



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 20-Mar-2018 | Report No: PIDISDSA24534



BASIC INFORMATION

A. Basic Project Data

Country Dominica	Project ID P166328	Project Name Emergency Agricultural Livelihoods and Climate Resilience Project	Parent Project ID (if any)
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 12-Mar-2018	Estimated Board Date 13-Apr-2018	Practice Area (Lead) Agriculture
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Ministry of Agriculture and Fisheries	

Proposed Development Objective(s)

The Project Development Objective (PDO) is to contribute to restoring agricultural livelihoods and enhancing climate resilience of farmers and fisherfolk affected by Hurricane Maria in Dominica.

Components

- Restoration of Productive Base for Recovery of Agricultural Livelihoods
- Restoration of Productive Infrastructure and Institutional Strengthening
- Project Management and Coordination
- Contingency Emergency Response

The processing of this project is applying the policy requirements exceptions for situations of urgent need of assistance or capacity constraints that are outlined in OP 10.00, paragraph 12.

Yes

Financing (in USD Million)

SUMMARY

Total Project Cost	29.50
Total Financing	29.50
Financing Gap	0.00

DETAILS



Total World Bank Group Financing	25.00
World Bank Lending	25.00
Total Government Contribution	4.50

Environmental Assessment Category

B - Partial Assessment

Decision

The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. The Commonwealth of Dominica is an upper-middle-income country and small island developing state located in the eastern part of the Caribbean Sea with an area of 750 Sq. Km. It is a small open economy and a member of the Caribbean Community (CARICOM)¹ and the Organization of Eastern Caribbean States (OECS).² The country is also part of the Caribbean Basin Initiative that allows several duty-free exports from Dominica to enter the United States.
2. In 2016, Dominica’s per capita gross domestic product (GDP) was US\$7,906.7 (current U.S. dollar). Between 1990 and 2015, GDP growth rate in Dominica averaged 1.8 percent annually. In the last seven years (2010-2016), although spikes of higher average annual growth rates between 4 percent and 7 percent were observed in 2007, 2008 and 2014, the economy has slowed down and the average growth rate was only 0.5 percent annually over the period.
3. Dominica’s population is 73,543 people with 11.3 percent unemployed (2011). Poverty levels³ in Dominica have declined, falling from 38 percent of the population in 2003 to 28.8 percent in 2009 (around 21,000 people are considered poor). Rural poverty continues to represent a major challenge, with 75 percent of the poor living in rural areas. Poverty rates were similar among men (28.8 percent) and women (28.9 percent). The

¹ CARICOM is an organization of 15 Caribbean states that rests on four main pillars: economic integration, foreign policy coordination, human and social development, and security.

² Established in 1981, this intergovernmental organization promotes economic harmonization and integration, human and legal rights, and good governance. It has seven founding and full members (Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines) and two associate members (Anguilla and the British Virgin Islands [United Kingdom]). Martinique (France) joined in 2015 but is not represented by the OECS diplomatic mission.

³ The latest figures on poverty in Dominica are from 2009. The national poverty line in Dominica was estimated at EC\$6,230 per year per adult.



indigenous Carib (*Kalinago*) people that represent 5 percent of the total population have a particularly high incidence of poverty with a rate of 49.8 percent (approximately 1,600 individuals).

4. Dominica is particularly vulnerable to natural disasters from meteorological and geophysical events. Due to its location within the Atlantic hurricane belt, high-intensity weather events such as high wind, excess rainfall and hurricanes, continue to have adverse effects on vulnerable populations and the productive sectors of the country's economy. Moreover, the island's mountainous landscape creates significant engineering challenges to reducing infrastructure vulnerability to natural disasters and climate change. The topographic conditions mean human settlements and physical development are concentrated along narrow coastal areas (particularly in the south and west), with almost 62% of the island's population living along the coast.

5. Recurrent meteorological events have significantly affected the country's economic and fiscal stability as well as the population's socioeconomic wellbeing and poverty levels. Average annual losses from weather-related events between 1996 and 2015 are estimated at 7.9 percent of GDP, making Dominica the second most affected country globally in terms of average GDP loss during this period. Tropical Storm Erika (2015) severely damaged the country's transportation, housing and agriculture sectors, and the recovery has been slower than anticipated, dragged down by a storm-related decline in manufacturing⁴, reaching a GDP growth of 1 percent in 2016.

Situation in Urgent Need of Assistance

6. Hurricane Maria hit the island of Dominica on September 18, 2017, with catastrophic effects. Hurricane Maria made landfall as a category 5 storm (Saffir-Simpson scale), with winds exceeding 170 miles per hour (mph). Hurricane Maria was one of the most rapidly intensifying storms in recent memory, strengthening from a Category 2 to Category 5 hurricane in less than 12 hours. According to official sources, thirty persons lost their lives and 34 persons were declared missing⁵. The Prime Minister declared a State of Emergency on September 20, 2017.

7. The results of the Post-Disaster Needs Assessment (PDNA) estimated total damages at EC\$2.51 billion (US\$931 million) and losses of EC\$1.03 billion (US\$382 million), which amounts to 226 percent of 2016 gross domestic product (GDP). Most of the gains from recovery efforts after Hurricane Erika (2015) have been reversed, and the identified recovery needs incorporating the principle of 'building back better' are estimated at US\$1.37 billion.

8. The agriculture and fisheries sectors was among the most affected sectors and suffered high damages and losses, severely affecting the livelihoods of the predominantly small-scale farming community. An estimated 80–100 percent of root crops, and 90 percent of tree crops were damaged. Livestock losses are estimated to be 45 percent of cattle, 50 percent of small ruminants, 65 percent of pigs, and 90 percent of chicken stocks. Together with damages to farm buildings and equipment, the crop and livestock sectors suffered a total loss estimated at US\$179.6 million. The fisheries sector was also heavily affected, where it is estimated that about 370 vessels were damaged or destroyed, as well as much of the fishing gear and engines. The hurricane defoliated almost all trees and totally uprooted an estimated 10-20 percent of tress, as well as severely damaging the entire infrastructure of the Forestry Department (forestry and national parks buildings, nurseries, trail infrastructure). See estimated losses in Table 1 below.

