

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC2566

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I. BASIC INFORMATION

A. Basic Project Data

Country:	India	Project ID:	P143608
Project Name:	AP Rural Inclusive Growth (P143608)		
Task Team Leader:	Parmesh Shah		
Estimated Appraisal Date:	04-Aug-2014	Estimated Board Date:	25-Sep-2014
Managing Unit:	SASDL	Lending Instrument:	Specific Investment Loan
Sector(s):	General agriculture, fishing and forestry sector (60%), Health (20%), Other social services (20%)		
Theme(s):	Rural policies and institutions (20%), Rural markets (20%), Gender (20%), Nutrition and food security (20%), Participation and civic engagement (20%)		
Financing (In USD Million)			
Total Project Cost:	250.00	Total Bank Financing:	150.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			100.00
International Development Association (IDA)			150.00
Total			250.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The PDO would be to enable selected poor households to diversify and enhance sources of income and secure increased access to human development services and social entitlements.

This would be achieved by supporting Government of Andhra Pradesh in scaling up the rural poverty reduction initiatives and the existing institutional platforms of the rural poor under previous IDA

supported APDPIP and APRPRP with an emphasis on inclusive economic growth and livelihood sustainability. These programs will be implemented in selected geographies based on value chain potential and inclusion deficit in accessing services and entitlements.

C. Project Description

Component 1: Value Chain Enhancement through Producer Organizations (US\$ 60 million): This component will work with those small and marginal producers who have built up productive assets and have previously participated in productivity improvement and technology introduction programs. The focus of this component will be to add value through investment in economic organizations of small and marginal farmers like producer organizations and producer companies and investments in value addition, quality enhancement and partnerships with agribusiness enterprises in private and cooperative sector. Special programs will be developed for promoting economic organizations focused on tribal and indigenous producers. Value chain approach will be adopted in key sub-sectors like agriculture (grains like paddy, maize, red gram, green gram, etc.), plantation and horticulture crops (fruits and vegetables, cashew & coffee) which have potential to scale up and impact large number of poor households. The proposed project will tap the market opportunities arising from consumer led innovations like organic value chain, fair trade, etc. taking advantage of farmer mobilization under Community Managed Sustainable Agriculture initiative. Cluster approach in promoting rural non-farm enterprises, handicrafts, handlooms and other specialty goods with strong geographical identity will be adopted to open up new opportunities for the small rural producers to participate in urban markets.

The identification of value-chains or clusters could take two routes (a) resource based approach or producer driven value chains based on pre-dominant activity in the area (for e.g. food grains, handloom, handicrafts, etc.), and (b) market induced approach or buyer driven value chain (for e.g. dairy, fresh fruits and vegetables, etc.). The key organizing principles for this component include strengthening support systems like community based extension, collective inputs supply and output marketing, appropriate technology, skill development, local value addition, logistics and market linkages and bundled service provision for improved productivity and competitiveness of small holder production systems. This component will invest in TA, training and institution building, small scale productive infrastructure and viability gap funding for selected value chain investments.

Component 2: Human Development (US\$ 30 million): This component will invest in a 'lifecycle approach' to achieving MDGs in health and education, focusing on the various phases of an individual's life, and specifically target poor households and vulnerable segments of the population (such as adolescent girls, pregnant women and children under two years of age) that may not have benefitted adequately from previous government interventions. Two alternative modalities for achieving this objective will be supported and assessed for their effectiveness/viability. First, the project will support the expansion and enhancement (including better targeting) of the offerings of the Nutrition Cum Day Care Centers (NDCCs) created under the earlier Bank supported Andhra Pradesh Rural Poverty Reduction Project. These programs have enabled poor households to access health services entitlements, improve their health and nutrition status and reduce health expenses. The enhancements will involve the provision of additional health, nutrition, child rearing and sanitation services to the ones already being provided. The expansion of the NDCCs and early childhood education centers will entail the inclusion of specific tribal areas of the State, with packages introduced to cater to the unique needs of these tribal populations. Second, the project will support the implementation in selected blocks of the recently issued government order (No. 249) that aims, through a program called "Maarpu," to facilitate the convergence of existing flagship government programs in health and nutrition (such as ICDS and NRHM) with the demand side

interventions being promoted by SERP. Maarpu has eight key components ranging from the implementation and monitoring of 20 key interventions that are expected to reduce MMR, IMR and malnutrition to convergence in service delivery at the habitation level and convergent behavioral change communication (BCC). The Social Observatory set up by DIME in collaboration with the WB livelihoods projects in India is measuring the impact of NDCCs in Andhra Pradesh. The baseline collected by them will be used for undertaking rigorous impact evaluation of the two modalities in order to assess their impact on the outcomes of interest and, further, to facilitate a scaling-up of the preferred model across the state.

