

# INTEGRATED SAFEGUARDS DATA SHEET

## CONCEPT STAGE

**Report No.: ISDSC13265**

**Date ISDS Prepared/Updated:** 24-Jun-2015

**Date ISDS Approved/Disclosed:** 30-Nov-2015

### I. BASIC INFORMATION

#### A. Basic Project Data

<b>Country:</b>	Mozambique	<b>Project ID:</b>	P149620
<b>Project Name:</b>	Moz Agriculture and Natural Resources Landscape Management Project (P149620)		
<b>Task Team Leader(s):</b>	Mark A. Austin, Andre Rodrigues de Aquino, Pedro Arlindo		
<b>Estimated Appraisal Date:</b>	31-Mar-2016	<b>Estimated Board Date:</b>	19-May-2016
<b>Managing Unit:</b>	GFA07	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Agro-industry, marketing, and trade (40%), General agriculture, fishing and forestry sector (40%), Rural and Inter-Urban Roads and Highways (20%)		
<b>Theme(s):</b>	Rural markets (20%), Rural services and infrastructure (20%), Other rural development (20%), Land administration and management (20%), Other environment and natural resources management (20%)		
<b>Financing (In USD Million)</b>			
Total Project Cost:	40.00	Total Bank Financing:	40.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			40.00
Total			40.00
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Is this a Repeater project?</b>	No		

#### B. Project Objectives

This proposed project development objective is to increase market production of agriculture and forest products by rural communities, and to reduce net deforestation in project areas.

#### C. Project Description

## Project approach

The project will be structured as Investment Project Financing, funded by an IDA credit, and potential associated Trust Fund financing, including the Nordic Development Fund.

- **Integrated landscape management approach:** The proposed project's design recognizes the fact that agriculture development, natural resource management, and land administration are inextricably linked, both institutionally and at the local technical level, and that interventions need to be made at scale to have an impact on rural poverty and natural resources sustainability. The proposed operation's integrated approach aims to achieve rural development impact by combining the promotion of economic activity with the management and conservation of natural resources. Within the agriculture component, a value chain development approach will include a package of complementary measures to promote climate-smart agricultural production. Within the natural resources management component, better management of natural forests, further establishment of planted forests, nature-based tourism and community-based sports hunting will be promoted. In order to enable all of these interventions, security of community land rights, improved capacity of land administration systems, and stronger community rights to natural resources are prerequisites to encourage farmers and communities to make the long-term investments needed for financial sustainability and increased resilience to climatic shocks.

- **Value chain approach:** As a basis for the project's activities and selection of geographical areas for agriculture and natural resources-based value chain development, a value chain orientation would be applied with a geographical focus around key agribusiness hubs and their respective existing and potential rural supply catchment areas (or "market-sheds"), as well as key anchor investors in rural areas with their individual out-grower arrangements. The project will work with IFC agribusiness investments and advisory where possible, for example with Portucel and potentially with new agribusinesses that are attracted by the Nacala Corridor railway investment in which IFC may invest.

The project aims to maximize the value of agriculture, forests, wildlife and other natural resources to rural communities by developing value chains with the private sector. The project will work closely with agribusiness firms and will support the development and strengthening of linkages between processors and traders of cash and food commodities. The project will aim to build linkages to existing private sector investments in forest plantations (Portucel in Zambezia and possibly Green Resources in Nampula). In the wildlife sector, the project would promote nature-based tourism around protected areas and other destinations and sports hunting, with a particular emphasis on promoting private-community partnerships.

- **Geographical coverage and the link between market-sheds and watersheds.** The project will be implemented primarily in the northern provinces of Cabo Delgado, Nampula, Zambezia, and Niassa, and other potential areas to be identified during project preparation and agreed upon by the GoM and IDA. Annex 3 contains a map of the targeted areas. The above mentioned provinces experience high poverty rates, and have significant potential for agriculture and natural resources-based value chains. Zambezia Province has the highest poverty rate in the country with over 70% of population below the poverty line, and has significant potential for forestry development (both planted forests and management of existing forests). The geographical scope will primarily be a function of existing and potentially scaled up agribusiness activity and linkages with rural producers/suppliers. Agricultural supply catchment areas will be determined during preparation. Within and overlapping these identified agricultural zones a number of watersheds will be the basis for determining the geographical scope of integrated NRM project activities, based on the measures required to conserve and manage natural resources within these watersheds.

- **Climate resilient rural development and climate finance:** By promoting better management of natural forests, establishment of planted forests and climate-smart agriculture, the project supports

Mozambique's vision towards climate resilient growth and opens possibilities for the country to capture international climate finance. One potential source of financing would be payments for results in terms of reduced emissions from deforestation and forest degradation (forest carbon).