Table 1. Estimates of Damages and Needs

⁴ IMF Country Report No 17/391

⁵ Information as of November 8, 2017



Productive Sector	Damages and Losses (US\$ millions)	Urgent Needs (US\$, millions)
Crops and Livestock	179.6	88.5
Fisheries	5.3	2.5
Forestry	29.7	14.9
Total	214.6	105.9

Source: PDNA.

9. The proposed Project builds on World Bank immediate response activities and post-disaster support following Hurricane Maria. Shortly after Maria, the Contingency Emergency Response Component (CERC) of the ongoing World Bank-supported (US\$38 million) Disaster Vulnerability Reduction Project (DVRP) was triggered, channeling US\$10 million to unconditional cash transfer programs to provide immediate support to commercial and small farmers and to aid in the recovery of small and micro enterprises. This Project complements the role of partners in addressing the first phase of agricultural sector’s recovery and leverages the Bank’s global experiences in post-disaster recovery and reconstruction in the Caribbean (e.g., Haiti, Grenada), as well as post-hurricane emergency recovery loans in small island states.

10. This proposed Agricultural Livelihoods and Climate Resilience Project is being prepared as part of an overall development partner initiative to support medium and long-term recovery in Dominica and it is part of a broader World Bank recovery portfolio, comprised of another operation: Housing Recovery Project (P166537). World Bank investments in agriculture, housing and resilient infrastructure were informed by the outcomes of the Post-Disaster Needs Assessment, led by the World Bank. This overall program of support complements and is aligned with other development partner initiatives and fills critical gaps. The Caribbean Development Bank has pledged to contribute US\$90 million for infrastructure and water, complemented by the United Kingdom that has provided US\$25 million for hurricane shelters, smart health centers and the development of water infrastructure. China has provided US\$15 million for making schools safer and the European Union has provided about US\$14 million for investments in Energy and Social infrastructure. Other parallel efforts are being implemented by specialized United Nations agencies (i.e., World Food Program, Food and Agriculture Organization, etc.)

11. Based on the urgent need for assistance, the proposed operation meets the requirements of paragraph 12 of OP 10.00 on “Projects in Situations of Urgent Need of Assistance or Capacity Constraints”. The additional flexibility as defined in paragraph 12 and condensed procedures for preparation will help contribute to the timely restoration of agricultural livelihoods.

Sectoral and Institutional Context

12. The agriculture sector plays a critical role in Dominica’s economy, contributing 19 percent to the country’s GDP and employing around 25–40 percent of the workforce. The sector has always been, and continues to be very important for Dominica, determining food and nutritional security outcomes and representing a key driver of economic activity.

13. Although, crop production dominates the agriculture sector (it contributed 86 percent to total agriculture production in 2015), diversification of produce is increasingly characterizing the sector. Main crops are plantain, coconut, grapefruit, lime, orange, mango, avocado, and hot pepper. Root crops such as tannia, dasheen, and yam have also gained in prominence, although primarily at a regional level with lower quantities exported. Livestock production contributed 7.8 percent to total agriculture production in 2015, mainly for local



consumption. Egg production is considered the most important livestock activity in the country, followed by pigs and the raising of small ruminants

14. The fisheries sector plays a crucial social and cultural role in Dominica. At present, although characterized as artisanal, comprises around 440 small fishing vessels. Overall, the fisheries sector employs approximately 2,200 people and a total of 7,100 persons depend on the sector for their livelihoods. The total forest area on the island is 47,580 hectares (ha), of which 80 percent is controlled by the Government and only around 9,552 ha is classified as usable forest estate. The main value of the forest in Dominica lies in ecotourism and environmental services for the provision of water and erosion control.

15. Agricultural production continues to be severely constrained in Dominica due to small farm sizes and limited arable land. In addition, a continuous concern is the low level of farm productivity, primarily caused by a lack of mechanization, limited technical knowledge and poor irrigation. Labor availability is another increasing constraint for small-scale farmers, mostly due to urban migration and the low level of incomes associated with farming. Overall, the sector lacks adequate financing and farm infrastructure and is characterized by a very fragmented and unorganized private sector. The farmers in Dominica are small scale, and lacking power in market negotiations with buyers and input providers. Women represent about 20 percent of total farmers and are primarily engaged in producing tuber and root crops and vegetables for both food self-sufficiency and local markets. Most of them head single-parent households and, hence, are highly vulnerable.

16. Immediate recovery requires extensive involvement of the Government, which entitles significant strengthening of institutional capacity of the public sector (mainly in MAF) over the medium term. The longer-term rehabilitation efforts should have strong market-based elements to ensure the sustainability of efforts. Public-private partnerships in new agricultural investments should be promoted to stimulate the local economy and create employment, while building greater resilience against market, production and climate change variability into the system. Also, there are emerging new agriculture technologies and practices available regionally and globally considered essential to enhancing climate resilience and productivity, which need to be gradually introduced by additional investments and with the help of regional and global agriculture research organizations.

17. Current weather patterns give an idea of the type of climate and disaster risks to be expected in the future, implying future climate scenarios of warming and drying and thus more frequent heat waves and droughts, which would threaten Dominica's dominant economic sectors including agricultural production. This possible weather patterns could affect types of crops to be grown and already unstable areas will experience a greater risk and the frequent occurrence of landslides and flooding, requiring the introduction of new land and water management tools to avoid threats to national food security. The increasing risk of rising sea levels can also result in accelerated coastal erosion, higher flood risk, damage to coastal infrastructure and permanent loss of land. Vulnerability assessments, hazard mapping and disaster risk management and adaptation measures need to be better researched and implemented to address these discrepancies and improvements are required to be introduced to the country's meteorological services.

