

**INTEGRATED SAFEGUARDS DATASHEET  
APPRAISAL STAGE**

Report No.: 96613

Date prepared/updated: 06 May 2015

**I. Basic Information**

Country: PAKISTAN		Project ID: P146252	
		Additional Project ID (if any):	
Project Name: Indus Eco region Community Livelihood Project (IECLP)			
Task Team Leader: Naila Ahmed			
Estimated Appraisal Date: September 1 <sup>st</sup> 2013		Estimated Board Date:	
Managing Unit: SASDL		Lending Instrument: Investment Project Financing	
Sector: South Asia Region: Rural Development & Livelihoods (SASDL)			
Theme: Community livelihoods development			
IBRD Amount (US\$m.):			
IDA Amount (US\$m.):			
GEF Amount (US\$m.):			
PCF Amount (US\$m.):			
Other financing amounts by source: JSDF Grant of US\$2,850,000			
Environmental Category: B			
Is this a transferred project		Yes [ ]	No [X]
Simplified Processing		Simple [X]	Repeater [ ]
Is this project processed under OP 8.00 (Rapid Response to Crises and Emergencies)		Yes [ ]	No [X]

**2. Project Objectives:**

**Proposed Development Objective(s)**

The development objective for the proposed project would be *to pilot alternative livelihood opportunities and improve capacity of 5,500 households of fisher communities in four priority sites of the Indus Eco region namely – Keenjhar Lake; Manchar Lake; Chotiari; and Nara Canal.*

This will be accomplished by: (a) organizing targeted freshwater fisher folk into fisher groups; (b) introduction of better and sustainable fishing practices; (c) enhancing alternative income generation opportunities, for youth, women, and disadvantaged groups, through establishing community based cottage industries; and (d) developing effective and sustainable linkages to markets and local Government.

### 3. Project Description:

#### **Component 1: Improvement in fishing practices and establishment of fisher groups (US\$ 1,543,125)**

The objective of this component is to improve the capacity of fisher communities to better manage their fish resources using appropriate management practices. Fishing is one of the main sources of livelihoods in the Indus Eco region, which, despite having significant commercial potential, has not been addressed by the public sector and lacks the necessary infrastructure and support for fisher communities. This component will address this through the following 3 sub-components:

- (i) ***Sub-component 1 (a): Promoting Better Management Practices through Fisher Sustainability Schools*** for targeted fishing communities in the four districts (Thatta, Sanghar, Khairpur and Jamshoro) in Better Management Practices (BMP) for freshwater fisheries. This will be achieved by training master trainers based in their respective villages and will facilitate the implementation of different BMPs related activities in collaboration with local activists, by conducting Fisher Sustainability Schools (FSSs) in these villages. Trainings will follow a curriculum covering BMPs for managing different fish species, types of fishing, stock management, how to record fish catch data and how to calculate basic fish stock assessments, water requirements for aquaculture, and integrated resource management. (Although the training shall target fish species, freshwater shrimp may also be covered, adding an advantage for fishers who also sell shrimps as part of their catch). The FSSs will include demonstration areas, a landing site (per area) where they can display BMPs such as pen culture, cage culture, stock management, habitat management, improved landing, fish handling, and processing; Refresher courses will be held for master-trainers, to update them in new innovations and brush up on existing techniques/practices as well as exposure visits to see successful sites in the region.

***Sub-component 1 (b): Establishment of four fisher groups<sup>1</sup>*** for freshwater water bodies in the Indus Eco region. These will be established at one water body in each district to promote rights based and co-management in the industry. Co-management will be introduced from the start of the project, using past initiatives such as an MoU with the fisheries department for access rights (both legal and physical)<sup>2</sup>. A bottom-up approach will be employed as fisher folk will be organized at the village level and authorized to select their village representatives who will federate into registered cluster groups with the government so as to become a legal entity. Fishery groups will be formed entirely for marketing purposes to minimize extra expenses, gather market information and adjust exploitation. The fishery groups will be linked to the Area coordination committees (ACCs) to ensure that their needs in terms of facilities (access roads,

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<sup>1</sup>Such groups have previously been established under WWF – Pakistan’s Indus for All Program for the agriculture sector. Neighboring countries such as Bangladesh and India have introduced the concept of fisher groups or cooperatives which have been successful and we hope to replicate that in Pakistan.

