Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 01-Jul-2020 | Report No: PIDA29691

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
Pakistan	P174314	Pakistan: Locust Emergency and Food Security Project	
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
SOUTH ASIA	30-Jun-2020	30-Jul-2020	Agriculture and Food
Financing Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	Islamic Republic of Pakistan	Ministry of National Food Security and Research, Agricultural, Supply & Prices Department, Govt. of Sindh, Agriculture Department, Govt. of the Punjab, Department of Agriculture, Govt. of Khyber Pakhtunkhwa, Agriculture and Cooperatives Department, Govt. of Balochistan	

Proposed Development Objective(s)

To control locust outbreak, restore livelihoods in locust-affected areas,, and strengthen Pakistan's national food security monitoring and management system.

Components

Component 1 Surveillance and Control Measures
Component 2: Livelihood Protection and Rehabilitation
Component 3: Early Warning System and Food Security
Component 4: Project Management and Monitoring and Evaluation

The processing of this project applies the policy requirement exceptions for situations of urgent need of assistance or capacity constraints that are outlined in paragraph 12, Section III of the Investment Project Financing (IPF) Policy.

Yes

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	200.00
Total Financing	200.00
of which IBRD/IDA	200.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	200.00
IDA Credit	75.00
Regional IDA Credit	125.00

Environmental and Social Risk Classification

Substantial

Decision

Other Decision (as needed)

B. Introduction and Context

Country Context

Pakistan is at a crossroads as it deals with the coronavirus disease 2019 (COVID-19) pandemic. Periodic macroeconomic crises and a low human capital basis have constrained the country's growth prospects. Over the last two decades, Pakistan's economic growth averaged 4.4% a year, below the South Asian annual average of 6.3%.[1] Low human capital investment, slow progress of structural reforms, low private investment, and slow export growth due to an overvalued currency, among others, have hindered growth prospects.[2] Despite good progress made to stabilize the economy and implement much needed structural reforms, the COVID-19 pandemic will have significant negative impacts on the economy. Business closures and supply chain disruptions are significantly affecting service and manufacturing sectors, which account for nearly 80% of total gross domestic product (GDP).

[1] World Bank estimate.
[2] World Bank. 2019. Pakistan at 100: Shaping the Future. Washington, DC: World Bank.

Locust spread is reaching an alarming level in Pakistan and the crisis is compounded by the COVID-19 pandemic. Around 38% of the country's geographic area is the breeding/recession area for desert locust, while the rest of the country is at risk of invasion. Pakistan is one of four countries (out of a total of 64 desert locust prone countries) that has two breeding seasons, i.e., Spring and Summer. Since early 2019, the population of desert locusts has been increasing exponentially, and it is now beyond the control of standard interventions. The current outbreak is the worst in the past 25 years. The desert locust is the most dangerous migratory pest in the world, with a voracious appetite, high mobility aided by wind patterns, and a 20-fold increase in population with each generation over a 4-6-month period[3]. These traits are a formidable threat to lives and livelihoods making it extremely difficult and costly to combat. According to the Government of Pakistan's estimate, in the worst-case scenario, the agricultural loss could reach over $15 billion, including both *rabi* and *kharif* crops. This is a significant risk in Pakistan, where about 20% of the population (around 40 million people) is undernourished, 40% of the population experience multi-dimensional poverty, and 25% of the population is living under the national poverty line. Without urgent and effective actions to control the crisis, the food security situation and the prospects of agricultural development will deteriorate at a time when the country is under a health pandemic. The newest generations of locusts are emerging at the same time as the new season's crops, and experts fear that up to 100% of new crops could be lost.

Effectively controlling outbreaks in the desert-locus prone areas of Pakistan is critically important for protecting agriculture production systems and ensuring food security. Pakistan occupies a prominent regional position since it has two breeding seasons. The country is not only more vulnerable to locust plagues, but any lapse in effective control in Pakistan (particularly in the Balochistan desert area) will increase the locust spread to neighboring countries and beyond (e.g., Nepal). Strengthening Pakistan's locust surveillance and control would bring significant benefits to the region.