18. The Prime Minister of Dominica declared that reviving and rebuilding the agriculture and food sector is a key priority of the Government of Dominica (GoD), given its essential roles in food and nutrition security, employment, and income generation, especially for the poor and vulnerable rural population. While the consequences of the hurricane are a great tragedy, they also create an opportunity to rebuild a more climate-resilient and competitive agriculture and food system.



C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

19. The Project Development Objective (PDO) is to contribute to restoring agricultural livelihoods and enhancing climate resilience of farmers and fisherfolks affected by Hurricane Maria in Dominica.

Key Results

20. The direct beneficiaries of the project are crop and livestock farmers, fisherfolks and producer organizations affected by Hurricane Maria in all ten Parishes of Dominica. An estimated 4,900 individual farmers and fisherfolks are expected to benefit directly from the project. At least 20 percent of the beneficiaries will be rural women, most of whom head single-parent households and are one of the population groups⁶ that have been most affected by the hurricane. Technical and managerial staff of the MAF and other participating organizations will benefit from the project through training and capacity-building activities in climate resilience and agribusiness

21. The key results indicators to assess project outcomes are:

- (a) Farmers and fisherfolks reached with productive assets and services (of which female beneficiaries);
- (b) Crop area restored (including high value crops);
- (c) Farmers adopting improved agricultural technologies (including climate resilience) (including female beneficiaries).

D. Project Description

Component A: Restoration of Productive Base for Recovery of Agricultural Livelihoods (Total cost: US\$16.5 million)

22. Under this component, the project aims to provide immediate action for: (a) helping small, medium-sized, and commercially oriented crop and livestock farmers in restoring their basic productive capacity and recovery of their livelihoods; (b) assisting fisherfolks in restoring the fishing capacity by providing specific investment and technical assistance support, as well as assisting in the recovery of boat building facilities; and (c) providing technical assistance for the development of more productive, climate resilient systems and the promotion of agribusiness capabilities.

Subcomponent A.1: Restoration of Cropping Systems (Total cost: US\$9.3 million)

23. This subcomponent will provide support in recovery of the production capacity of small- and medium-size crop farmers⁷, as well as commercially-oriented farmers⁸ integrated in value chains and helping in the gradual restoration of their livelihoods and in retaining their market shares, through provision of: (a) an essential package of inputs (improved quality seeds and fertilizers), tools and materials for the replanting or restoration

⁶ According to the PDNA, women represent 39 percent of the heads of households in Dominica and about 20 percent of the total number of farmers. Nearly 76 percent of the women farmers interviewed reported that they were significantly affected by the severe loss of tools and crops. The report underscores the recovery needs of single-parent families headed by women.

⁷ For simplicity, farm size is defined in the total land occupied (either owned or rented). Small farmers: up to 0.8 ha (2 acres); **Medium-Sized farmers:** up to 2.02 ha (5 acres).

⁸ Mostly commercial farmers have an area between 2 and 10 ha (5 to 25 acres), are competitive in producing higher-value crops and inserted developed value chains (generally producing perennial crops and fruits).



of crops; and (b) technical and advisory services and training to support adoption of technology and use of climate smart practices for increasing diversification and climate resilience at the landscape level, e.g., contour bunds, improved varieties, and intercropping. The subcomponent will primarily focus on different support intervention lines to cover the direct assistance to the main types of beneficiaries: (i) small and medium-sized crop farmers (most of them currently growing annual crops⁹); and (ii) medium size commercial farmers (mostly producing high value perennial/tree crops already inserted in value chains¹⁰).

24. In addition to the provision of support (key inputs), the beneficiaries will receive technical assistance through the MAF's extension services (to be strengthened on parallel by the project through training, institutional strengthening and increased mobility, as well training through participation in farmers' field schools (FFSs), demonstration/dissemination events of technical practices and technologies in field days and other extension/technology dissemination activities organized by the MAF under the project. This training and technical assistance will be particularly focused in the adoption of new and effective technologies and modern inputs to gradually increase climate-resilient in the agricultural sector.

25. The overall intervention will reach out around 4,600 farmers and will enable the restoration of about 2,470 ha (6,100 acres) of cropping area in the following cropping seasons. These beneficiaries will be selected by PIU/MAF based on transparent criteria to be made public and detailed in the Project Operational Manual (POM) and with transparent sharing of information pertaining to the outcome of the selection process (see Annex 1). Under this sub-component, the Project will finance procurement of key inputs such as seeds/seedlings, fertilizers, tools and other materials in accordance to the technical recommendations by MAF, and as agreed between the beneficiary and the extension agent (Annex 1), as well as technical advisory services and training. The project will also finance incremental operational expenses for the storage and distribution of inputs by MAF, and mobility expenses for MAF's field extension agents involved in these activities.

Subcomponent A.2: Restoration of Livestock and Fisheries Systems (Total cost: US\$5.0 million)

26. This component aims to help in restoring production capacity and livelihoods of livestock farmers and fisherfolks, enhancing climate resilience and efficiency of production systems and promoting agribusiness capabilities. Under this sub-component, the Project will finance procurement of inputs and materials needed by the livestock farmers and the fisherfolks and boat builders, any necessary consultant and technical advisory services and beneficiaries training, as well as incremental operational expenses for MAF's for field extension agents assisting these beneficiaries and for the distribution of inputs.

