

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA8265

Date ISDS Prepared/Updated: 23-Sep-2014

Date ISDS Approved/Disclosed: 01-Oct-2014

I. BASIC INFORMATION

1. Basic Project Data

Country:	India	Project ID:	P143608
Project Name:	Telangana Rural Inclusive Growth Project (P143608)		
Task Team Leader:	Parmesh Shah		
Estimated Appraisal Date:	22-Sep-2014	Estimated Board Date:	19-Dec-2014
Managing Unit:	GFADR	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%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	107.00	Total Bank Financing:	75.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			32.00
International Development Association (IDA)			75.00
Total			107.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

The PDO would be to enable selected poor households to enhance agricultural incomes and secure increased access to human development services and social entitlements.

The “selected poor households” will include households that are geographically & socially excluded

and have low income levels. The incomes for these households will be enhanced by ensuring increased incomes from agriculture and allied sectors through increased productivity and enhanced market access. The “human development services” include services related to health, nutrition and sanitation. The “social entitlements” mainly include social safety nets like the wages from National Rural Employment Guarantee Scheme, pensions and insurance benefits that are provided by the government.

3. Project Description

The proposed project would be focused on achieving inclusive growth built on 3 key pillars namely, Livelihood Promotion through a value chain approach in key livelihood sectors, ‘Life cycle approach’ to the achievement of MDGs in Health and Education and leveraging the existing institutional platforms of the poor to ensure reliable and universal access to entitlements. This will be achieved by linking small and marginal producers to formal markets; convergence with Government programs; demand-side investments for improving effectiveness of programs for food security, health and nutrition, education, drinking water, sanitation, etc. and delivery of safety nets and social security schemes. It would also leverage innovations and the best global/national experiences and technologies through dedicated human resources for the three key pillars, and spearhead teams for specific interventions and partnerships with technical agencies.

Component 1: Value Chain Enhancement through Producer Organizations (US\$ 30 million): The objective of this component is to increase the income of 250,000 small and marginal farmers by at least 50% through productivity enhancement and improved market access. This component will work with those small and marginal producers who have built up productive assets and have previously participated in productivity improvement, cropping technology and market access programs in select livelihoods/sectors. The project now proposes to work with these producers and help them move up the value chain and exploit growth opportunities. This will be achieved by organizing them into economic organizations (producer groups/organizations/companies); ensuring high quality support services like technology, credit, extension, marketing, etc.; and sustainable access to markets. In other words, the project will create an ecosystem for inclusive growth of small and marginal producers. The above approach will be adopted in key pro-poor commodities such as paddy, red gram, milk, poultry and small ruminants which have high potential to scale up and impact large number of poor households. The project may opportunistically target other commodities as well. The other key aspect of this component is to create local markets by connecting rural producers with shandis , rural haats, kirana shops , etc.

The component will have two sub-components: Rural Value Chains and Rural Retail Chains/Social Enterprises.

Rural Value Chains: This subcomponent includes the activities and investments aimed at increasing the incomes of producers by enabling them to move up the value chain

Rural Retail Chains: The objective of this sub-component is to connect rural producers and enterprises with the rural consumers and enhance the quality of consumption of the poor households.

Component 2: Human Development (US\$ 15 million): Child development is influenced by both nutrition-specific interventions, such as maternal and child dietary supplementation and infant and young child feeding practices, that address the immediate causes of suboptimum growth and development, and by nutrition-sensitive interventions, such as livelihoods and social safety nets that address the underlying determinants of malnutrition. SERP, with its vast network of women’s groups, has the potential to converge both nutrition sensitive and specific interventions at the village level, thus creating an enabling environment for optimum child development at scale and in a

sustainable manner, where each household has access to both nutrition specific and nutrition sensitive interventions and programs.

The project aims to bring about this convergence by building capacities and empowering village organizations (VOs) to demand and access services, while also investing in strengthening the capacity of systems to deliver. Therefore, the focus of project interventions is to enable the demand side to hold the supply side accountable for service delivery in the Human Development (HD) sector, as well as to improve HD service delivery by strengthening the existing public systems to deliver quality services. Clear linkages with the value chain component under the project, will further ensure social safety and livelihoods interventions are also appropriately tapped, contributing to optimum child development outcomes.