<sup>2</sup> It should be noted that this is based on existing best practices and guaranteeing the laws is outside the scope of this pilot project.

ice factories, or alternative practices such as drying, salting etc.) are met and that the water-bodies are protected from pollution and over- or improper exploitation.

- (ii) ***Sub-component 1 (c): Establishment of chilling units, ice boxes and packaging units***, which will be used to process selected species for direct export, with the support of the Community Based Organizations. There are a number of fish species found in Pakistan, such as the River Sole, that fetch higher prices compared to those being exported from India and Bangladesh. This innovation will rely on the entrepreneurship of local fisheries, with support from the project, fisher groups, and district and provincial governments, to export these species. The emphasis will be on quality rather than quantity, so that fishers may receive more income from a lesser amount of good quality, well preserved fish rather than over-fishing a water body for a larger amount of low grade fish. All in all, 4 large chilling units or freezers and 4 packaging<sup>3</sup> units will be installed at landing sites and 200 ice boxes will be distributed to fishermen – which do not require any electricity. A Cost benefit Analysis will be done prior to distributing these four chilling and packaging units – whereby costs, maintenance, ownership and other fees will be taken into consideration to assess its long term feasibility.

### **Component 2: Promotion of alternative livelihood for women and youth (US\$992,950)**

This component focuses on facilitating and building capacities for development of alternative sources of income to address issues related to high dependence on fishing for livelihoods. The objective of this component is to support women, youth and disadvantaged community members in particular at the project sites to establish sustainable community based livelihood initiatives and to strengthen their business operations through the provision of assets and technical assistance. While this component will target mainly women and youth and the previous one will target fisher-folks, both components will contribute to living natural resource management, community organization for livelihoods, and skills development. Mechanisms to identify and support innovative approaches to help the rural poor organize themselves around livelihood based businesses will also be supported in this component, and there will be community contributions in-kind and in cash that will leverage on the projects investments. This component has three sub-components:

- (i) ***Sub-component 2 (a): Organization of targeted communities and Establishment of community based livelihood activities*** that are based on existing community demands and identified as having a high potential for generating revenues in the local environment. These will include initiatives such as a demand and skill assessment to identify the needs and potential of the target communities, prior to setting up organization and acquiring assets and support for the organization and federation of the targeted poor as well as establishment of: a) Community managed village bakeries; (b) Community based milk groups by organizing milk producers and establishing demonstration shops; (c) Indigo production units for the selling of locally produced 100% natural dye to handicrafts, which will also support local farmers growing indigo plants; and (d) Local ‘recycling groups’ of youth and marginalized community members, who

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<sup>3</sup> This would entail setting up an area used to process, prepare and store fish for storage purposes.

collect waste, residing in and around large towns such as Sanghar and Thatta. Savings and Internal lending activities will be piloted with a few groups with a view to improve the sustainability of livelihood activities. Prior to this activity commencing a savings and internal lending manual will be developed to ensure that the activity is suited to the context.

**(ii) Sub-component 2 (b): Provision of assets** such as Bakery cooking equipment, milk chillers and marketing outlets, indigo seeds and processing units, recycling kits, etc. Indigo production plots and raw materials would be acquired through “sub-grants,” details of which will be outlined in the operations manual and finalized during the appraisal stage. It should be noted that a 15% community contribution<sup>4</sup> (e.g. space for shops, cash, labor, as well as provisions for maintenance of assets) towards livelihood activities will be required from community members.

**(iii) Sub-component 2 (c): Capacity building** of project beneficiaries to start and sustain alternative livelihood initiatives listed above and to strengthen their business operations through activities such as training in packaging, marketing, book-keeping, savings, value-addition, training master trainers on paper recycling and indigo production which will include growing, processing and marketing of the indigo dye. Providing trainings in producing and marketing to improve the sale of local handmade products, to be marketed as 100% recycled and environmentally friendly paper and products, will also indirectly aid in conserving the environment. Project field staff will also receive capacity building trainings to increase project implementation efficiency.

