

**PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE**

Report No.: AB4463

Project Name	Tanzania - Accelerated Food Security Project
Region	AFRICA
Sector	Crops (100%)
Project ID	P114291
Borrower(s)	The United Republic of Tanzania Tanzania
Implementing Agency	Ministry of Agriculture, Food Security and Co-operatives (MAFC) Tanzania
Environment Category	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> TBD (to be determined)
Date PID Prepared	April 27, 2009
Estimated Date of Appraisal Authorization	April 21, 2009
Estimated Date of Board Approval	June 9, 2009

1. Key development issues and rationale for Bank involvement

The proposed Accelerated Food Security Project (AFSP) is one of a package of three complementary operations that form the World Bank's response to the Government of Tanzania's request for urgent support for its Accelerated Food Security Program.¹ The Program's goal is to enhance national food security and avert the food crisis that could arise because of persistently high, volatile prices for food and agricultural inputs. The Bank is using expedited procedures under its Global Food Price Response Program (GFRP) and the Emergency Recovery Loan procedures (OP/BP 8.00) to respond to the government's request.

As a short-term emergency response, the AFSP is a standalone Project that will finance urgent, time-bound interventions to supplement the government's medium- and long-term agricultural development agenda, which is supported by IDA and four other development partners through a basket fund for the Agriculture Sector Development Program. The proposed Project will scale up government efforts to boost domestic food production, make food more widely available, and increase the stability of food crop production. The Project will mostly finance activities that address the immediate concerns of maintaining and increasing food production through the National Agricultural Inputs Voucher Scheme (NAIVS). The Project will be implemented by the Ministry of Agriculture, Food Security, and Cooperatives (MAFC) in accordance with the Project Implementation Manual (PIM).

¹ The two complementary operations are Additional Financing for the Agriculture Sector Development Program (ASDP) and Additional Financing for the Second Tanzania Social Action Fund (TASAF II). The additional ASDP financing will expand the number of small-scale irrigation facilities and promote integrated soil fertility management practices as part of medium- to long-term efforts to increase agricultural productivity under ASDP. The additional TASAF II financing will scale up safety net mechanisms (such as public works projects and other kinds of support for vulnerable groups) currently implemented under TASAF II.

2. Proposed objective(s)

The objective of the Project is to contribute to higher food production and productivity in target areas by improving farmers' access to critical agricultural inputs.

The proposed instrument for the Project is an Emergency Recovery Operation processed under the GFRP guidelines and OP 8.00. In line with these procedures, the Project will support measures to mitigate or avert the potential effects of imminent or future emergencies as a result of price and production shocks.

3. Preliminary description

The AFSP will have three components: (i) Improving access to agricultural inputs (fertilizer and seed); (ii) Strengthening input supply chains; and (iii) Project management and monitoring and evaluation (M&E). It is designed to promote a quick supply response and to avert a potential emergency situation of food shortages in an environment of continued food and input price risk globally and in Tanzania. As such, the design tries to balance the inherent risks of in working in such emergency situations, including the lost opportunities associated with a delayed response, with the need for speed and flexibility to ensure an effective rapid response. The design of this component incorporates important lessons from the implementation of the NAIVS in 2008/09 and similar programs in other countries such as Malawi. The design also recognizes the critical importance of carrying out public awareness campaign and other supporting activities within and outside the project. Descriptions of the three components are:

Component 1 "Access to agricultural inputs (fertilizers and seeds)" will support (i) the scaling-up the on-going NAIVS and put the scheme on a more sustainable footing and (ii) improving farmers' awareness, information and participation in NAIVS. The scheme will be scaled up to 53 districts in Tanzania's high potential zones for maize and rice in the first year and eventually to 65 districts in the country. The NAIVS provides vouchers to maize and rice producing farmers carrying a 50 percent subsidy on the price of a one acre package of improved seeds and fertilizers.

Component 2 "Strengthening of input supply chain" will support farmers' access to improved agricultural inputs by: (i) strengthening and widening of the agro-dealer network through training and capacity building; and (ii) strengthening national seed systems to improve the availability of quality seeds for maize, rice and other crop species.

Component 3 "Project management and monitoring and impact evaluation" will support the program management, regular monitoring of its progress and rigorous impact evaluation of its outcomes.

4. Safeguard policies that might apply

Overall the Project is rated as environmental category B. Given that the Project subsidizes purchases of seed and fertilizer, the potential impacts from increased use of fertilizer, and the likely increase in pesticide use, will be local and widespread. "Local" impacts imply that these

substances may directly affect soil ecosystems in the immediate vicinity where they are used, and “widespread” impacts refer to potential non-point source pollution effects on ground and surface water resources. The increased demand for chemicals may also encourage the use of banned substances and/or the inappropriate use of approved substances, which presents a potentially serious public health risk for human and animal populations alike.

The Project primarily finances vouchers for purchasing seed and fertilizer and no other investments or physical activities by farmers. Some investments are included under Component 2.2, including the rehabilitation of irrigation facilities on about 250 hectares on two foundation seed farms owned by a semiautonomous agency (ASA). To address the issues noted earlier concerning inputs that the Project may promote directly or indirectly, the Government of Tanzania will develop and implement an Integrated Nutrient Management Plan (INMP). The INMP will be finalized after Project approval as per OP/BP 8.0, within three months of the date of approval. Additionally, the government wants to adopt and mainstream the Integrated Pest Management Plan (IPMP), prepared in August 2004 for ASDP (the sector-wide program for agriculture), more generally in Tanzania and in particular for activities covered under this operation.

To manage the potential environmental issues associated with investments financed under Component 2.2, the government will use the Environmental and Social Management Framework (ESMF) currently used for ASDP. The current Project will be implemented through the same Ministry, MAFC, and because ASDP is a sector-wide program, using the existing ESMF is an efficient way to proceed. Upon reviewing the ESMF, the Bank has confirmed that it is adequate to cover the issues associated with the investments proposed in Component 2.2. The ESMF requires preparation of Environmental Management Plans (EMP) for the investments proposed in Component 2.2. These EMPs will be prepared during implementation when the engineering designs are being prepared for the specific works.

In summary, in compliance with the World Bank’s Environmental Assessment OP4.01 and the government’s national requirements, the Environmental Assessment will consist of a package of stand-alone documents, namely: (i) the ESMF developed and used for the ASDP (which will be used to manage investments in Component 2.2); (ii) the INMP, to be developed within three months of Project approval to manage use of the voucher inputs (fertilizer and seed); and (iii) the revised and updated IPMP of ASDP to manage the use of pesticides.

5. Tentative financing

Source:	(\$m.)
BORROWER/RECIPIENT	139.00
International Development Association (IDA)	160.00
	Total 299.00

6. Contact point

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