27. *Support to medium-scale commercial livestock farmers.* The livestock interventions under this subcomponent aim to re-establish the livestock production base that was severely damaged by Hurricane Maria and build a more sustainable and climate-resilient sector. The support scheme will support about 200 livestock producers (where an estimated 20 percent will be women). The project will assist these producers through investment support to restore the damaged animal shelter/housing and other infrastructures for production of poultry (layers and broilers), goats, sheep, rabbits, and pigs, and for beekeeping. A set of simple mechanisms will be put in place to ensure that the beneficiaries effectively co-finance the activities approved in the investment plans. (see Annex 1; and more details to be incorporated into the POM).

28. *Support to Fisherfolks.* The fishery subsector interventions are aimed at stimulating restoring fish supply and contributing to livelihoods restoration and revenue streams in the local economy. This project will support about 150 individual eligible fishers already members of the local seafood value chain operating within voluntary

⁹ Such as: dasheen, tannia, yam, sweet potato, banana, vegetables

¹⁰ Such as: coconuts, cocoa, citrus, ginger, avocado, coffee, etc.



guidelines. Specific interventions to be supported by the project include: (a) repairing/construction of about 150 boats for fisherfolks (up to 50 percent of the total cost of the boat subject to a maximum of US\$5,500 per beneficiary); and (b) reconstruction/rehabilitation of about 5 boat building facilities (up to a maximum of US\$5,500 per beneficiary).

Subcomponent A. 3: Building of Climate Resilience and Agribusiness Capabilities (Total cost: US\$2.2 million)

29. **Climate Resilience.** To adequately support the investments at the farm level under the previous subcomponent A.1, the project will recruit industry experts to prepare development strategies specifically needed in the Dominica's context (based on the current situation, vulnerability conditions, relative competitiveness constraints and development strategy) for key agricultural products (either presently being grown or to be introduced) that will inform investment directions with regard to changing weather patterns, natural disasters and market opportunities, as well as providing long-term development directions for each crop industry. These experts will also train extension agents, rural workers and farmers in crop production, introduction of new crops varieties, as well as other topics such as climate-smart agricultural practices, water management and harvesting, marketing, business management, and improved postharvest handling techniques. Therefore, the subcomponent will finance consulting services (firms and/or individuals), non-consulting services including advisory and training services and capacity building inputs and events.

30. **Agribusiness.** This subcomponent will also contribute to building agribusiness capabilities among small-to medium-size crop and livestock farmers and fisherfolk who would have benefited under Subcomponents A.1 and A.2. Customized training under the subcomponent will target small farmers and fisherfolk who are members of cooperatives or formal Agricultural Producers Organizations (APOs). Channeling the specialized training through cooperatives and APOs is essential to maximize results, including GHG mitigation outcomes from climate-smart design elements. These legally recognized organizations have the potential to act as aggregators to: (a) serve as a formal channel to marketing and add value to produce from small-scale farmers and fisherfolk; (b) deliver technical assistance to small-scale farmers, including GHG mitigation outcomes from climate-smart design elements; and (c) serve as the country's platform to boost its agricultural regional and international market share. The subcomponent will also train public extension agents of the MAF in climate smart agricultural practices and will undertake market and value chain studies required to support the country's medium-term agribusiness development strategy.

Component B: Restoration of Key Productive Infrastructure and Institutional Strengthening (Total Cost: US\$10.6 million).

Subcomponent B.1: Restoration of Key Infrastructure in Agriculture, Livestock and Forestry (Total Cost: US\$8.3 million).

31. This subcomponent will help in restoring key public sector's infrastructure and assets damaged by the hurricane and reestablish the essential public services for up to 4,800 crop, livestock farmers, and fisherfolks. The key areas where reconstruction or rehabilitation of public infrastructure is needed include: (a) five crop propagation centers (including forestry), (b) a Central Livestock Farm (CLF); (c) MAF regional offices and training centers, (d) Forestry Division's sylvicultural centers and facilities; (e) building reconstruction and rehabilitation of eco-trails; and (e) rehabilitation of a community irrigation system.¹¹ The rebuilding initiatives will be undertaken with more resilient construction code and the public infrastructure will be restored in line with improved standards of safety in order to reduce the impact of future climate and weather risks. Therefore, this

¹¹ Before proceeding with rehabilitation of community irrigation system, a feasibility study will be carried out to establish technical, economic and financial viability.



subcomponent will finance: (i) consulting services for engineering design and supervision of works; (ii) civil works; (iii) equipment, including construction equipment, office and communication, electronic equipment, vehicles and water storage tanks and water distribution; (iv) other goods needed for the restoration of eco-trials; and (v) incremental operating costs for the installation of equipment and for the restoration of services by the relevant division of MAF.

Subcomponent B.2: Institutional Strengthening and Capacity Building of MAF (Total cost: US\$2.3 million).

32. The project will provide capacity-building assistance to the MAF in the core areas of: (a) project management (project M&E, procurement, FM, social and environmental safeguards, and agribusiness); (b) analytical studies to support the revision of policies and regulatory frameworks (risk transfer mechanisms, national certification systems, agricultural information systems and revision of the Fisheries Act); (c) build capacity for carrying out agricultural census/survey; assessment of MAF's readiness for conducting such a census/survey; (d) conducting several analytical studies on key areas to support ongoing efforts to strengthen the institutional structure of the MAF; (e) contribute to developing of an e-agriculture strategy for the agriculture, fisheries, and forestry sectors; (f) contribute to developing an integrated management information system (MIS) for agriculture sector, and (g) support the efforts to develop a fisheries community insurance model (building resilience and reducing the potential risks). Items to be procured by the project include specialized consulting services (individual and firms), non-consulting services including advisory and training services, training events, related inputs and incremental operating costs.