### **Component 3: Monitoring and Evaluation and Knowledge Dissemination (US\$313,925)**

As a pilot project, this component will finance a number of learning activities that will allow for up-scaling of successful approaches as well as facilitate governance, project management, implementation, conducting a baseline survey, reporting and coordination efforts. It will consist of the following two sub-components:

**(i) Sub-component 3 (a): Governance and Project Management:** by supporting an effective project management system, through the provision of operating costs, training and technical assistance to strengthen the implementing agencies capacity through technical trainings with regards to new and changing technology, as well as Community Based Organizations (CBOs) regarding Participatory Monitoring. Monitoring visits; Quarterly planning and review meetings; Program Support Unit meetings; and Annual review and networking meetings will also be conducted regularly for ensuring timely and effective implementation, reporting and communications of the project.

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<sup>4</sup> WWF-Pakistan has maintained a cost/time-sharing principle in all its projects that target the local community for inculcating a sense of ownership and ensuring project sustainability. In our experience, communities in these areas have readily agreed to contribute in kind or through cash and the targeted communities in this project have already been contacted and informed of the contribution aspect of the project.

- (ii) ***Sub-component 3 (b): Monitoring and Evaluation and Learning:*** which will ensure efficient and thorough monitoring of project activities (both ongoing and post-implementation monitoring), conducting a baseline survey of project households, sharing of lessons learnt through exposure visits and workshops for project beneficiaries; regular reporting on progress and results (against the baseline); conducting research studies on various approaches adopted, monitoring changes in trends in poverty using Poverty Environment indicators; conducting a comprehensive project completion report; and yearly financial audits.

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

The project will focus on four priority sites<sup>5</sup> of the Indus Ecoregion, where WWF -Pakistan is already present and has an understanding of the local communities' needs and socio-economic potential. The project will cover an area of 2,168 km<sup>2</sup> with at least 187 villages, in the Sindh Province of Pakistan. The priority areas are: (i) Keenjhar Lake in Thatta District; (ii) Chotiari Reservoir in Sanghar District; (iii) Nara Canal and surrounding communities in Khairpur District; and (iv) Manchar Lake and surrounding communities in Jamshoro District.

**5. Environmental and Social Safeguards Specialists on the Team:**

Javaid Afzal, Environmental Safeguards Specialist, GENDR  
Salma Omar, Senior Social Development Specialist, SASSD

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<sup>5</sup> All four priority areas are well defined in terms of boundary delineation. At least half of the selected areas are vulnerable to severe flooding, as has been witnessed during the 2010 and subsequent floods.

<b>6. Safeguard Policies Triggered</b> <i>(please explain why)</i>	<b>Triggered</b>	<b>Explanation</b>
<b>Environmental Assessment (OP/BP 4.01)</b>	Yes	The project will provide some basic assets like stoves, chillers, indigo seeds and processing units, and packaging units spread over the project area. The potential negative impacts can include; introduction of non-indigenous species in water bodies, ammonia impact from pens, conflict among communities, losses due to floods and spillage of fuel from generators for machinery. The project has prepared an ESMF.
<b>Natural Habitats (OP/BP 4.04)</b>	No	Project sites support important natural habitats. However the activities under the proposed project are not likely to negatively impact these habitats. Rather, the proposed activities seek to improve the fisheries management as well as income generation as an incentive for protection of the natural resource and habitat.
<b>Forests (OP/BP 4.36)</b>	No	No forests in project area
<b>Pest Management (OP 4.09)</b>	No	No pesticide usage
<b>Physical Cultural Resources (OP/BP 4.11)</b>	No	No physical resources of cultural value in project area
<b>Indigenous Peoples (OP/BP 4.10)</b>	No	No indigenous communities in the area
<b>Involuntary Resettlement (OP/BP 4.12)</b>	No	No resettlement or loss of livelihood is expected
<b>Safety of Dams (OP/BP 4.37)</b>	No	No dams to be built
<b>Projects on International Waterways (OP/BP 7.50)</b>	No	No activity on international waterways
<b>Projects in Disputed Areas (OP/BP 7.60)</b>	No	No activity in disputed areas

## **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:

The project activities are not expected to have any negative environmental impacts. The impacts associated with the installation of chilling units, indigo dye production and bakery equipment

will be localized, marginal and temporary. Furthermore, the use and promotion of natural Indigo dye is expected to have a positive impact on the environment since it will replace the chemical dyes currently being used in the area for traditional fabric printing. The potential negative impacts can include; introduction of non-indigenous species in water bodies, ammonia impact from pens, conflict among communities, losses due to floods and spillage of fuel from generators for machinery.

