



Project Information Document/ Integrated Safeguards Data Sheet (PID/ISDS)

Concept Stage | Date Prepared/Updated: 05-Apr-2016 | Report No: PIDISDSC17601



BASIC INFORMATION

A. Basic Project Data

Country India	Project ID P159576	Parent Project ID (if any)	Project Name Bihar Transformative Development Project (P159576)
Region SOUTH ASIA	Estimated Appraisal Date Apr 20, 2016	Estimated Board Date Jun 28, 2016	Practice Area (Lead) Agriculture
Lending Instrument Investment Project Financing	Sector(s) General agriculture, fishing and forestry sector (80%), Health (10%), Sanitation (10%)	Theme(s) Rural markets (10%);Rural non-farm income generation (50%);Rural policies and institutions (20%);Rural services and infrastructure (10%);Other rural development (10%)	Borrower(s) Government of India
Implementing Agency Bihar Rural Livelihoods Promotion Society			

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Financing (in USD Million)

Financing Source	Amount
Borrower	125.00
International Development Association (IDA)	290.00
Total Project Cost	415.00

Environmental Assessment Category
B-Partial Assessment

Concept Review Decision
Track I-The review did authorize the preparation to continue

Other Decision (as needed)

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B. Introduction and Context

Country Context

1. Poverty context in India: In the last two decades, India has achieved significant economic growth and seen a substantial reduction in absolute poverty.¹ Shared prosperity — defined as the growth of per capita real

¹ From 1994 to 2012, India’s poverty rate declined from 45.3 percent to 21.9 percent. Since 2005, 138 million moved out of poverty, of which, 85 million people moved about the official poverty line between 2010 and 2012. Source: National Sample Surveys, “Thick Rounds”: 1993-1994 to 2011-2012.



household income of the bottom 40 percent of the population— has also improved, with a considerable narrowing of the gap between average consumption and the growth of the bottom 40 percent.² Still, nearly 21 percent of the Indian population lives on less than \$1.90 a day in 2011 PPP terms.³ Inequality indicators are on the rise, with growing disparities sub-nationally: between urban and rural India, and between India's states. Poverty is increasingly concentrated in low-income states, which together, have a poverty rate that is twice that of other states.⁴ The state of Bihar for instance, accounts for 8.6 percent of the national population but has a much higher share of national poverty at 13.3 percent. In addition, there are inequalities across various social groups. For example, on economic and human development indicators, marginalized groups such as scheduled castes, scheduled tribes, and women lag behind the general population.⁵

2. Government of India in its Twelfth Five Year Plan has recognized the creation of strong community institutions like Self-Help Groups (SHGs) of women and their federations as a central strategy for poverty reduction. The Deen Dayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM) was launched by the Ministry of Rural Development (MoRD), Government of India in June 2011. Aided in part through investment support by the World Bank, the Mission aims at creating efficient and effective institutional platforms of the rural women from poor households enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services. The program also draws heavily on lessons from large scale World Bank projects in Andhra Pradesh, Tamil Nadu and Madhya Pradesh.

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Sectoral and Institutional Context

3. Poverty context in Bihar: Bihar, with a population of approximately 104 million, is India's most densely populated state. 88.7 percent of Bihar's population lives in rural areas, making Bihar India's least urbanised state. From 2005, Bihar has witnessed strong and sustained economic growth, with an annual growth rate of about 10 percent.⁶ Despite such growth, Bihar's per capita Net State Domestic Product (NSDP) — INR 15,650 — is lesser than half of the national average of INR 39,904.⁷ As per Planning Commission estimates, in 2011-2012 33.7 percent of Bihar's population lived below the poverty line⁸. Though the poverty rate of 54.4 percent in 2004-2005 has declined, the absolute number living in poverty remains high at 35.8 million. Poverty rates for scheduled castes and scheduled tribes are nearly 18 percent of the state's population —indicating high socio-economic disparities between social groups.⁹ A key constraint that the rural poor in Bihar face is the low access to financial services. Agriculture and its allied sectors employ 79 percent of Bihar's rural workforce.¹⁰ Despite

² India Country Partnership Strategy 2013-2017, The World Bank Group

³ India 2011 data, World Bank Poverty and Equity Database

⁴ Cumulatively, India's low-income states have a 45.1% share of the total population, a 61.5% share of poverty, and a poverty rate of 29.8%. Bihar: share of population 8.6%, share of poverty 13.3%, poverty rate: 33.7%. Source: India Country Snapshot, The World Bank Group, October 2015.