The specific interventions to operationalize this approach include:

Strengthening the demand for quality nutrition, health, sanitation and pre-school education services by undertaking specific mobilization at the village level centred on HD outcomes including nutrition, sanitation, health and pre-school education.

Sub-component 2.2: Strengthening the supply of key nutrition, health and pre-school education services by introducing and improving mechanisms for community engagement, community monitoring and ICT based monitoring systems

Component 3: Access to entitlements and social development (US\$ 7.5 million): This component aims to improve the coverage and service delivery of social protection entitlements to 500,000 of poorest households mainly belonging to the SC/STs and particularly those with PWDs, and ensures that they are protected from risks and vulnerabilities through an integrated mission mode approach, while addressing the last mile issues. The component will consist of two main sub components:

Subcomponent 1: Improved delivery of service and entitlement at the Panchayat levels: This sub-component will support the establishment of one stop shop service points by the Village Organizations to improve the outreach and quality of access for select services and entitlements by the SC/ST and poorest of the poor communities.

Subcomponent 2: Pilots on Improved access to vulnerability services: This subcomponent seeks to achieve an improved access to vulnerability services for Persons with Disabilities (PwDs) and Gender related services.

Component 4: ICT & Partnerships (US\$ 15 million):

The objective of this component is to build an enabling ecosystem for innovation and transformation in delivering good quality services in the last mile. Recognizing that technology, innovation and entrepreneurship play critical role in addressing major development challenges the project seeks to bring together different stakeholders from the public private and civil society sectors and form partnerships for customizing inclusive innovations in the project context. This engenders intensive use of ICT at levels of project governance and delivery, high performance project implementation and effective coordination mechanisms with supply/demand side partner institutions and social entrepreneurs and innovators by providing them technical assistance, strategic advisory and knowledge management services with national and international expertise. Open data will be a crucial part of the program ICT and Partnership strategy.

It will have the following 4 main sub components

Sub Component 1: Information and Communication Technologies (ICT): 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),

Sub Component 2: Partnerships : The project recognizes that the partnerships as key implementation arrangement and accordingly develop a partnership framework which will allow it to enter into partnerships with innovators, social entrepreneurs and reputed agencies

Sub Component 3: Technical Assistance to line departments: The objective of the sub component is to provide technical assistance to line departments in improving their implementation and monitoring capacity.

Sub Component 4: Centre of Excellence and Knowledge Management: A Centre for Excellence and Knowledge management shall be set up which will enable the project to share lessons with other low income states and NRLM

Component 5: Project Implementation Support (US\$ 7.5 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.

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

State of Telangana. Communities from 150 most backward mandals in the newly created state of Telangana covering about 5,000 villages. These mandals were identified as based on the following parameters:

- i. SC/ST population within a mandal (Data taken from census 2011)
- ii. Female illiteracy in the mandal (Data taken from census 2011)
- iii. Mandals having more unirrigated land (Data taken from DES-2011)
- iv. All the Urban Mandals notified as Class 1 & 2 towns (Municipalities) are excluded from the list

While Scheduled Tribes are present all districts of Telangana, they are concentrated more in the districts of Khammam (27%), Adilabad (18%), Nalgonda (11%), Warangal (15%), and Mehboobnagar. All these districts are characterized by general backwardness, lack of social infrastructure and services and higher poverty and exclusion. All these districts would be covered under TRIGP

5. Environmental and Social Safeguards Specialists

Ruma Tavorath (GENDR)