Social: The Project will establish chillers and packaging facilities to enhance the livelihoods of fisherfolk. Existing premises will be donated by the community to such initiatives. No land acquisition and resettlement will take place for such initiatives. Where required, the project will acquire land through voluntary land donation procedures. Such procedures will ensure that the donated land (i) is made available freely by the legal/designated owner(s) and not as a result of coercion (ii) does not lead to resettlement of any kind (iii) does not lead to adverse impacts on the livelihoods of any group. Additionally, the project will ensure that livelihood related initiatives do not lead to any loss of income compared to pre-project levels. Both these aspects will be monitored as part of project implementation and through the World Bank's own monitoring mechanisms.

The project has prepared an ESMF, which includes institutional arrangements for the environmental and social management of the project. Besides, it provides mitigation and monitoring plan to offset the negative environmental impacts. ESMF includes checklists for each of the interventions as well as a generic environmental checklist. Mitigation measures are proposed for every potential adverse impact. ESMF also specifies the training requirements, documentation and reporting procedures and monitoring and evaluation. In addition to the internal monitoring, ESMF also specifies the third party monitoring to be carried out by an outside agency (such as an independent consultant/firm) twice: once before the mid-term review of the project and second and last time three months prior to the closing of the project implementation.

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

N/A

The project area has been witness to rapid urbanization over the last few decades with sharp rise in population and associated environmental and social issues. These trends are projected to continue and project activities are not expected to have significant, incremental long term effect on the urbanization and environmental trends.

Social: While project activities do not foresee any adverse impacts, some conflicts could rise as a result of changes proposed in existing livelihoods and the benefit stream to the poor. Primarily this is likely to come from powerful groups in society who may benefit from maintaining control over livelihoods of the poor. The project will need to have a robust stakeholder analysis and community outreach mechanism to ensure that such conflicts are managed well.

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

This is a project which will help improve livelihood conditions of the poor and marginalized group of people and the only other alternative is 'no-project' option, which will have negative impact in terms of improving the livelihood of the communities. The interventions selected have the minimum adverse potential impacts in comparison to alternatives including 'no-project' option.

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:

An Environmental and Social Management Framework (ESFM) has been prepared by the project. The ESMF includes institutional arrangements for the environmental and social management of the project. This has a three tier approach to implementing livelihood projects. At the micro level, the project execution and implementation will be done by Program Implementation Unit (PIU) in collaboration with CBOs and Fisher Cooperatives (FCs). At meso level, District Coordination Committees (DCCs) headed by Deputy Commissioner (DC) of respective district, Area Coordination Committees (ACCs) and other NGOs working in the area will be coordinated by PIU for consultation on project implementation. At macro level, WWF-Pakistan's Program Management Unit (PMU) led by technical experts and managers will execute the project while the Program Support Unit (PSU) led by senior managers and directors will oversee and monitor the its progress. PIU and PMU, among other team members will include Environmental and Social Focal Points (ESFPs) with defined roles and responsibilities related to the implementation of ESMF. Moreover, Indus Eco-region Steering Committee (IESC) will be the highest forum to review the project implementation.

The project has proposed a multi-tier GRM with designated staff at each level i.e. PIU, PMU and IESC, as the apex forum for redressal of a complaint. The mechanism for redressal of any grievances received by the project has been defined clearly with designated timelines and roles and responsibilities.

ESMF also specifies the training requirements, documentation and reporting procedures and monitoring and evaluation. In addition to the internal monitoring, ESMF also specifies the third party monitoring to be carried out by an outside agency (such as an independent consultant/firm) twice: once before the mid-term review of the project and second and last time three months prior to the closing of the project implementation.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people:

Key stakeholders consist of fisherfolk, small/local fishing businesses, contractors, local landowners, government officials etc. Stakeholders will be consulted through social mobilization and social outreach activities.

WWF-Pakistan is part of the environmental conservation WWF-International and it works with the other stakeholders present in the area. WWF-P will engage itself with the project benefitting

communities, other civil society organizations present in the area like fisher-folk forum and relevant Governmental organizations in the project area. A project baseline will be developed that will incorporate data on existing livelihoods to measure the progress of implementation.