Regional coordination on locust control needs to be strengthened. The Food and Agriculture Organization of the United Nations (FAO) has been mandated to promote and coordinate regional desert locust control through the Commission for Controlling the Desert Locust in South-West Asia (SWAC). To strengthen SWAC regional cooperation, a ministerial meeting was organized by FAO on March 11, 2020. As a result, a Technical Operation Committee (TOC) under SWAC meets weekly to assess, review and monitor the desert locust situation. However, there is still a need to mobilize more resources to strengthen regional coordination and collaboration, for example, on joint surveys, surveillance and control operations.

Climate change poses a significant risk to Pakistan in general and creates favorable conditions for locust spread. The Global Climate Risk Index ranks Pakistan among the top 10 most climate-vulnerable countries. During the past decade, recurrent extreme weather events (floods, droughts and glacial lake outburst floods) have adversely affected the lives and livelihoods of vulnerable populations living in disaster hotspots. In 2019, Pakistan was among 55 countries where extreme weather events resulted in an increased level of acute food insecurity. The desert locust spread in Pakistan is also a consequence of changing climatic conditions. The 2020 Global Food Report warns of the likely adverse impact of the locust infestation on food production and vulnerable farming households.

Sectoral and Institutional Context

Agriculture is the backbone of Pakistan's economy. As of 2019, the sector contributed 19% of GDP, employed 39% of the labor force, and accounted for up to 75% of foreign exchange earnings. Pakistan's annual population growth rate remains high at 2.4% and the country is rapidly urbanizing, putting pressure on the agriculture sector to not

[3] FAO - Desert Locust Information Service of the Migratory Pests Group, Frequently Asked Questions.

only increase production, but to also respond to changing and diversifying food consumption patterns. Food security is considered a national strategic priority by both federal and provincial governments. In recognition of the sector's importance for GDP growth, as well social stability, the Government of Pakistan aims to stimulate agricultural growth by reforming policies, improve water productivity, prevent natural disasters, and support high-value crops.

The Government declared a national emergency on the desert locust outbreak on January 31, 2020. The Government of Pakistan developed a National Action Plan, focused on surveillance, prevention and control of the locust infestation across affected provinces. A National Locust Control Center (NLCC) was established and comprises key federal and provincial agencies such as Ministry of National Food Security and Research (MNFSR), Department of Plant Protection (DPP), National Disaster Management Agency (NDMA) and Provincial Governments, among others, to oversee and coordinate actions across provinces to maximize effectiveness.

MNFSR, through its Department of Plant Protection (DPP), is the designated body leading locust control efforts. The capacity of MNFSR and DPP will be significantly strengthened. The Ministry was established in 2011 following the 18th amendment to the Constitution (2010) and replaced the Ministry of Food and Agriculture. Over time, the budget of MNFSR and its capacity has declined. The Project is a direct response to the emerging consensus that MNSFR must be strengthened to deal with national issues. The Project will also strengthen provincial level capacity to control locust and other migratory pests in cropland area. Finally, it will strengthen DPP which faces an acute shortage of human capital since most technical experts and officers at the DPP have retired and their posts remain vacant. Second, there is no effective surveillance system with equipment for monitoring, early warning, forecasting, data collection and dissemination. Third, equipment for control operations is obsolete. For example, there is only one functioning aircraft, and survey and control vehicles were manufactured almost 30 years ago. Fourth, coordination functions, both horizontal and vertical, are weak. The project will support more effective coordination with regional locust control bodies (e.g. SWAC) to deal with a locust outbreak of this scale and magnitude.

The impact of the locust outbreak, together with the ongoing COVID-19 pandemic, calls for a strengthened Food Security and Nutrition Information System (FSNIS) in Pakistan. This system will build and strengthen MNFSR inhouse capacity to undertake timely analysis for high quality decision-making. Strengthening the system is consistent with the recommendations made by the prime minister's committee in early 2020. Currently, neither the federal government nor provincial governments have a well-functioning system to monitor the food sector and conduct full-spectrum analyses. Information provided by the existing systems (e.g., crop reporting services, provincial bureau of statistics) at different levels are neither comprehensive nor up to the standard required for a quality decision-making process.