Component C: Project Management and Coordination (Total cost: US\$2.4 million)

33. This component will support the establishment of the Project Implementation Unit (PIU) within MAF, to serve as the unit responsible for the overall implementation and coordination of the project activities, as well as the setting up of the Implementation Support Team (IST) to be established within MoF (see Annexes 1 and 2 of PAD for detailed implementation arrangements). Overall implementation responsibilities of the project will rest with the PIU within the MAF. The overall safeguards advisory and fiduciary (procurement and financial management) responsibilities of the project will rest within the IST, which will also offer shared services to the other two Dominica projects, in support of post-Maria recovery efforts.

34. The project will finance (a) incremental dedicated staff for the establishment and operations of the IST (to be shared with other projects, in proportions to be determined) and for the PIU; (b) goods and services for setting up the offices and for establishing an M&E system; (c) contracting international technical experts (firms and individuals)/consultants in critical project management areas; (d) preparation of environmental and social safeguards studies and instruments including development of a grievance redress mechanisms; (e) non-consulting services, e.g., verification services, advisory, capacity building and training inputs and events; (f) incremental operating costs; and (g) impact evaluation and technical and financial audits.

Component D: Contingency Emergency Response-CER (US\$0 million)

35. The objective of this component is to support the Government's emergency response and reconstruction in the event of an eligible emergency. An eligible emergency is an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact associated with natural or man-made crises or disasters. At the request of the Government, the Bank would reallocate uncommitted funds from other components into this component.



E. Implementation

Institutional and Implementation Arrangements

36. The Ministry of Agriculture and Fisheries (MAF) will have overall responsibility for project implementation, on behalf of the Government of Dominica (GoD). At the highest level, there will be a Project Steering Committee (PSC) chaired by the Finance Secretary (FS) of MoF and comprising the Permanent Secretary of Agriculture and Forestry (PSAF) and the Permanent Secretary, Economic Planning (PSEP), and other relevant ministries/agencies. This PSC will be established to provide strategic oversight and policy directions, interinstitutional coordination, and to review and resolve major implementation issues. The PSC will approve the annual Project Implementation Plan and requests for budgetary allocations. The final composition of the PSC will be defined in the POM. The PSAF will act as the secretary of the PSC and will have overall responsibility for project implementation and ensure coordination between PIU and IST.

37. A PIU will be established within the MAF and will have overall implementation and coordination responsibility of the project. The PIU will report directly to the PSAF and will be responsible for (a) coordinating and implementing all project activities as specified in the Financing Agreement and the POM; (b) ensuring that the requirements, criteria, policies, procedures, and organizational arrangements set forth in the POM are applied in carrying out the project; (c) preparing all project implementation documents and reports (except for FM and procurement);¹² (d) preparing all ToRs and technical specifications for bidding documents required to ensure proper project implementation; (e) establishing sectoral M&E system for the project; and (f) establishing and managing a Grievance Redress Mechanism (GRM) for the project.

38. The PIU will be staffed, in principle, with the following key staff: (a) a Project Manager, (b) a Procurement Officer; (c) a civil engineer, (d) an environmental safeguards specialist, (e) a social development/safeguards specialist, (f) an M&E specialist, (g) an FM analyst, (h) a communications specialist, and (i) technical officers. The Procurement Officer and the FM analyst will coordinate with the IST and provide all relevant documents and information to carry out IST's functions. The PIU will also recruit short-term internationally selected consultants to provide technical support in critical areas such as program management, monitoring and impact measurement, agribusiness, information technology in agriculture, climate resilience, and crop diversification as needed. A full description of PIU staffing with roles and responsibilities will be described in the POM. The technical divisions of the MAF will implement the specific project interventions in close coordination with the PIU under the overall supervision of the PSAF, as specified in POM.

39. An Implementation Support Team (IST) to support the implementation of World Bank funded Projects will be established within the Ministry of Finance (MoF). The IST will serve as a shared resource for all Bank-funded Projects to provide advice and assistance in procurement, financial management and safeguards support to the respective PIUs in different ministries. The IST will be staffed with: (i) a Portfolio Manager; (ii) a Senior Financial Manager; (iii) two (international) Senior Procurement Specialists; and (iv) a Senior Safeguards Advisor. The Portfolio Manager will be responsible for providing policy guidance, coordination and oversight of Project activities as well as broader functions in overseeing the reconstruction process being supported under the respective projects. The IST will work in close coordination with the PIU, sharing the resources and expertise available as needed during implementation. The IST will also mentor and train PIU staff to build capacity within the Ministries, which aligns with the GoD directive of strengthening in-house capacity for Project implementation and execution.

¹² All environmental- and safeguards-related documents and reports will be prepared by the PIU and FM and procurement-related documents and reports will be prepared by the IST.



40. On March 9, 2018 the Government established the Climate Resilience Execution Agency of Dominica (CREAD) that will help rebuild Dominica as the first climate resilient nation. The mission of the agency is to coordinate all reconstruction work to avoid duplication, maximize economies of scale, spot and fill critical gaps and ensure all reconstruction activities are focused on a single Climate Resilient Recovery Plan developed by Dominica and its partners. The current implementation arrangements using PIUs and the IST for two World Bank post-Hurricane Maria projects have been designed to be flexible and in harmony with the objectives of CREAD mobilizing a combination of national and international staff to advance implementation, while the CREAD recruitment and operationalization is being finalized. The IST will work closely with CREAD on the coordination of reconstruction efforts.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project activities will be carried out in all ten districts of Dominica. Dominica is an upper middle-income country and small-island developing state (SIDS) located in the eastern part of the Caribbean Sea. It is a small open economy and a member the Caribbean Community (CARICOM) as well as the Organization of Eastern Caribbean States (OECS) . It has a population of approximately 73,543 people and a land area of approximately 750 km². About 60% of the land is classified as a World Heritage site by UNESCO, due to its rich biodiversity. It is located near the centre of a string of islands known as the Lesser Antilles, between the neighbouring French territories of Martinique and Guadeloupe. The capital Roseau is located to the south-west of the island and has a population of around 15,000 people. Dominica was affected by Hurricane Maria, a category 5 storm (Saffir-Simpson scale), with winds exceeding 200 km/hour. As the storm passed over the center of the island, Dominica was exposed to extraordinary winds for more than three hours, accompanied by intense rainfall, which provoked flashfloods and landslides. An estimated 80–100 percent of root crops, vegetables, bananas, and plantains and 90 percent of tree crops were damaged. Livestock losses are estimated to be 45 percent of cattle, 50 percent of small ruminants, 65 percent of pigs, and 90 percent of chicken stocks. The fisheries sector was also heavily affected. According to the PDNA estimates, 370 vessels were damaged or destroyed. Similarly, much of the fishing gears and many engines were either lost or damaged. Hurricane Maria defoliated almost all trees and uprooted an estimated 10–20 percent. The entire infrastructure of the Forestry Department was also severely damaged, including forestry and national parks buildings, nurseries and the trail infrastructure, which is a major component of the tourism industry