- **Land administration related activities:** The project support on land sector will focus on the following three areas: i) improving community land rights through demand-driven and geographic area-based systematic delimitation process; ii) supporting land use planning. The project would support land use planning at several levels, from a macro strategic planning level to local land use planning (watershed and micro-watershed levels); and iii) strengthening capacity of land administration agency at the national and provincial levels. Address these issues are crucial for establishing an enabling investment environment.
- **Community-based natural resources management:** The project will place emphasis on strengthening local communities' and smallholders' capacity to fully participate in value chains. This include strengthening local-level institutions that manage forests and wildlife and hunting by promoting communities' rights, land demarcation and village-level land use planning, conflict resolution, capacity building on business management and other skills. This will build on the community-engagement approach currently being pursued by the MozBio project.
- **Enabling environment:** In addition to concrete investments on the ground, the project will promote policies and regulations to enhance the promotion of responsible private sector investment in agriculture and natural resource value chains. These policies range from incentives for better management of natural forests, to increased law enforcement to address illegal activities, such as illegal logging.. The project would enhance the institutional capacity for evidence-based policy making.
- **Link to other partners and WBG operations:** The proposed operation will complement and support existing WBG operations, including the PROIRRI program, the community development program of Portucel (supported by IFC), and possible spin-off projects from IFC investments in the Nacala Corridor. The project will also seek to build strong partnerships with and build on ongoing work led by other development partners, NGOs and the private sector, for example the new USAID-funded agribusiness support program.

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

To be determined during project preparation.

#### **E. Borrowers Institutional Capacity for Safeguard Policies**

Borrower has long lasting proven experience and expertise in managing World Bank funded operations, both in the agriculture and natural resources management sectors. Ex-MICOA (Ministry for the Coordination of Environmental Affairs) replaced since January 15, 2015 by the new Ministry of Land, Environment and Rural Development (MITADER) has provincial representations throughout the country that work collaboratively with the respective districts on environmental and social including gender screening and monitoring of development projects. Overtime, the World Bank has providing series of social and environmental safeguards training workshop that has helped to improve both the perception of safeguards policies as well as gender and vulnerable groups inclusion and way of adequately implementing them. Nonetheless, the ESMF, IPMP and RPF will specify supplemental training and capacity building needed to accompany MITADER and participating government agencies to adequately implement safeguards measure and so to be in compliance with the binding legal documents between the two parties, including the applicable national environmental requirements. Moreover, social and environmental safeguards management sub-components are being embedded in each component of the project so to ensure a more systematic implementation of safeguards measures. Likewise, two Social and an Environmental

Safeguards Focal Points (SESFP) will be hired at the Project Management/Technical Implementation Unit (PMU/PTIU) and work collaboratively with the 2 SESFPs as part of the UT-REDD ( REDD - Technical Implementation Unit) under the overall leadership/mentorship of the World Bank Safeguards Specialists. The project two E&S Focal points will work collaboratively with both the Monitoring & Evaluation Specialist and Provincial project coordinators to ensure systematic compliance with both Safeguards, Gender and vulnerability and national regulations. During the implementation of this operation, further steps will be taken to strengthen the Government's overall technical capacity on safeguards and gender, particularly through technical assistance and training. Since details of the precise nature and location of subproject investments for the beneficiaries will only be determined during project implementation a series of regional training workshops will be gradually organized for all actors involved in the implementation of social and environmental safeguards policy as well as gender and vulnerable groups inclusion at central, provincial, district and local level upon project effectiveness.

#### **F. Environmental and Social Safeguards Specialists on the Team**

Cheikh A. T. Sagna (GSURR)

Eden Gabriel Vieira Dava (GSU01)

Paulo Jorge Temba Sithoe (GENDR)

## **II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/BP 4.01	Yes	The Agriculture and Natural Resources Management Project is a Category B project, since the potential environmental and social impacts are expected to be minor, site specific and easily manageable. The proposed activities under Component 1 through 5 are likely to lead to some environmental and social impacts that would require due safeguards attention. Consequently, OP/BP 4.01 is triggered to set forth the basic principles and prerogatives to be followed to comply with safeguards requirements. Since at this very juncture the detailed description of these activities, along with their footprints is unknown, the project will prepare the Environmental and Social Management Framework (ESMF) to comply with OP/BP 4.01 requirements. The ESMF will include both an environmental and social screening form (ESSF) and a set of Environmental and Social Clauses (ESC) for project implementers. The implementer will also prepare specific ESMPs once the nature of the infrastructure rehabilitation works, under Component 4 are identified. The ESMF/ESMP will be reviewed by both the Social and Environmental Safeguards Specialists, and cleared by the Regional Safeguards Advisor (RSA), and ultimately disclosed both in-country and at the InfoShop prior to appraisal.