⁵ In 2009 to 2010, poverty rates among scheduled castes were 43.5% in rural areas and 33% in urban areas. Poverty rates among scheduled tribes, over the same period, were 47.1% in rural areas and 28.8% in urban areas. Source: Government of India, Planning Commission, Eleventh Five Year Plan, 2007-2012, Volume I, Inclusive Growth and NSSO primary data 2009-10.

⁶ Economic Survey of Bihar, 2014- 2015, Finance Department, Government of Bihar.

⁷ Ibid.

⁸ Ibid.

⁹ State-Wise Percentage of Population Below Poverty Line by Social Groups, 2004-05, Ministry of Social Justice and Empowerment

¹⁰ Primary Census Abstract; Census 2011- 22.3 percent rural workers are cultivators while 56.9 percent are agricultural labourers.



substantial increase in overall production as well as productivity, continued land fragmentation and lack of organized producer institutions of farmers remain key constraints in generating better returns for small farmers engaged in subsistence farming.

4. Human development context in Bihar: In 2011, Bihar had a score of 0.303 on the inequality adjusted Human Development Index — ranking it 16th out of India’s 19 largest states.¹¹ Bihar has made considerable improvement on several human development indicators. From 2005 and 2014, Bihar’s infant mortality rate reduced from 61 to 40 per 1000 children below 1 years of age.¹² In the same period, Bihar’s maternal mortality rate declined from 312 to 167 per 100,000 live births. Institutional deliveries increased from 19.9 percent to 62.7 percent between 2005 to 2014.¹³ However, extremely high levels of malnutrition still prevail in the state. Approximately 50 percent of children aged five and under are stunted and 21 percent of children aged five and under are wasted.¹⁴ More than 44 percent of children aged five and under are reported to be underweight.¹⁵ Seventy-three percent of households in Bihar do not have access to proper sanitation facilities at the household-level.¹⁶

5. The GoB has been implementing the Bihar Rural Livelihoods Project (JEEViKA), a World Bank supported poverty alleviation program, across six districts and 42 blocks of Bihar since 2007. The project was provided with additional financing in 2012, allowing it to expand to an additional 60 blocks. Currently, the project operates in six districts and 102 blocks. The project has been able to mobilize nearly 1.8 million women from poor households into nearly 150,000 SHGs and 9,500 Village Organizations.¹⁷ In the first 42 blocks, the project has deepened the strength of community institutions by forming 161 tertiary federations.¹⁸ JEEViKA is also Bihar’s designated State Rural Livelihoods Mission and responsible for implementing the World-Bank supported National Rural Livelihoods Project (NRLP) in 77 blocks. Thus far, in these 77 blocks, JEEViKA has mobilized 1.1 million women from households into 91,650 SHGs, and, in turn, into 5000 Village Organizations.

6. The approach that the project has successfully demonstrated across the above 179 blocks includes the following key features: (a) mobilization of the women from poor households into institutional platforms like SHGs and their federations; (b) providing these SHGs and federations of women with capacity building support complemented by initial capitalization, thereby enabling access to financial services from formal financial institutions and other service providers; (c) enabling access to productivity enhancement services in agriculture and livestock sectors through a community based extension system; (d) mobilization of some of the SHG members into Producer Organizations and facilitating partnerships with technical support agencies for access to a range of input services and market linkages across agriculture, livestock and the nonfarm sectors; (e) skills development for eligible youth belonging to SHG households through partnerships with skill development agencies; (f) intensive behavior change communication (BCC) targeted at enhanced access to health, nutrition,

¹¹ Inequality adjusted Human Development Index for Indian States 2011; United Nations Development Program.

¹² National Family Health Survey; 2014-15, SRS Bulletins Various Issues, Office of the Registrar General of India, Ministry of Home Affairs, Govt. of India

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Key Indicators of Drinking Water, Sanitation, Hygiene and Housing Condition in India, National Sample Survey 69th Round

¹⁷ VOs are federations of self-help groups at the village level.

¹⁸ These tertiary federations, called Cluster Level Federations, are federations of village organizations.



and sanitation services in partnership with technical support agencies; and (g) facilitating linkages with large private sectors players and social enterprises to enable access to a range of input services and markets.