G. Environmental and Social Safeguards Specialists on the Team

Gibwa A. Kajubi, Social Safeguards Specialist

Ximena Rosio Herbas Ramirez, Environmental Safeguards Specialist



SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The project is considered Category “B” and OP 4.01 is triggered for components A and B, as they will finance reconstruction of damaged infrastructure such as irrigation schemes, propagation centers (including forestry), a livestock center, fishery support structures and other facilities of the Ministry of Agriculture, also partial rehabilitation of the trail network that is part of the national touristic trails will be financed. These rehabilitation works are expected to be small-scale, generating only minor and localized environmental impacts that can be easily identified, mitigated, and managed. They will include debris management, worker’s health and safety, soil stabilization and erosion control, consequently no significant or irreversible environmental impacts are anticipated due to the Project-financed activities.</p> <p>An Environmental and Social Management Framework (ESMF) will be develop to identify, characterize, and evaluate potential environmental and social risks of the project’s activities and prepare management plans to mitigate the identified impacts that are also commensurate to the level of impacts. The ESMF will follow the World Bank Environmental Health and Safety Guidelines.</p> <p>In line with OP 10.00 and paragraph 12 (allowing for certain safeguards requirements’ deferral to after Project Appraisal), the ESMF preparation has been deferred and the steps to follow are described in the Safeguard Action Plan (SAP). The SAP will include a negative list to exclude any potential “Category A” investment.</p>
Natural Habitats OP/BP 4.04	Yes	<p>Given the project’s focus on rehabilitating existing infrastructure, no significant impacts on natural habitats are expected and no significant conversion or degradation of critical or natural habitats will occur. The interventions as part of the project are related to repairing the trails and buildings, only trees that fell on the trails will be removed. The</p>



		instruments to manage this policy will be management plans developed under OP 4.01.
Forests OP/BP 4.36	Yes	Given the project’s focus on rehabilitating existing infrastructure, no impacts on the health and quality of forests are expected ; nonetheless as there are interventions in the forestry sector and natural parks (restoration of trails) the Forestry Policy OP/BP 4.36 have been triggered. The interventions as part of the project are related to repairing the trails and buildings, only trees that fell on the trails will be removed. The instruments to manage this policy will be management plans developed under OP 4.01. The instruments to manage this policy will be management plans developed under OP 4.01.
Pest Management OP 4.09	Yes	The pest management policy OP/BP 4.09 has been triggered as pesticide, insecticides, fertilizers will be purchased for the crops. The instrument to manage this policy will be a pest management plan developed under OP 4.01
Physical Cultural Resources OP/BP 4.11	Yes	This policy has been triggered. No significant impacts are expected on physical cultural resources, some of the civil works may involve excavation activities. The ESMF will include a “chance find” procedure to be included in all works contracts.
Indigenous Peoples OP/BP 4.10	Yes	OP 4.10 Indigenous Peoples will be triggered as Dominica’s indigenous community, the Kalinago, is among the locations where project investments will be made. Impacts are overall expected to be positive. The main risks are to ensure that farmers who meet the eligibility criteria can participate and receive the benefits packages and technical assistance. and an IP Action plan will be prepared on how to consult and appraise the members of the Kalinago Territory of the project, objectives, operational modalities, and the criteria to participate to ensure Free Prior and Informed Consultations. The IPP will be prepared latest 12 weeks after Project effectiveness.
Involuntary Resettlement OP/BP 4.12	Yes	Involuntary Resettlement (OP 4.12) is being triggered to address instances of economic displacement. Project investments could have unintended impacts that result in economic displacement for example the rehabilitation of farm structures sited in a different location on the same site for safety reasons could impact crops or tenant



		farmer’s livelihoods or physical asset. In these cases Abbreviated Resettlement Action Plans will be prepared for compensation prior to the start of civil works.
Safety of Dams OP/BP 4.37	No	This policy should not be triggered given that the project will not support the construction or rehabilitation of dams nor will support other investments which rely on the services of existing dams.
Projects on International Waterways OP/BP 7.50	No	This policy should not be triggered because the project will not affect international waterways as defined under the policy.
Projects in Disputed Areas OP/BP 7.60	No	This policy should not be triggered because the proposed project will not affect disputed areas as defined under the policy.

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 is considered Category “B” and OP 4.01 is triggered for components A and B, as they will finance reconstruction of damaged infrastructure such as irrigation schemes, propagation centers (including forestry), a livestock center, fishery support structures and other facilities of the Ministry of Agriculture, also partial rehabilitation of the trail network that is part of the national touristic trails will be financed. These rehabilitation works are expected to be small-scale, generating only minor and localized environmental impacts that can be easily identified, mitigated, and managed. They will include debris management, worker’s health and safety, soil stabilization and erosion control, consequently no significant or irreversible environmental impacts are anticipated due to the Project-financed activities.