Varun Singh (GFADR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	While the activities are small scale, with relatively low environmental risks, cumulatively these impacts may have a larger and more serious environmental footprint and would require some environmental due diligence measures to be put in place. The Society for Elimination of Rural Poverty (SERP) has undertaken a situational assessment of the project to ensure that the planned activities are environmentally

		sustainable. The study was conducted with an objective of understanding environmental implications of project activities, and to define remedial measures to mitigate any negative impacts, in line with the national and state legal and regulatory framework and the World Bank Operational Policies. The project has prepared an Environmental Management Framework to delineate the key issues and the measures to be implemented to address them.
Natural Habitats OP/BP 4.04	Yes	Although no significant or large scale impact is foreseen, some of the value chain and Human Development activities happen in tribal areas near natural habitats.
Forests OP/BP 4.36	Yes	Although no significant or large scale impact is foreseen, some of the value chain and Human Development activities happen in tribal areas within or near forests.
Pest Management OP 4.09	Yes	TRIGP will not finance pesticide procurement, but there is possibility of pesticide use by farmers as part of productivity enhancement efforts. A separate Pest management Plan has not been prepared for the project; however due diligence mitigatory measures for the sustainable use and management of pesticides has been included in the project EMF
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	Yes	TRIGP will be implemented in districts and mandals which have significant concentration of tribals. Project interventions on rural value/retail chains, health and nutrition and access to social entitlements and services would have a strong focus on targeting and including tribal communities
Involuntary Resettlement OP/BP 4.12	No	There will be no Involuntary land acquisition under this project and the screening section in the SMP will also ensure this.
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	

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

<p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p>
<p>The project interventions could have the possible environmental issues</p> <ul style="list-style-type: none"> • Possible over exploitation of the resources such as ground water for irrigation • Introducing high yielding varieties which need intensive irrigation and fertilization that may have negative impact on soil and water • Setting up mills, processing units and storage structure which need high energy requirement and may release wastes that are harmful to the environment • Use of chemicals, waste disposal and energy use in micro enterprises and possibility of health hazards. • Possibility of contamination of the surrounding environment due to drinking water and sanitation interventions when environment guidelines are not followed <p>TRIGP aims to enable selected poor households to enhance agricultural incomes and secure increased access to human development services and social entitlements, with a specific focus on schooled tribe and scheduled caste households in the most excluded and backward districts/ mandals of the state. Project interventions are anticipated to have significant and widespread positive impact on these households by way of increased incomes from agriculture and allied sectors through increased productivity and enhanced market access, enhanced access to health, nutrition and sanitation services, and better access to wage opportunities, pensions, insurance and unique identity cards etc. The main safeguard issue is to ensure meaningful consultations with, and effective outreach, coverage and inclusion of habitations and households of scheduled tribes and scheduled and other vulnerable social groups with respect to project supported interventions, institutions and investments.</p>
<p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p>
<p>The project activities have small environmental footprints, if the environmental guidelines and proper due diligence measures are implemented. Therefore there are no long-term impacts anticipated. Longer term impacts are anticipated to be enhanced incomes and improved health, education and nutritional status of scheduled tribes and scheduled caste households, specially women and girls.</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p>
<p>The EMF incorporates sound remedial measures which will minimize potential adverse impacts. TRIGP interventions do not anticipate any large scale adverse impacts, if the measures are well implemented.</p>
<p>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.</p>
<p>Given the numerous little activities in multiple sites, a framework approach was adopted to identify the potential environmental impacts and remedial measures. The Environment Management Framework (EMF) identifies the possible environmental implications of each interventions proposed under each component and sub component and suggests environment friendly alternatives or mitigation measures for each. It provides a strategy to manage negative environmental impacts of the value chain and human development activities there by sustaining the benefits of these interventions. It also provides the institutional mechanism to operationalise</p>

the EMF which contains guidelines, systems and procedures for ensuring environmental sustainability during project implementation. It includes ‘environment guidelines’ or ‘environment friendly alternatives’ for all the components. It also encourages Green Business Opportunities on the critical environmental issues identified in the proposed activities through ‘innovation forums’ ‘solution market places’ and ‘knowledge events’ under partnership component. the EMF also includes a negative list of activities which cannot be funded under the projects – into section 4 second last sentence.

Telangana SERP has integrated several measures into the TRIGP project design such as selection of high tribal presence areas as project mandals, rural value chains for tribal areas, linkages with SC/TSP programs of tribal and social welfare departments and ITDAs. Telangana SERP has leveraged its long standing experience of working with tribal and scheduled caste households and updated its social assessment and prepared social management plan (SMP), that includes a tribal development plan (TDP) that summarises the main issues and strategies for targeting and inclusion of women and men from scheduled caste and scheduled tribe households in project interventions. The SMP and TDP include specific approaches and strategies for TRIGP components on rural value chains, rural retail chains, health and nutrition interventions and access to social entitlements and services, including mechanisms for consultatoin and participatoin, ensuring inclusion of tribal and SC households/habitations, gender and communication strategies. The SMP also includes institutional and staffing arrangements, capacity building plan, grievance redressal mechanism and monitoring and evaluation system.

