

REPUBLIC OF RWANDA
TRANSFORMATION OF AGRICULTURE SECTOR PROGRAM PHASE 3
ADDITIONAL FINANCING (P161000)

Addendum
Environment and Social Systems Assessment (ESSA)

1. The Additional Financing (AF) will introduce a new disbursement-linked indicator (DLI) on the development of an updated National Agricultural Policy (NAP) and increase several of the existing DLI targets. Increasing the DLI targets and incorporating a new DLI will support GoR's on-going efforts to maximize the productivity of the agriculture sector while transforming the overarching policy environment.
2. The updated NAP will provide an overarching vision for the agriculture sector. It will place significant emphasis on sustainable production and food security. However, the policy will not include specific policy instruments. Individual policy instruments for all sub sectors will be reviewed, revised, or developed. All policies will need to be compliant with the principles outlined in the NAP (including those of protecting the environment while maintain food security). This approach ensures that sustainable practices will be mainstreamed throughout all sub sectoral policies.
3. The assessment of these adjustments to the Program is as follows:
 - a) DLIs that are focused on improving the productivity of land and increasing the productivity of key crops (DLI 1, 2, 3 and 4) will not induce new environmental and social risks but may request to pay more attention to potential direct, indirect or cumulative risk generated from activities such as expansion of irrigation, as some irrigation structures will include canals, as well as small dams. As with any irrigation structure, these dams may have safety-related risks, which were effectively managed by the GoR during RSSP investment projects. Other potential impacts include water quality and quantity degradation (both surface and ground water), surface water sedimentation, and spread of waterborne diseases.
 - b) Inclusion of DLI 8 focusing on the production of an updated NAP which will integrate new initiatives, such as the climate smart Agriculture and Information Communication Strategy, which could benefit environmental management.
4. The level of risk remains moderate and can be addressed through: (i) the existing GoR Environmental and Social Management System (ESMS) including the small dam safety guidelines and the Environmental and Social Implementation Manual (ESIM). The process for rolling out the ESIM to all Districts is part of the on-going decentralization process. The rollout to 30 Districts is expected to be concluded by September 2017; and (ii) exclusion of high-risk interventions which include activities that are judged likely to have significant adverse impacts on the environment and/or affected people. Among these high-risks interventions are dam construction/irrigation or drainage infrastructures on transboundary water resources.

5. While the existing ESMS is adequate, it will be strengthened to further benefit and improve the GoR's understanding of social issues in the following areas by:

- *Strengthening measures to enhance GoR's capacity to implement the ESMS Program.* As a result, this new action includes a “capacity building program based on the ESIM, and the small dam safety guidelines” to benefit the District officers. This program will ensure that: (a) the ESIM has sufficient guidelines on small dams; and (b) all relevant staff are trained in the ESIM. The manual and training program will be prepared by involving the relevant MINAGRI SPIU teams which are already conversant with the safeguards policies; and implemented before the end of the Program.
- *The Grievance Redress Mechanism (GRM) database will be fully functional (including relevant staff training) within MINAGRI by July, 2017.* This will be supported by the development of a communication strategy (included in the updated PAP) to ensure there is awareness of the database and that the outcomes