The Project will also finance the preparation of design studies, bidding documents and trainings under the fam field school program, for these activities the ESMF will indicate that TORs for the studies, planning of the activities will take into account relevant environmental and social issues in order to conduct the studies/activities in a manner that reflects the principles of Bank safeguards. The project will also support the livelihood recovery of farming communities through the provision of essential inputs (seeds and fertilizers) and technical advisory services. The fisheries interventions will co-finance the repair of boats and ice machines for 150 fishermen and 5 boat repairing workshops. All these activities have minimal environmental impacts that can be easily mitigated by complying with the best agricultural, livestock, fisheries and environmental practices and by following the General World Bank Group Environmental, Health, and Safety (WB EHS) Guidelines and the Specific Industry WB EHS Guidelines for the Agribusiness and Food production as well as for Forestry sector.

The social and environmental impacts will be positive for Dominica’s agricultural sector of Dominica. The project will improve sector-specific affected communities such as farmers, fisherfolk, livestock producers and forestry



communities by restoring critical farm infrastructure, strengthening livestock facilities based on new designs, and improving crop varieties that will potentially make crops more resilient. Similarly, potential improvements are likely in the fishing sector through capacity enhancements with respect to helping fisherfolk rebuild better boats, new arrangements for securing of boats, and engaging in better fishing practices.

Negative effects could include low levels of consultation and communication for project activities and ineffective mechanisms for benefit targeting and information dissemination leading to exclusion of indigenous groups and vulnerable groups from project benefits and failure to receive or follow technical advice resulting in poor yields.

Involuntary Resettlement. OP 4.12 is triggered because some project investments could have impacts that result in involuntary economic displacement. Project investments for farm, livestock, fisheries and forestry infrastructure will focus on rehabilitating and/or strengthening on farm level facilities. The project will also finance rehabilitation of infrastructure and institutions that support the sector such as the Regional Forestry Centers and the agricultural stations. The centers will be rebuilt on Government owned land and on the same sites. Project investments could have unintended impacts that result in economic displacement for example the rehabilitation of farm structures sited in a different location on the same site for safety reasons could impact crops or tenant farmer's livelihoods or physical asset. A template to guide the preparation of Abbreviated Resettlement Action Plans/ARAPs will be included in the ESMF and operational manual to mitigate negative impacts, including compensation for any impacted asset for livelihood displacement.

Indigenous peoples (OP 4.10) will be triggered. An Indigenous Peoples Plan (IPP) will comprise a simple action plan on how to consult and appraise the members of the Kalinago Territory of the project, objectives, operational modalities, and the criteria to participate to ensure free, prior informed consent (FPIC) on any project-related activity in line with their existing land tenure system, customs, choices and preferences. Based on consultation feedback from the Kalinago community the IPP will ensure that indigenous council leadership are involved in policy and decision-making discussions and beneficiary selection processes to avoid lack of representation. The consultations with the Kalinago will be undertaken for all the Bank-financed projects through a coordinated Information Communication Campaign to avoid consultation fatigue. No negative impacts are anticipated and the biggest risk is one of omission as it is a demand driven process. The IPP will be prepared latest 12 weeks after Project effectiveness.

Feedback and Grievance Redress Mechanism. A significant risk to the project is not targeting the potential beneficiaries resulting in social tension and complaints. The project will establish a multilevel feedback and grievance redress mechanism (GRM). Grievances related to project activities will be reviewed and addressed by the heads of extension offices in each participating parish. In addition, there will be an overarching grievance redress mechanism at the MAF level. The structure and processes of these mechanisms, including their scope, memberships, procedures for receiving, documenting grievances received, decisions to redress, communication of redress, periodicity of meetings to redress, and multilevel public disclosure will be included in the OM and the Environmental and Social Management Framework. The process will be reviewed by the Social Development Specialist in the shared Implementation Support team to make it consistent with other Bank financed projects to ensure a common approach to intake, recording, feedback routes and resolution timelines. The GRM will be prepared within 12 weeks of project effectiveness.

Given the project's focus on rehabilitating existing infrastructure, no impacts on natural habitats are expected and no significant conversion or degradation of critical or natural habitats will occur; nonetheless as there are interventions in the forestry sector and natural parks (restoration of trails) the Habitats Policy OP/BP 4.04 and the Forestry Policy OP/BP 4.36 have been triggered. Also, the pest management policy OP/BP 4.09 has been triggered as pesticide, insecticides, fertilizers will be purchased for the crops.



The instruments to manage these policies will be management plans developed under OP 4.01 including an Environmental and Social Management Framework (ESMF) to include a Environment and Screening Template checklist, and Templates to prepare simple site specific ESMPs and ARAPs. The ESMF will be prepared within 10 weeks after Project effectiveness. Site specific ESMP and ARAPs will be prepared prior to commencement of works.

In line with OP 10.00 and paragraph 12 (allowing for certain safeguards requirements' deferral to after Project Appraisal), a Safeguard Action Plan (SAP). The Safeguards Action Plan (SAP) will include a negative list to exclude any potential "Category A" investment. The Social Action Plan is in Annex 6 of PAD and presents the safeguards instruments to be prepared and the timeline for their preparation.

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

The proposed project activities seek to restore the agricultural production base, increase productivity and enhance climate resilience in Dominica. The long-term impacts will therefore be generally positive as the project will benefit farmers, fishermen, forestry workers and agriculture producers organizations with the rehabilitation, and reconstruction of agriculture, fisheries, and forestry infrastructures, adoption and dissemination of advanced technologies on modern agriculture techniques and practices, and agriculture diversification and agribusiness capacity

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

Most of the project interventions rehabilitation, and reconstruction of agriculture, fisheries, and forestry infrastructures. The rebuilding initiatives aim to achieve more resilient public infrastructure and higher standards of safety which will reduce future climate and weather risks. The infrastructures will be rebuilt in the same footprint.