Natural Habitats OP/BP 4.04	TBD	Although no new land will be rehabilitated, the OP/BP 4.04 is triggered to safeguard possible interventions on land that will benefit from small irrigation schemes. The project will be involved in the rehabilitation of small scale irrigation schemes for horticulture. The ESMF to be prepared under the OP/BP 4.04 will provide additional guidance on the adequate measures to be complied with during the irrigation rehabilitation activities and best management practices applicable to Natural Habitats in the unlikely possibility of affecting these ecosystems.
Forests OP/BP 4.36	Yes	This policy is triggered to some of the proposed activities in component 2. The Project will not have any direct or indirect impacts on health and quality of forests, or the health and safety of people who depends on forests. There is no intention to change management, protection, or utilization of forests, but rather to encourage a sustainable management of forest services and products. The EMSF incorporates screening for impact on forests and provide provisions to prohibit activities that would have a long-lasting negative impact on forests.
Pest Management OP 4.09	Yes	Provision of improved inputs under Component 1 and 2 may include the use of pesticides (though at a low scale to boost agriculture productivity) which cumulative usage could possibly lead to more exposure that could hinder the health and safety conditions of beneficiary communities in targeted zones. However, to take the necessary measures, this policy has been triggered. Borrower will therefore prepare an Integrated Pest Management Plan (IPMP) to foster a more collaborative and participatory management of pesticides usage. Like the ESMF, RPF and the PF, the IPMP will be duly consulted upon, reviewed by both Social the Environmental safeguards specialists and cleared by the RSA, and ultimately disclosed both in-country and at the InfoShop prior to appraisal.
Physical Cultural Resources OP/BP 4.11	Yes	The policy is triggered due to foreseen major civil works that are expected to be supported by the Project. To ensure due diligence, Chance Finds approaches will be included in the ESMF to provide the needful steps to be complied with during project implementation. The ESMF will be reviewed by both the Social and Environmental Safeguards Specialists,

		and cleared by the Regional Safeguards Advisor (RSA), and ultimately disclosed both in-country and at the InfoShop prior to appraisal.
Indigenous Peoples OP/BP 4.10	No	The policy is not triggered simply because it does not apply to Mozambique, as there are no such populations/communities that correspond to the definition of Indigenous peoples as described per the policy.
Involuntary Resettlement OP/BP 4.12	Yes	<p>The policy is triggered since the project will likely finance activities that could necessitate involuntary land acquisition resulting in</p> <ul style="list-style-type: none"> <li>• Involuntary resettlement of people and/or loss of (or access to) assets, means of livelihoods or resources; and</li> <li>• The involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.</li> </ul> <p>To ensure due diligence is done, and since details of the project description are unknown at this very juncture, the Borrower will prepare both a Resettlement Policy Framework (RPF) to adequately deal with issues of land acquisition resulting with compensation and/or the physical displacement of peoples; as well as a Process Framework (PF) to address issues with restrictions to access to legally designated protected areas/national parks. Both the PF and the RPF would need to be prepared by the Borrower, reviewed and cleared by the Bank and adequately disclosed both in-country and at the InfoShop prior to appraisal.</p>
Safety of Dams OP/BP 4.37	TBD	This policy is been marked TBD since the current Project description provides no sufficient information to shed lights on whether or not it is to be triggered (i.e. rehabilitation of dikes and drainage systems, small water storage and water canals, new investments in any major water storage or water control structures). The World Bank safeguards specialists will further assess these issues during the forthcoming identification and/or preparation mission.
Projects on International Waterways OP/BP 7.50	TBD	The policy is been marked as TBD since project proposed activities will not be expected to invest in any large scale irrigation activities that would adversely affect the quality or quantity of water flow within shared waterways. The World Bank

		safeguards specialists will further assess these issues during the forthcoming identification and/or preparation mission.
Projects in Disputed Areas OP/ BP 7.60	No	This policy is not triggered. The area in which the Smallholder Agriculture Development and Commercialization Project will be implemented is not known to include any disputed areas.

### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS:** 10-Dec-2015

**B. Time frame for launching and completing the safeguard-related studies that may be needed.**  
**The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

Likely to be launched by September 15 so as to ensure the preparation of appraisal stage project and safeguards documents, by late October to early November, 2015.

### IV. APPROVALS

Task Team Leader(s):	Name: Mark A. Austin,Andre Rodrigues de Aquino,Pedro Arlindo	
<b><i>Approved By:</i></b>		
Safeguards Advisor:	Name: Johanna van Tilburg (SA)	Date: 08-Nov-2015
Practice Manager/ Manager:	Name: Magda Lovei (PMGR)	Date: 30-Nov-2015

<sup>1</sup> 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.