7. The emerging priorities of the Government of Bihar (GoB) include socio-economic empowerment of women, improved access to human development services including health, nutrition and sanitation, and skill development and job placement for youth. GoB has instituted the Bihar Vikas Mission consisting of seven sub-missions focused on: agriculture, human development, drinking water and sanitation, rural development, industry and business, infrastructure, youth and governance. Promotion of strong and sustainable community institutions of the women from the poor households poor has clearly emerged as a key strategy in tackling the challenge of rural poverty in Bihar. The GoB has approached the World Bank for support in expanding the BRLP-model to the rest of the state.

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Relationship to CPF

8. World Bank support for this project is consistent with the Country Partnership Strategy (CPS) for India (2013-17). The proposed project is aligned with the World Bank's twin goals of reducing poverty and increasing shared prosperity. World Bank support in India, as outlined in the CPS, is focused on three pillars — integration, transformation, and inclusion—and a cross-cutting focus on improving governance, environmental stability, and gender equality. The proposed project is aligned with two of three pillars outlined in the CPS: transformation and inclusion. The proposed project aims to promote and strengthen institutions of the women from the poor households, which can mobilize higher household savings and higher credit from formal financial institutions. Farmer producer groups that exclusively women owned and managed, promoted by the project at the village and block levels, will allow for strengthened value chains and streamlined delivery and extension services (CPS Outcome 2.4). The project will mobilize the women from the poorest households into community institutions and extend improved access to financial services and banking facilities (CPS outcome 3.7). Community institutions will service as a platform for capacity building and increased access to health and nutrition services. Village-level and cluster-level institutions will facilitate participatory identification of beneficiaries and community-led monitoring, to ensure better delivery of services to rural households (CPS outcome 2.2 and 2.3). Given that the SHGs and federations are exclusively made up of women and all the capacity building and investment that goes into these institutions will ensure that the project will address gender disparities. The project also has a strong focus on the marginalized groups like the Scheduled Castes and the Scheduled tribes and hence it also addresses the social disparities. This project is also aligned to the CPS focus toward more state-level activities, particularly in low-income states

C. Proposed Development Objective(s)

Diversify and enhance incomes and improve access to nutrition and sanitation services among targeted households.



The project seeks to accomplish this PDO through the following five components (a) Community Institutional Development; (b) Community Investment Funds; (c) Access to Nutrition and Sanitation Services; (d) Partnerships, Innovations and Technical Assistance; and (e) Project Management.

The project's beneficiaries will include nearly five million women belonging to rural households across 300 blocks of Bihar's 32 districts. The project's focus will be on scheduled castes, scheduled tribes, minorities, extremely backward castes**, and other backward castes – which would constitute at least 60 percent of the project's total beneficiaries.

**Note: Extremely backward castes (EBCs) are a categorization unique to the state of Bihar. The EBC category was carved out of the list of other backward castes (OBCs). There are 130-odd EBC castes in Bihar.

Key Results (From PCN)

9. The following indicators will be used to monitor and measure the project's success in achieving the above PDO:

- % of SHG households that have increased incomes by at least 30%
- % of SHG households that have at least one additional source of income
- % increase in SHG households accessing nutrition services¹⁹
- % increase in SHG households accessing sanitation services²⁰
- Number of project direct beneficiaries of which (percentage) female (Core Sector Indicator)

D. Concept Description

10. The project will build on the significant results achieved by the Bihar Rural Livelihoods Project across 6 districts and 102 blocks and the National Rural Livelihoods Project across 77 blocks of the state. The project will scale up the successfully demonstrated approach across 32 districts and an additional 300 blocks of the state. The project will work with nearly 400,000 women-only SHGs in 32 districts benefitting around 5 million rural women.

11. Component 1: Community Institutional Development (USD 120 Million): The objective of this component is to expand the formation of strong and sustainable self-help groups of women and their higher level federations and farmer producer organizations (FPOs) and build their capacities in terms of livelihood activities, e-bookkeeping, financial literacy, and business education, among others. The component will consist of two specific sub-components, described below.

Development of Self Help Groups and their Federations: This sub component will support the identification, selection and mobilization of women from poor rural households into self-managed institutions, such as Self Help Groups (SHGs) and their federations.

Development of Producer Organizations: This sub-component will support the mobilization of those women from SHG households that already have access to some basic financial services and productivity enhancement services into producer organizations (POs) in specific commodity clusters (based on the commercial potential and economies of scale) across agriculture, livestock and the non-farm sub-sectors.

¹⁹ Nutrition services that are currently available under the Integrated Child Development Scheme implemented by the Government of Bihar.