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 project is prepared according to Paragraph 12 of the World Bank Operational Policy 10.0, Preparation of Investment Project Financing—Situations of Urgent Need of Assistance or Capacity Constraints. Under an emergency situation, in accordance with the policy, preparation of detailed safeguard instrument is deferred to the early stage of implementation, and a Safeguards Action Plan addressing the application of environmental and social policies has been prepared. . The Safeguards Action Plan ensures a legally binding roadmap for safeguards compliance during project implementation and provides clear guidance to the Borrower on the types of actions and instruments required so as to facilitate speedy implementation of emergency services. The Safeguard Action Plan also includes a timetable setting forth all the steps and the sequential planning required to prepare the safeguards instruments to ensure compliance with the safeguards requirements. The Safeguard Action Plan is part of the PAD.

In accordance with the Safeguard Action Plan, the GoCD will prepared an Environmental and Social Management Framework (ESMF) to guide the identification of possible social and environmental issues; develop mechanisms to comply with relevant GoCD and World Bank's policy requirements; lay out the approach and procedures relevant during subproject planning and implementation to mitigate the potential environmental and social impacts of the proposed investments and incorporate enhancement measures where relevant and feasible; and describe the institutional and implementation arrangements, the monitoring mechanisms, and the capacity building needs for effective implementation of the ESMF.

The capacity to prepare, implement and supervise the environmental and social instruments in Dominica is limited.



Hence, the ESMF will identify the capacity strengthening needs and approach. The implementation arrangements involve: i) the Institutional Support Team (IST) housed in the Ministry of Finance (MoF), staffed with international, knowledgeable environmental and social safeguards specialist that will support the PIUs of the World Bank Funded Projects (including the Housing Project), ii) the Project Implementation Unit (PIU) based in the Ministry of Agriculture and Forestry (MAF) responsible for the coordination and implementation of all project activities, the PIU will be staffed with an environmental and a social safeguards specialist. All the roles and responsibilities of this implementation arrangement will be fully specified under the ESMF.

With regard to the Social safeguards, the project will have access to the social safeguard specialist in the shared Implementation Support Technical Team (IST) in the Ministry of Finance who will provide quality assurance and technical advice through the review of key documents, ToRs and contracts. The PIU will have a dedicated safeguards specialist to ensure that relevant project and TA inputs and activities are reviewed and monitored for safeguard implications. The Government has established a Social Safeguards Technical Working Group whose objectives are to develop strategies to effectively execute property registration, property acquisition, and compensation and provide the technical advice.

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

Stakeholders. Key stakeholders include (a) about 15, 000 direct beneficiaries (4,950 households) of the project, including crop and livestock farmers, fisherfolks, forestry workers, and agriculture producer organization through the rehabilitation and reconstruction of agriculture, fisheries, and forestry infrastructures; (b) Ministries of Agriculture and Fisheries, Livestock, Forestry and the Environment and the Ministry of Finance; (c) Traders and Trader Associations; (d) Related Cooperative representatives; (e) Finance Providers; Community organizations (e.g. hucksters association) and Agro processors.

Consultation and Disclosure: All safeguards instruments (draft ESMF, ESMPs, IPP) and the Operational Manual will be consulted upon with the relevant stakeholders and disclosed on the government webpages and on the relevant Ministry page and at the appropriate Local Councils in the ten districts. A coordinated approach will be used across all Bank financed projects to reduce fatigue and provide a consistent approach by the Government in the way consultations are held, feedback is provided, and grievances are managed.

B. Disclosure Requirements

The review of this Safeguards has been Deferred.

Comments

This project is being processed under OP/BP 10.00, paragraph 12, therefore the implementation of safeguards is deferred

The review of this Safeguards has been Deferred.



Comments

This project is being processed under OP/BP 10.00, paragraph 12, therefore the implementation of safeguards is deferred. There will be no physical relocation under this project. No land acquisition is anticipated under this project. Investments are on owner farms and/or Government owner project focusing on the rehabilitation of farm productive infrastructure. Guidelines are being prepared to be included in the Environmental and Social Management Plan should economic displacement occur to guide compensation. Any Abbreviated RAP to be prepared will be reviewed and disclosed in country and executed before project works on the specific site.

The review of this Safeguards has been Deferred.

Comments

This project is being processed under OP/BP 10.00, paragraph 12, therefore the implementation of safeguards is deferred. OP 4.10 Indigenous Peoples will be triggered and an IPP will be prepared on how to consult and inform the members of the Kalinago Territory of the project, objectives, operational modalities, and the criteria to participate. Consultations will be coordinated to reduce time burden on communities. Based on consultation feedback from the Kalinago community the IPP will ensure that indigenous council leadership are involved in policy and decision-making discussions and beneficiary selection processes to avoid lack of representation. The project design is flexible to accommodate their preferences for crop and other livelihood packages.

The review of this Safeguards has been Deferred.

Comments

This project is being processed under OP/BP 10.00, paragraph 12, therefore the implementation of safeguards is deferred.

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?

NA

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?

No

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

OP 4.09 - Pest Management



Does the EA adequately address the pest management issues?

Yes

Is a separate PMP required?

No

If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?

No

OP/BP 4.11 - Physical Cultural Resources

Does the EA include adequate measures related to cultural property?

Yes

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?

Yes

OP/BP 4.10 - Indigenous Peoples

Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?

No

OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?

No

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

OP/BP 4.36 - Forests

Has the sector-wide analysis of policy and institutional issues and constraints been carried out?

NA

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

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

NA



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?

NA

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

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APPROVAL

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