C. Proposed Development Objective(s)

The Project Development Objective (PDO) is to control the locust outbreak, restore livelihoods in locust-affected areas, and strengthen Pakistan's national food security monitoring and management system.

The PDO will be measured by the following indicators:

i) Affected agricultural land area restored to productivity (percentage/hectare);
ii) Affected pasture/rangeland restored to productivity (percentage/hectare);
iii) Beneficiaries of livelihoods protection and restoration activities (by type of intervention and gender)
    a) Affected households supported with cash- or inputs-based assistance (number, by gender)

b) Locust-affected farmers (including livestock owners) report renewed agricultural activity (percentage, by gender)

iv) Early warning system developed and functioning (yes/no)
v) Regional coordination on locust surveillance and control strengthened (yes/no)
vi) National food security and nutrition information system strengthened and functioning (yes/no)

D. Project Description

The Project is selected for emergency response financing because Pakistan's food security and sustainability of the agriculture sector is in jeopardy. Desert locust breeding and hatching are progressing at an alarming rate in Pakistan, which carries important regional implications. According to FAO, Pakistan is an important front-line country for the desert locust control given its two breeding seasons. Successfully controlling the locust outbreak in Pakistan will bring significant public goods to the South Asia region, which provides strong justification for mobilizing regional IDA funding. Given the locust spread across South Asia, the Horn of Africa, and the Arabian Peninsula, Pakistan is an indispensable part of the global effort to combat the existing locust crisis.

The Project's theory of change can be summarized as follows: Pakistan's agriculture sector is facing a serious desert locust outbreak. Compounded by the impact of the COVID-19 pandemic and climate change, farmers' livelihoods, national food security, and the sustainability of agriculture are at risk. The Project will introduce a set of customized activities, such as conducting locust surveillance and controlling operations, rehabilitating livelihoods of affected rural communities and farmers, strengthening and operating the FSNIS, emphasizing climate-smart agriculture (CSA) measures and women's participation, to effectively address the desert locust emergency and to reduce vulnerability to climate change in the long-term. These activities will be implemented through a strengthened and better coordinated federal-provincial government system. The expected outcomes include an improved disaster response system, a more stable agriculture production system, improved resilience of farmers' livelihoods against climate-induced risks and strengthened public service delivery. The outcomes will contribute to a more resilient and vibrant national economy in Pakistan. Better locust control in Pakistan will reduce the impact of the locust plague in other parts of the region.

Project components:

Component 1: Surveillance and Control Measures ($100 million, of which $90 million is regional IDA funding). The component objective is to limit the growth and spread of current desert locust populations, while mitigating the risks associated with control measures and their impacts on human health and the environment.

Sub-component 1.1: Pest surveillance ($30 million, of which $27 million is regional IDA funding). Strengthening the locust surveillance system at national, provincial, and district levels to enable undertaking of continuous surveillance, mapping, monitoring and reporting on the locust spread in invaded and locust prone areas.

Sub-component 1.2: Control measures ($60 million, of which $54 million is regional IDA funding). Undertaking measures to reduce locust populations and prevent their spread to new areas, including application of pesticides.

Sub-component 1.3: Risk reduction and management ($10 million, of which $9 million is regional IDA funding). Environmental and human health risks associated with locust control will be monitored to inform implementation of health, environmental and safety measures and to reduce risks to an acceptable minimum.

Component 2: Livelihood protection and rehabilitation ($50 million). Component 2 aims to provide a robust protection scheme that ensures immediate relief to affected farmers and livestock owners and reduce internal and cross-border migration of laborers and farmers in search of livelihoods and food security.

Sub-component 2.1: Cash-based assistance for temporary employment creation and food security ($15 million). Provision of cash-based assistance to vulnerable and locust-affected households through temporary employment creation and for food security.