Community-based organizations have also partnered with the Department of Education to establish early childhood education centers and offer higher education for poor children. Building on such initiatives, the project will help strengthen community mechanisms to improve the functioning of school systems and their social accountability. Provision of supplementary learning opportunities to children from poorest households will also be made.

Overall, the component seeks to build on program innovations in Andhra Pradesh and elsewhere in order to improve access of the poor and vulnerable to good quality nutrition, health and educational services. The key organizing principles for this component will be the targeted mobilization of poor households, and the bundling of community contributions, public services and entitlements through convergence with existing flagship government programs like ICDS and NRHM for effective last mile service delivery. Annual consumer feedback surveys/service delivery reports will also be supported to identify specific areas of public service improvement. The project will invest in This component will finance TA, institution building, one time revolving grant and robust M&E including Impact Assessment Systems to assess impact of various interventions.

Component 3: Access to entitlements and social development (US\$ 20 million): Access to social safety nets and entitlements will be the core agenda in the strategy for inclusion of the poorest households. This component will invest in leveraging existing institutional platform to ensure reliable and universal access to entitlements and public services (like food security, MNREGS, social pensions, scholarships, etc.). The project will support convergence strategies with the government departments and agree upon business process re-engineering for streamlined enrollment processes and delivery of key entitlements. Assistance will be provided for technology up-gradation assistance for improved efficiency, transparency and social audit mechanisms in the last mile. Besides, strengthening the existing smart card and UID linked electronic benefit transfer solutions; the project will also support design, implementation and evaluation of cash transfer schemes.

The community institutions through social action committees (SACs) and 'help line' pro-actively address gender issues such as violence against women, early girl child marriage, female infanticide, etc. The project will deepen the SACs agenda to even address intra household, community level gender issues and issues related to adolescent girls. Special emphasis will be given to households with Persons with Disability (PwD), and other vulnerable categories. The neighborhood centers managed by communities will be mainstreamed for provision of recreational, therapeutic and referral services for the disabled. Support will be extended for decentralization & increased community management of life and disability insurance programs will be encouraged.

9. The project will leverage institutions experience and expertise like Center for Good Governance (CGG), Society for Social Audit, Accountability and Transparency (SSAAT) for strengthening accountability of public services and entitlements in the last mile. The key organizing principles for this component include the following: (i) engaging community institutions network for mobilizing eligible clients for entitlement and public services, (ii) single stage enrollment for

package of entitlement schemes, (iii) arranging IEC, counseling and support services, (iv) Leveraging ICT for predictable service delivery, and (v) social accountability mechanisms. This component will finance TA, institution building, systems development and robust M&E and Impact Assessment Systems.

Component 4: ICT & Partnerships (US\$ 15 million): The objective of this component will be to improve the performance of project implementation and enhance coordination mechanisms with supply/demand side partner institutions by providing them technical assistance, strategic advisory and knowledge management services with national and international expertise in the above three areas. The project will encourage productive partnerships with public, private and social enterprise sectors to increase the integration of poor in performing and remunerative value chains. The project will organize solutions and innovations marketplaces for identifying high impact innovations and developing productive alliances between small and marginal producers and the public, private and social enterprise sector aimed at improving technical service provision and market linkages in the project areas. A framework for Public-Private-Community Partnerships (PPCP) will be developed that allows the community institutions to form productive alliances at the local level. The project will make strategic investments in ICT and m-Governance systems to develop state of the art IT platform for hosting and delivering variety of project services like management information system (MIS), decision support systems (DSS), financial management system (FMS), etc. This digital grid connecting village to the State level will be Aadhar (UID) enabled and will be leveraged to deliver ICT based services to rural poor households in the last mile.