<b>B. Disclosure Requirements Date</b>		
<b>Environmental Assessment/Audit/Management Plan/Other:</b>		
Was the document disclosed <i>prior to appraisal</i> ?	Yes	
Date of receipt by the Bank	04/07/2015	
Date of "in-country" disclosure	05/06/2015	
Date of submission to InfoShop	05/20/2015	
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors		
<b>Resettlement Action Plan/Framework/Policy Process:</b>		
Was the document disclosed <i>prior to appraisal</i> ?	N/A	
Date of receipt by the Bank	N/A	
Date of "in-country" disclosure	N/A	
Date of submission to InfoShop	N/A	
<b>Indigenous Peoples Plan/Planning Framework:</b>		
Was the document disclosed <i>prior to appraisal</i> ?	N/A	
Date of receipt by the Bank	N/A	
Date of "in-country" disclosure	N/A	
Date of submission to InfoShop	N/A	
<b>Pest Management Plan:</b>		
Was the document disclosed <i>prior to appraisal</i> ?	N/A	
Date of receipt by the Bank	N/A	
Date of "in-country" disclosure	N/A	
Date of submission to InfoShop	N/A	
<b>* If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b>		
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>		

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

<b>OP/BP 4.01 - Environment Assessment</b>			
Does the project require a stand-alone EA (including EMP) report?	Yes [X]	No [ ]	N/A [ ]
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		

<b>OP/BP 4.04 - Natural Habitats</b>			
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [ ]	No [ X ]	N/A [ ]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	NA		
<b>OP 4.09 - Pest Management</b>			
Does the EA adequately address the pest management issues?	Yes [ ]	No [ ]	N/A [ X ]
Is a separate PMP required?	Yes [ ]	No [ ]	N/A [ X ]
If yes, has the PMP been reviewed and approved by a safeguards specialist or Sector Manager? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?	NA		
<b>OP/BP 4.11 – Physical Cultural Resources</b>			
Does the EA include adequate measures related to cultural property?	Yes [ ]	No [ ]	N/A [ X ]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on physical cultural resources?	NA		
<b>OP/BP 4.10 - Indigenous Peoples</b>			
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes [ ]	No [ ]	N/A [ X ]
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	NA		
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit?	NA		
<b>OP/BP 4.12 - Involuntary Resettlement</b>			
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [ ]	No [ ]	N/A [ X ] However, voluntary land donation procedures will need to be monitored.
If yes, then did the Regional unit responsible for safeguards or Sector Manager review and approve the plan/policy framework/process framework?	NA		
<b>OP/BP 4.36 – Forests</b>			
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	Yes [ ]	No [ ]	N/A [ X ]
Does the project design include satisfactory measures to overcome these constraints?	NA		
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	NA		
<b>OP/BP 4.37 - Safety of Dams</b>			

Have dam safety plans been prepared?	Yes [ ]	No [ ]	N/A [ X ]
Have the TORs as well as composition for the independent Panel of Experts (POE) been reviewed and approved by the Bank?	NA		
Has an Emergency Preparedness Plan (EPP) been prepared and arrangements been made for public awareness and training?	NA		
<b>OP/BP 7.50 - Projects on International Waterways</b>			
Have the other riparians been notified of the project?	Yes [ ]	No [ ]	N/A [ X ]
If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?	NA		
What are the reasons for the exception? Please explain:	NA		
Has the RVP approved such an exception?	NA		
<b>OP/BP 7.60 - Projects in Disputed Areas</b>			
Has the memo conveying all pertinent information on the international aspects of the project, including the procedures to be followed, and the recommendations for dealing with the issue, been prepared	Yes [ ]	No [ ]	N/A [ X ]
Does the PAD/MOP include the standard disclaimer referred to in the OP?	NA		
<b>The World Bank Policy on Disclosure of Information</b>			
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ X ]	No [ ]	N/A [ ]
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		
<b>All Safeguard Policies</b>			
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ X ]	No [ ]	N/A [ ]
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***

<b><i>Signed and submitted by:</i></b>	<b><i>Name</i></b>	<b><i>Date</i></b>
Task Team Leader:	Naila Ahmed	05/12/2015
Environmental Specialist:	Javaid Afzal	05/06/2015
Social Development Specialist	Salma Omar	05/12/2015
Additional Environmental and/or Social Development Specialist(s):	N/A	
<b><i>Approved by:</i></b>		
Regional Safeguards Coordinator:		
Comments: None		
Sector Manager:	Shobha Shetty	05/12/2015
Comments: None		