Sub-component 2.2 Livelihood restoration and early recovery ($30 million). The livelihood protection and early recovery support will ensure vulnerable farmers' access to quality inputs or necessary cash to purchase inputs, without resorting to negative coping strategies to meet their crop production needs.

Sub-component 2.3 Strengthening resilience and promoting agriculture transformation ($5 million). Strengthen farmers' capacity to plant high value crops, adopt climate smart agriculture technologies, upgrade post-harvest management, and engage with the private sector.

Component 3: Early warning preparedness and food security ($30 million, of which, $25 million is regional IDA funding). The component 3 objective is to i) strengthen national capacity for early warning and early response, linking these efforts to regional (international) and provincial (domestic) existing locust surveillance and control networks; and ii) strengthen the capacity of MNFSR by strengthening the Food Security and Nutrition Information System (FSNIS).

Sub-component 3.1: Strengthening the national locust surveillance system ($15 million, of which $13 million is regional IDA funding). (i) Strengthening the Recipient's institutional capacity in information management and the use of RAMSES to facilitate rapid data analysis, early warning, and forecasting; (ii) upgrading the existing system with state of the art technology and devices; and (iii) capacity building in formulating an early warning and preparedness plan based on improved availability and accuracy of data.

Sub-component 3.2 Strengthening linkages with the regional network for early warning and preparedness ($5 million, of which $4 million is regional IDA funding). Strengthening the capacity of the SWAC for collaboration with South-West Asia countries through improved information exchange, conferences and workshops, contingency planning, coordination of control operations in border areas, and office rehabilitation.

Sub-component 3.3. Strengthening the FSNIS ($10 million, of which $8 million will be regional IDA funding). Strengthening FSNIS decision-making capacity, improving the system for higher quality data collection, conducting urgent research, and assisting in developing food security policies.

Component 4: Project management, monitoring and evaluation ($20 million, of which $10 million is regional IDA funding). The component objective is to: i) support the Project Management Unit's (PMU) capacity to ensure high quality project implementation; ii) monitor progress towards achievement of the PDO and provide timely feedback.

Sub-component 4.1: Project administration and coordination ($12 million, of which $6 million is regional IDA funding). Activities include: i) coordinating and facilitating the operations of federal and provincial level agencies; ii) ensuring sufficient and timely information flow between the PMU, Project Steering Committee, and NLCC; iii)

facilitating data collection, information sharing and early warning systems and hiring of desert locust control experts to support national efforts; iv) conducting necessary procurement to support PMU implementation and coordination; v) facilitating district technical teams to create continuous awareness and information dissemination.

Sub-component 4.2 Enhancing transparency, accountability and anti-corruption ($3 million, of which $1.5 million is regional IDA funding). Mitigating the risk of elite capture, ensuring transparency of implementation process, safeguarding public resources in financial management and procurement process are crucial for the project's success.

Sub-component 4.3: Management information system, monitoring and evaluation ($3 million, of which $1.5 million is regional IDA funding). Activities will be related to: i) monitoring inputs, outputs and processes; ii) impact evaluation of project interventions and environmental and social impact assessments; and iii) generation of learning outcomes.

Sub-component 4.4: Communications and stakeholder engagement ($2 million, of which $1 million is regional IDA funding). The objective of this sub-component is to enhance communication about the desert locust and its impact, with a special focus on stakeholder engagement and social accountability.

Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

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The environmental and social risks of the project are assessed as High. The potential significant environmental risks associated with the project are cumulative and include residual impacts from unsafe use of pesticides in treated areas, and impacts on non-targeted organisms including crops, vegetation, sensitive ecological habitats and fauna. Human health and safety risks are also anticipated due to pesticide exposure and risk of transmission of infection due to the COVID-19 pandemic. Social risks include community health and safety, cumulative impacts of pollution load and livelihood loss, elite capture and social exclusion in livelihood assistance, recovery and resilience components, and issues related to encroachers/land acquisition for locust surveillance outposts. For an effective response, LEAFS project components are divided into two categories: Stage I urgent response actions, and Stage II recovery and resilience actions. Component 1 on surveillance and control measures, and sub-component 2.1 on cash-based assistance for temporary employment creation and food security, would fall Stage I, for which relevant ESS1 instruments will be prepared within 45 days of project effectiveness. Sub-component 2.2 on livelihood restoration and early recovery, sub-component 2.3 on strengthening resilience and promoting agricultural transformation, and component 3 on early warning preparedness and food security are Stage II activities, for which ESS1 instruments will be prepared within 90 days of projects effectiveness, prior to initiation of any works under the same. The Borrower will prepare and disclose a preliminary standalone Pest Management Plan (PMP) prior to Bank approval and finalize within 30 days of project effectiveness; and prepare, disclose and implement an Environmental