Given the numerous little activities in multiple sites, a framework approach was adopted to identify the potential environmental impacts and remedial measures. The Environment Management Framework (EMF) identifies the possible environmental implications of each interventions proposed under each component and sub component and suggests environment friendly alternatives or mitigation measures for each. It provides a strategy to manage negative environmental impacts of the value chain and human development activities there by sustaining the benefits of these interventions. It also provides the institutional mechanism to operationalise the EMF which contains guidelines, systems and procedures for ensuring environmental sustainability during project implementation. It includes ‘environment guidelines’ or ‘environment friendly alternatives’ for all the components. It also encourages Green Business Opportunities on the critical environmental issues identified in the proposed activities through ‘innovation forums’ ‘solution market places’ and ‘knowledge events’ under partnership component. the EMF also includes a negative list of activities which cannot be funded under the projects.

SERP has long experience of implementing strategies and programs for inclusion of tribal and scheduled caste households and promoting sustainable agricultural practices among poor farmers through ‘Community Managed Sustainable Agriculture’ programme however given the multisectoral nature of TRIGP, it would need capacity building for implementing the SMP/TDP and EMF. Additionally the state has been newly formed and there will be need for strengthening capacity of the personnel at SERP and at the various levels of the state machinery. These aspects have been included in the plans for capacity building and technical assistance partnerships in both deocuments.

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

The EMF was designed in consultation with various stakeholders – the project teams, concerned departments, community representatives through field consultations. Workshops were held in 2

locations – in Karimnagar on 11th July 2014 and Rangareddy district on 15th July 2014 which were attended by local community, NGOs and representatives from government line departments.

In preparing the project and the SMP/TDP, SERP has undertaken a series of field visits, stakeholder consultations and indepth situation assessment studies, with focus on SC and ST households across many districts of Telangana. These consultations and focus group discussions were held with key stakeholders of the projects: excluded SC/ST households, tribal farmers and leaders, women members of VOs and MS etc. These consultations were held in SC and ST dominated mandals of Medak, Adilabad, Khammam, Nizamabad and Warangal districts.

TRIGP has Grievance redressal systems to provide effective services, coupled with counselling and facilitation services. These systems will ensure better implementation of the programs and also have increased outreach to the beneficiaries. The GRM and Feedback systems include One Stop Shops, Call Centres and GRM monitoring cell.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	01-Aug-2014
Date of submission to InfoShop	18-Sep-2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
India	09-Sep-2014
<i>Comments:</i> The EMF was consulted with a wide range of stakeholders and was translated and disclosed in the state of Telengana	
Indigenous Peoples Development Plan/Framework	
Date of receipt by the Bank	01-Sep-2014
Date of submission to InfoShop	09-Sep-2014
"In country" Disclosure	
India	16-Sep-2014
<i>Comments:</i> Draft social management plan was disclosed on 9 Sep 2014	
Pest Management Plan	
Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	09-Sep-2014
Date of submission to InfoShop	18-Sep-2014
"In country" Disclosure	
India	09-Sep-2014
<i>Comments:</i> The project does not have a stand-alone PMP,; pest management issues have been subsumed into the EMF.	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.04 - Natural Habitats	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
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?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP 4.09 - Pest Management	
Does the EA adequately address the pest management issues?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Is a separate PMP required?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
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?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP/BP 4.10 - Indigenous Peoples	
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.36 - Forests	
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
Does the project design include satisfactory measures to overcome these constraints?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader:	Name: Parmesh Shah	
<i>Approved By</i>		
Regional Safeguards Advisor:	Name: Francis V. Fragano (RSA)	Date: 29-Sep-2014
Practice Manager/Manager:	Name: Shobha Shetty (PMGR)	Date: 01-Oct-2014