cotton debt crisis and improved access to credit for non-cotton farmers - two formal structural performance criteria under 3-year PRGF approved by the IMF Executive Board on April 21, 2009. The relevant outputs would include: (i) fertilizer and seed related workshops and seminars for dealers, farmers, and agricultural experts; (ii) yield increases in project areas; (iii) introduction of new products such as complex fertilizers and significant increases in legal imports of fertilizer and sales of certified seed; and (iv) a comprehensive training program for dealers and progressive farmers in vegetable and fodder crop cultivation and orchard management.

Component F - PMU Project Management (US\$0.3 million). This component will finance coordination of the new activities and the fiduciary functions of the Center for Managing Projects on Cotton Farm Debt Resolution and Sustainable Cotton Sector Development (PMU). The PMU will require some additional staff and equipment and financing of additional operating expenses to carry out these additional activities. The project will finance incremental staff, consultants, operating costs, some technical assistance and training, M&E activities, special studies and impact assessments, information dissemination and annual audits.

4. Project Location and salient physical characteristics relevant to the safeguard analysis

The Component A will be implemented in Khatlon oblast (19 districts) while component B in Rasht Valley (5 districts). Components D, E and F will be implemented nationwide.

5. Environmental and Social Safeguards Specialists

Mr Arcadie Capcelea (ECSSD)

6. Safeguard Policies Triggered	Yes	No
Environmental Assessment (OP/BP 4.01)	X	
Natural Habitats (OP/BP 4.04)		X
Forests (OP/BP 4.36)		X
Pest Management (OP 4.09)	X	
Physical Cultural Resources (OP/BP 4.11)		X
Indigenous Peoples (OP/BP 4.10)		X
Involuntary Resettlement (OP/BP 4.12)		X
Safety of Dams (OP/BP 4.37)		X
Projects on International Waterways (OP/BP 7.50)		X
Projects in Disputed Areas (OP/BP 7.60)		X

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts: Activities under the project are not expected to generate significant and/or irreversible adverse environmental impacts and the project is therefore classified as Environmental Category B. Project components involve the distribution of seeds and fertilizers as well as capacity building activities and would have both positive and adverse environmental and social impacts. From the assessment, the identified positive impacts of the project include: (a) increased food security and household income for the smallholder farmers, due to higher agricultural productivity; (b) improved nutritional status of the farmers due to increased agricultural production; (c) improved farmer skills from trainings in technologies, seed breeding, fertilizer use and land conservation; (d) improved soil fertility due to fodder crop sowing (enrichment by nitrogen), use of phosphorus-potassium fertilizers; (e) increased opportunity for engagement in other income generating activities or small scale businesses by smallholder farmers due to increased food security for the households; and (f) increased employment in rural areas.

The potential negative impacts that may result from implementation of the project include the following: (a) increased pollution of ground and surface waters pollution due to soil erosion and use of fertilizers and pesticides; (b) threats to human health and wildlife due to poor handling of treated seeds, fertilizers and pesticides; (c) increased siltation of water bodies due to soil erosion. Most of these potential environmental impacts are minor and could be easily managed during the project implementation by applying a set of preventive measures and avoiding activities with could raise environmental issues.

As application of the seeds and fertilizers will be done within existing agricultural lands, the additional financing will not have an impact on wildlife and natural habitats and thus OP/BP 4.04 "Natural habitats" is not triggered. It is also expected there will be no impact on physical cultural resources, which are generally not placed in the vicinity of agricultural lands. Therefore OP/BP 4.11 "Physical Cultural Resources" is not triggered. Also, the project beneficiaries will not acquire land for the needs of activities to be

supported with the project proceeds through a process which involved and/or would involve officially supported expropriation and thus the project does not trigger OP/BP 4.12 "Involuntary Resettlement".

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

The expected cumulative impact of the activities proposed under additional financing are mostly positive and include improved knowledge on best agricultural practices, with consequent improvements in the status of water and soil conservation in the country.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

The task team has analyzed the possible implications of a "no project" scenario and concluded that in the absence of the additional financing there is a probability for an elevated scale of food insecurity associated with negative economic and social consequences leading to increased poverty, especially in rural areas.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The Environmental Management Plan, prepared for the First Phase of the project, was reviewed and updated in February-March, 2009. Per ISDS Concept Stage review meeting, the review provided an update on agriculture pest management issues. Based on that review, the revised EMP contains new provisions on pest management, including guidance on all issues that will be covered in the pest management training sessions and field demonstrations, including good practices in the use of pesticides, integrated pest management, the list of permitted pesticides, and existing regulations for pesticide use. Public consultations and a disclosure process were undertaken in accordance with World Bank policies and guidelines.

A review of the status of the EMP for the first phase of project implementation was carried out by the WB in March, 2009.