²⁰ Sanitation services that are currently available under Swachh Bharat Mission implemented by the Government of India and Government of Bihar.



12. Component 2: Community Investment Funds (USD 215 Million) : The objective of this component is to provide financing to (a) SHGs, VOs and Cluster level Federations to catalyze larger investments from the commercial banks/other financial institutions and to enable them to support investments in a range of livelihood activities²¹ outlined in their respective micro-investment plans; and to (b) Producer Organizations for undertaking interventions across the value chain (including input services, value-addition and market linkage). There are three main sub-components under this component:

Community Investment: This sub-component will primarily focus on financing catalytic investments at the SHG level and higher federations with the primary objective of enabling larger inflow of institutional credit from formal financial institutions.

Health, Nutrition and Sanitation Interventions: This sub-component will enable financing to the Village Organizations and Cluster Level Federations towards specific health, food security, nutrition and sanitation related interventions based on specific micro-plans developed by them.

Value Chain Development: This sub-component will focus on financing business plans and value chain initiatives carried out by Producer Organizations. Areas for financial support under this component will include community level infrastructure, small equipment and working capital with a focus on enhancing incomes of the households.

13. Component 3: Access to Nutrition and Sanitation Services (USD 25 Million) : The main objective of this component is to leverage the SHG platforms for increasing awareness and knowledge about specific health, nutrition, and sanitation services available through government programs. It will concurrently undertake specific efforts to ensure convergence with the government programs in these sectors. There are two main sub-components under this component. (i) Improved awareness and knowledge of services. (ii) Capacity building of the community institutions for convergence with pre-existing Government of Bihar programs.

Improved Awareness and Knowledge of Services: Specific behavior change communication (BCC) strategies would be used to increase knowledge and awareness of the following key areas: early registration of pregnancy, ante and postnatal check-ups, identification of high risk cases, counseling for maternal nutrition, birth planning, institutional delivery, early initiation and exclusive breastfeeding, infant and young child feeding practices, immunization, and sanitation and hygiene.

Capacity building of the Community Institutions for Convergence: The strong institutional platforms of the poor in the form of women's Self Help Groups (SHGs) and their federations apart from offering a variety of livelihood services to their members are also ideally placed to facilitate their access to services related to health, nutrition and sanitation as well as entitlements like social security pensions, food entitlements and wage employment.

14. Component 4: Innovations, Partnerships and Technical Assistance (USD 25 Million): As part of this component, productive partnerships will be developed with technical support agencies, best practice institutions in public, private and social enterprise sectors across the areas of community mobilization, financial inclusion, value chain development in agriculture, livestock and non-farm sectors, skills development, and access to health, nutrition and sanitation services among others. Activities under this component will include a focus on

²¹ These activities include agriculture productivity enhancement, productivity enhancement in agriculture and livestock sectors, nonfarm activities, specific skill development activities, health, nutrition and sanitation related activities among others.



skills training, including partnerships with a range of stakeholders to strengthen provision of market-led skills training programs to youth from poor families leading to positive placement and income outcomes.

15. Component 5: Project Management (USD 30 Million): The objective of this component is to strengthen the project implementation at the state, district and block levels. It will finance dedicated staffing for the project activities, consultancies, training and related material, office equipment, and operational costs at the state level and the district level teams across 32 project districts. It will also support the further strengthening of the Monitoring, Evaluation and Learning (MEL) systems, Financial Management systems, Procurement Management, Human Resource Management and Knowledge Management and Communications.

SAFEGUARDS

A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

Bihar has 13 major rivers and rivulets flow through the state which drain into main Ganga river. Nearly 2/3rd of the state is under Ganga basin. In addition to the rivers, the state has abundant water resources like tanks, ponds, oxbow lakes and reservoirs. The state is prone to multiple disasters - floods, drought and cold waves being most common. Floods are common phenomenon in North Bihar and drought in South Bihar. The North and North-East zones of the state are prone to flooding in rainy seasons, and waterlogging is common. The South east and west zones are drought prone. Potentially all the zones have vast untapped potential for increasing the productivity of food grain crops.

While the Scheduled Tribes (ST) constitute around 1.3% of Bihar's population, about 15 of the project districts have rural tribal communities that are between 1-7% of the rural population, with West Champaran, Katihar and Jamui being the three districts with highest rural ST population. These areas would need to have specific socioculturally compatible and community supported strategies that enhance the participation and inclusion of tribal communities in project institutions, investments and interventions.