and Social Management Framework (ESMF) for Stage I within 45 days. ESMF Stage II will be prepared and disclosed within 90 days of project effectiveness, prior to initiation of any work under the relevant components as mentioned above. All remaining instruments pertinent to relevant ESS will be prepared as part of the ESMFs.

E. Implementation

Institutional and Implementation Arrangements

Locust is a national emergency. A well-coordinated and centrally managed response is important to manage a pest that does not recognize international or provincial administrative boundaries. Unequal preparedness between provinces would be counterproductive. Therefore, it is essential to adopt a system where resources flow from the federal government to each of the implementing partners based on the needs identified in the Project. For effective Project implementation, responsibilities need to be at the appropriate level. Pakistan is a federal country with four provincial governments with considerable autonomy. Government structure evolved over time to ensure effective service delivery and provincial accountability.

This is the first federal agricultural project financed by the World Bank in Pakistan. It is a direct response to the consensus that MNFSR's policy function and coordination role across provinces should be significantly strengthened. Therefore, the Project management structure is designed in a way that MNFSR has been made responsible for overall Project implementation with the support of provincial governments, DPP, NLCC, and NDMA, and with technical assistance from FAO keeping in mind the comparative advantages of each organization. To ensure readiness for implementation with this first of its kind arrangement, an operations manual has been prepared that will be reviewed and refined as required.

Project Steering Committee (PSC). The PSC will oversee and steer overall Project implementation. It can revise the Project scope within the approved cost and duration and recommend revisions beyond the approved scope. The PSC will approve the distribution plan, manage partnerships and review Project implementation on a quarterly basis. The PSC will be comprised of: the Minister, MNFSR as Chairperson; Secretary, MNFSR; Secretary, Economic Affairs Division; Secretary, Finance; four Provincial Chief Secretaries; Member, Food Security and Climate Change (Planning Commission); NLCC Coordinator; NDMA Representative; Director General, DPP; and National Project Director (NPD) as its Secretary. NDMA's involvement in the Project will be triggered only when the locust crisis grows beyond DPP's control. The FAO Representative will serve as a PSC observer.

Project Management Unit (PMU). The Secretary, MNFSR will be responsible for overseeing Project implementation. The Secretary will fulfill this responsibility by setting up a PMU under his direct supervision with an independent NPD and the requisite staff. The role of the PMU will be to manage and implement the Project, and coordinate implementing partners, M&E, financial management, procurement, and logistics management.

Provincial Governments. Provincial governments will lead Project implementation in the affected areas. Provincial agriculture departments will set up Provincial Project Implementation Units (PPIUs) under direct supervision of the Secretary of Agriculture. The Secretary may depute a senior officer of the department or hire a provincial project director/coordinator to head the PPIU. Farm operations (e.g., crop land control under component 1, and component 2) will be carried out through the district administration office, with the support of the Agriculture Department and the Provincial Disaster Management Authority (PDMAs). The district administration office reports to the Chief Secretary who will be responsible for overall coordination in the province and will chair the Provincial Project

Coordination Committees (PPCC). The members of the PPCC may include the Secretary Agriculture, Divisional Commissioners, DPP, FAO and NPD.

FAO. FAO will provide technical support and assistance to all partners including the PSC, PMU, provincial governments and DPP, on topics such as strengthening of the FSNIS, the early warning systems, international and regional coordination, regional locust surveillance, as well as procurement support.

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