Component 5: Project Implementation Support (US\$ 25 million): The objective of this component is to strengthen the project implementation and will finance dedicated staffing for the project activities that are attributable to outcomes of the project, consultancies, training and related material, office equipment, and operational costs. It will also support establishing Monitoring, Evaluation and Learning (MEL) systems, Financial Management systems, Procurement Management, Governance and Accountability Systems, Knowledge Management and Communication, etc.

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

State of Andhra Pradesh

E. Borrowers Institutional Capacity for Safeguard Policies

The state has some level of understanding and capacity in environmentally sound and sustainable interventions through earlier Bank funded projects. These included initiatives to mitigate micro level environmental risks and steps to promote climate friendly initiatives, including sustainable agriculture practices and convergence with national programs supporting land improvement, ground water development and soil fertility treatments. Society for Elimination of Rural Poverty (SERP) was the implementing agency for the earlier IDA operations, viz. APDPIP and APRPRP and will also implement the proposed project. Over last 10 years, SERP has built capacity in project and financial management, procurement, monitoring and evaluation, including environment and social safeguards. However there is no systematic and formalized approach towards environmental due diligence of all program activities.

SERP has mainstreamed operational strategies on poverty targeting, social inclusion, gender equity and women's empowerment in all its programs on micro-credit, livelihoods, entitlements and vulnerability reduction. However, capacity for systematically implementing, monitoring and reporting on Bank's social safeguard policies does need a more 'institutionalized' approach, and the

capacity in this area needs strengthening. The capacity for environmental and social safeguard assessments, mitigation and monitoring will be reviewed as part of project preparation and any capacity and/or human resource gaps will be addressed. SERP will designate an Environment Specialist and a Social Development Coordinator, with required qualifications and background to design and conduct the safeguards assessments and prepare the environmental management framework and social strategy for the proposed APRIGP, with guidance from the Bank's task team.

F. Environmental and Social Safeguards Specialists on the Team

Ruma Tavorath (SASDI)

Varun Singh (SASDS)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	<ul style="list-style-type: none"> From an environment safeguards perspective, the individual livelihood activities are likely to have very little adverse impact. However, the collective impact of many such little activities could lead to a more visible impact, which is also likely to have little or no adverse impact. Given that at this stage the actual activities and their scale is not known, a framework approach would be appropriate. Some activities under Component 2 (Human development) could have an impact on environment (especially health and safety, for example if drinking water or sanitation services are to be managed by communities). These could also be covered under a framework approach. From a safeguards + approach, it has been found that that promulgation of good environmental management in livelihoods is best achieved through demonstration of eco-friendly practices – initially through pilots followed by scaled-up interventions. Going further, when these eco-friendly practices can be linked to a business process, then these become Green Business Opportunities. As part of the framework approach, it would be useful to identify a set of such Green Business Opportunities and integrate them into the livelihoods promotion plan. The project is most likely to be categorized as a Category B project.
Natural Habitats OP/BP 4.04	TBD	
Forests OP/BP 4.36	TBD	
Pest Management OP 4.09	Yes	

Physical Cultural Resources OP/ BP 4.11	No	
Indigenous Peoples OP/BP 4.10	Yes	Many of the project districts would have schedule tribes (STs), and project interventions specifically targeting tribal populations will have significant beneficial impacts. Provisions of OP 4.10 will be used for holding systematic and informed consultations with the beneficiary tribal communities and preparing the tribal development strategy and framework of the project.
Involuntary Resettlement OP/BP 4.12	TBD	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 01-Jul-2013

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

The environmental assessment will be undertaken for the proposed activities, but will also build on the systems and frameworks established in the previous Bank funded projects. After stakeholder consultations, the draft EMP should be disclosed by end June 2013.

The social safeguard related studies for APRIGP includes Social Assessment which will be based on stakeholder consultations, and review of implementation experience of existing social inclusion strategies and programs, specifically those related to implementation of the tribal development plan. Draft Social Assessment Report, with Tribal Development Framework/Plan should be prepared and disclosed by end June 2013.

IV. APPROVALS

Task Team Leader:	Name: Parmesh Shah	
Approved By:		
Regional Safeguards Coordinator:	Name: Zia Al Jalaly (RSA)	Date: 20-Mar-2013
Sector Manager:	Name: Shobha Shetty (SM)	Date: 31-Mar-2014

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.