Overall, the conducted assessment shows that the EMP provisions are being successfully implemented. There have been no environmental complaints related to the project implementation. The PIU has broadly disseminated the EMP to all key stakeholders, - the Ministry of Agriculture and the Committee of Environmental Protection and Forestry, the Ministry of Finance, Hukumat of Khatlon oblast and of Rasht valley districts for its further dissemination to participating Jamoats. Furthermore, the PIU also prepared, in A4 format, about 80,000 copies of (a) Safety measures for mineral fertilizers usage and handling; and, (b) Safety measures for treated seed usage and handling for further dissemination among all project beneficiaries. These two documents specify the basic rules and procedures for safe handling of treated seeds and mineral fertilizers and their rational usage, and, respectively ensure prevention of their potential adverse impacts in the case of inappropriate usage. In order to improve farmers knowledge on sustainable land management the PIU has also prepared and printed 85,000

leaflets as a guiding material for seeds planting and fertilizers applying according to the nationally established requirements and norms for grain production.

All these information materials were disseminated to about 72,000 of project recipients in the project area. They will be further disseminated in March-April 2009 whilst distributing treated seeds and fertilizers in the districts of Rasht valley. It is necessary to also acknowledge that the seed material was procured in accordance with International Maize and Wheat Improvement Center CIMMYT quality standards for grain seeds. Similarly, the PIU has procured internationally approved fertilizers as of Urea (2,102MT and 70MT), SSP (210MT), and Potassium Chloride (70MT). The supervision of the inputs distribution is done by selected local NGOs. Their tasks include monitoring of distribution of seeds and fertilizers to only eligible households, dissemination of information materials as well materials on compliance with environmental/health safety requirements. The findings of these monitoring activities are reflected in quarterly and annual progress reports.

While most of EMP requirements were fulfilled, it is necessary to mention the following: (a) due to the time constraints and lack of relevant funding, the fall 2008 distribution of inputs were done by workers without wearing special individual protective equipment. In order to avoid any potential harm to the workers which distribute treated seeds and fertilizers, it is necessary for the FAO to ensure such equipment for the second phase of project implementation during the spring, 2009; (b) although the PIU has prepared and disseminated mentioned above information materials, there is still a need for further additional activities in this regard, including need for farmers training and of demonstrational activities on sustainable land and water use as well as on application of agrochemicals in agricultural production. For that purpose it is necessary to allocate special financial resources, within the project financing, to carry out those activities-these activities and their financing are proposed to be included in the project additional financing. Finally, as no special sections in the progress reports were particularly devoted to the implementation of EMP activities, it is proposed that the progress reports for the next phase of project implementation have such sections. It is also recommended that the supervising NGOs provide relevant guidance to site supervisors in this regard.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. The EMP for the project AF was discussed with a number of stakeholders from the State Committee for Environmental Protection and Forestry, the Ministry of Agriculture, local authorities, NGOs and farmer organizations, and disclosed in-country. Minor comments were received, and incorporated into the final document. The final version of the revised EMP was disclosed in-country on April 30, 2009 on the web-site of the Tajik Branch of the Regional Environmental Center for Central Asia (www.cerecnet.org) and in the WB Infoshop on June 2, 2009.

B. Disclosure Requirements Date

Environmental Assessment/Audit/Management Plan/Other:

Was the document disclosed **prior to appraisal?**

Yes

Date of receipt by the Bank	03/27/2009
Date of "in-country" disclosure	04/30/2009
Date of submission to InfoShop	06/02/2009
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

Resettlement Action Plan/Framework/Policy Process:

Was the document disclosed **prior to appraisal?**

Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	

Indigenous Peoples Plan/Planning Framework:

Was the document disclosed **prior to appraisal?**

Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	

Pest Management Plan:

Was the document disclosed **prior to appraisal?**

Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	03/27/2009
Date of "in-country" disclosure	04/30/2009
Date of submission to InfoShop	06/02/2009

*** If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.**

If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?	Yes
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes

OP 4.09 - Pest Management

Does the EA adequately address the pest management issues?	Yes
Is a separate PMP required?	Yes
If yes, has the PMP been reviewed and approved by a safeguards specialist or SM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?	Yes

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes
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Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs? Yes

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies? Yes

Have costs related to safeguard policy measures been included in the project cost? Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies? Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents? Yes

D. Approvals

<i>Signed and submitted by:</i>	<i>Name</i>	<i>Date</i>
Task Team Leader:	Mr Bekzod Shamsiev	05/15/2009
Environmental Specialist:	Mr Arcadie Capcelea	05/18/2009
Social Development Specialist		
Additional Environmental and/or Social Development Specialist(s):	Mr Arcadie Capcelea	05/18/2009
<i>Approved by:</i>		
Regional Safeguards Coordinator:	Ms Agnes I. Kiss	06/16/2009
Comments:		
Sector Manager:	Ms Dina Umali-Deiningner	06/05/2009
Comments:		