B. Borrower's Institutional Capacity for Safeguard Policies

The technical design of this proposed project is almost identical to the earlier Bihar Rural Livelihoods Project that has been successfully implemented in the state since 2007. The implementing agency, the Bihar Rural Livelihood Promotion Society (BRLPS) has been implementing BRLP over the last 8 years and is well versed with the Bank's safeguards requirements. Operations manual and protocols are developed and will need to be updated for the new project during project preparation to appropriately reflect the proposed interventions. Most of the key staff required at the state and district levels are already in place, including Environmental and Social specialists.

With 8 years of implementation experience and a dedicated Social Development Unit, BRLPS has developed strong insights, operational knowledge and customized strategies for working with traditionally marginalized groups such as scheduled castes, scheduled tribes and landless women. The Social Unit of BRLPS is well staffed with project managers at state and district levels. The team also works closely with other project units working on health, nutrition, sanitation, and social protection interventions. Given that the proposed project is a repeater project with similar project interventions as the ongoing BRLP, Social Unit would be updating the existing social assessment and tribal development plan (TDP) on the basis of consultations in new project areas, especially tribal communities, and lessons learnt under the ongoing project.

C. Environmental and Social Safeguards Specialists on the Team

Ruma Tavorath, Varun Singh

D. Policies that might apply



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Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>Project livelihood activities financed under Component 2 for enhancement of the value chain in agriculture, livestock and non-farm sectors could have potential environmental impacts – depending on their geographical location, cumulative impacts or unmanaged dependence on natural resources. These potential direct and indirect and/or long term impacts are envisaged to be moderate to low. These will need proper comprehensive management, both at the site specific level, the community level and at the project monitoring level. The risk is expected to be well managed due to the implementation arrangements which SHGs, VOs and Cluster level Federations and the planning done through micro-investment and business plans. The experience of the implementing agency, BRLPS and the presence of existing management systems further reduces the risk of unmanaged and unmitigated negative impacts of such activities.</p> <p>The ESMF developed for the Bank financed Bihar Rural Livelihoods Project or National Rural Livelihoods Projects will be revised reflecting the scope of this project and used as a safeguard instrument for this project.</p> <p>The ESMF will include an Exclusions List which will screen out the investments where the potential significant environmental or social impacts are envisaged and mitigation measures commensurate with the impacts of the investments will be proposed as the result of the screening exercise.</p>
Natural Habitats OP/BP 4.04	No	Due to the nature of the activities, it is expected that there will be no impact on existing natural habitats. The screening tool developed in the existing ESMF ensures that precautionary measures are taken in case there is a possibility of sub-project activities within the vicinity of natural habitats.
Forests OP/BP 4.36	No	Due to the nature of the activities, it is expected that there will be no impact on existing natural habitats. The screening tool developed in the existing ESMF ensures that precautionary measures are taken in case there is a possibility of sub-project activities within the vicinity of natural and designated forests
Pest Management OP 4.09	No	The project will not support procurement of pesticides, spraying equipment and will promote the use of non-chemical pesticides, where possible
Physical Cultural Resources OP/BP 4.11	No	Measures related to Chance finds and/or disruption to existing physical and cultural properties/resources will be detailed in the ESMF and supervised closely during implementation.
Indigenous Peoples OP/BP 4.10	Yes	A detailed tribal development plan(s) will be prepared. Core strategies targeted at inclusion of the tribals have already been developed during the implementation of BRLP and NRLP. These strategies will be further strengthened and customized based on prior informed consultations with tribal communities in the newer geographies. All the mainstreamed and area-specific interventions will be included in the tribal development plan(s).
Involuntary Resettlement OP/BP 4.12	No	Investments supported in this project do not involve any involuntary acquisition of private lands and public lands with



squatters in.

Safety of Dams OP/BP 4.37	No	Not applicable
Projects on International Waterways OP/BP 7.50	No	Not applicable
Projects in Disputed Areas OP/BP 7.60	No	Not applicable

E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

Apr 15, 2016

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

1. Completion of field visits and consultations in new project areas by April 15, 2016.
2. Finalization of updated environment and social management framework (ESMF) including tribal development plan and re-disclosure on client's website and Infoshop by April 28, 2016.
3. Finalization of ESMF including a detailed tribal development plan based on inputs from the appraisal mission by April 30, 2016.

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APPROVAL

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