

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED  
SAFEGUARDS DATA SHEET (PID/ISDS)  
CONCEPT STAGE**

**Report No.:** PIDISDSC18276

**Date Prepared/Updated:** 12-May-2016

**I. BASIC INFORMATION**

**A. Basic Project Data**

<b>Country:</b>	Zambia	<b>Project ID:</b>	P157521
		<b>Parent Project ID (if any):</b>	
<b>Project Name:</b>	Zambia Integrated Forest Landscape Project (GEF) (P157521)		
<b>Region:</b>	AFRICA		
<b>Estimated Appraisal Date:</b>	03-Apr-2017	<b>Estimated Board Date:</b>	29-Sep-2017
<b>Practice Area (Lead):</b>	Environment & Natural Resources	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	General agriculture, fishing and forestry sector (75%), Crops (25%)		
<b>Theme(s):</b>	Biodiversity (60%), Climate change (40%)		
<b>Borrower(s):</b>	Ministry of Finance		
<b>Implementing Agency:</b>	Interim Climate Change Secretariat		
<b>Financing (in USD Million)</b>			
	<b>Financing Source</b>	<b>Amount</b>	
	Borrower	0.00	
	Global Environment Facility (GEF)	8.25	
	Total Project Cost	8.25	
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Concept Review Decision:</b>	Track II - The review did authorize the preparation to continue		
<b>Is this a Repeater project?</b>	No		
<b>Other Decision (as needed):</b>			

**B. Introduction and Context**

## Country Context

Zambia has experienced a decade of rapid economic growth. A combination of prudent macroeconomic management, market liberalization policies, and a steep increase in copper prices helped drive investments in the copper industry and related infrastructure to achieve an average annual growth of about 6.4% during the last decade. However Zambia's economic growth has not translated into significant poverty reduction, particularly in rural areas, where poverty levels remain stubbornly high. The effect of economic growth on overall poverty reduction has been small, as benefits have largely accrued to those already above the poverty line. Recent growth has been driven by industries such as mining, construction and financial services and has done little to create jobs and expand opportunities for Zambians in rural areas. Today 74% of Zambia's rural population lives in poverty - more than double the level of urban poverty at 35%. Accelerating growth and reducing poverty will necessitate increasing the competitiveness of the Zambian economy by ensuring that the rural economy, upon which much of the population depends for its livelihood, contributes meaningfully to overall growth.

The country has defined its rural development agenda through the Sixth National Development Plan (SNDP), which has recently been revised, and aims to achieve Zambia's own "Vision 2030: to be a prosperous middle income country by 2030." The SNDP is organized around the theme of "broad based wealth and job creation through citizenry participation and technological advancement" while promoting inclusive growth, fostering a competitive and outward-oriented economy, and significantly reducing hunger and poverty. The SNDP includes increased focus on natural resource conservation, and envisions "A productive environment and well-conserved natural resources for sustainable socio-economic development by 2030" through reversing deforestation, wildlife depletion, heritage sites degradation, and land degradation. The SNDP identifies the need for provincial projects to achieve economic growth targets while conserving natural resources, reducing emissions and improving resilience to the threats of climate change.

Consistent with the SNDP's rural and natural resources development agenda, the GRZ has initiated the Zambia Integrated Forest Landscape Program (ZIFL-P). The Program seeks to improve rural livelihoods while conserving the valuable forest, agriculture, and wildlife resources of the Eastern Province. The program will achieve emission reductions by promoting interventions that prevent deforestation and forest degradation, such as: improved land-use planning, climate smart agriculture, rural energy generation, and laws and policies that enhance sustainable management of forests and wildlife. From a country context, the program may serve as a scalable pilot program that can later be rolled out in additional provinces in accordance with the SNDP, and with sector growth targets aligned with Zambia's Vision 2030. Thus at the national level, the ZIFL-P will act as a pilot program for testing integrated land management as a means for advancing the rural development agenda in Zambia following a jurisdictional approach.

## Sectoral and Institutional Context

In the Eastern Province, rural development is challenged by unsustainable human activity largely related to agriculture and charcoal use, which is driving deforestation, land degradation and wildlife depletion. Forested landscapes in the Eastern Province play crucial roles in enhancing human well-being and sustaining the economy of the region. They contribute to economic growth, employment, wealth, export revenues, a stable supply of clean water, recreation and tourism opportunities as well as essential building materials and energy for a wide range of economic sectors. The Eastern Province contains large parts of globally significant biodiversity areas, including the Luangwa Valley, and supports one of Zambia's highest revenue generating parks, the South Luangwa National Park. The area holds tremendous growth potential for tourism in the

Luangwa Valley.

Food insecurity and unproductive farming practices in the agriculture sector are driving natural resource depletion across the entire landscape of the Eastern Province. The agriculture sector is the main source of food and income for rural households, where farming families grow food crops (primarily maize and sorghum) and cash crops (mainly cotton, soybeans, groundnuts, and tobacco) under low productive farming systems. Survival measures for families are mainly natural resources based, and households have resorted to unsustainable land management practices, namely, shifting cultivation of agriculture, poaching of valuable wildlife species, and uncontrolled charcoal production. Thus the leading drivers of deforestation in the Eastern Province are small holder agriculture expansion and charcoal production. About 20 to 60% of Eastern Province residents are food insecure up to 3-months, with food security being defined as sufficient food to last from one harvest to the next for a given family. Food insecurity and unsustainable farming measures in the agriculture sector lead to depletion of timber and non-timber resources that support the forest sector as well as the tourism sector in the Eastern Province's North Luangwa National Park, South Luangwa National Park, and Lukusuzi National Park. If left unaddressed, the unsustainable human activities driving deforestation, land degradation, and wildlife poaching will eventually deplete the Eastern Province of its natural resources upon which rural human livelihoods are dependent. Interventions in the agriculture sector are clearly needed to uplift the socio-economic conditions of small holder households, which in, turn will positively impact conservation of natural resources. Additionally, results-based incentives including carbon finance for forest conservation and improved land management is also a potential catalyst for the development of enhanced deforestation mitigation, sustainable land management and agricultural development activities that can collectively transform the Province's development trajectory.

The Interim Climate Change Secretariat (ICCS) housed within the Ministry of Finance, and the Ministry of Lands, Natural Resources and Environmental Protection have requested that the Bank provide resources for grant financing and results-based financing to achieve the objectives set forth by the ZIFL-P. Consultative planning process has included the Ministry of Agriculture and Livestock (MAL), and Eastern Province's Provincial Authority. Primarily, the program is sought to implement cross-sectoral interventions that are relevant to the overall socioeconomic rural development of Zambia, and support a broader development vision that utilizes role of integrated land management to achieve the country's development and climate change goals. In particular, the ZIFL-P will help advance Zambia's ability to benefit from the United Nations Framework Convention on Climate Change's (UNFCCC) mechanism for Reducing Emissions from Deforestation and Forest Degradation (REDD+). In doing so, Zambia intends to use the ZIFL-P as a pilot program to integrate socio-economic and low emissions development objective of its development agenda. In that sense, REDD+ is an effort to create financial value for carbon stored in forests, offering results-based payments (RBP) as incentives for developing countries to reduce emissions from forested lands and invest in low-carbon paths to sustainable development. Thus the ZIFL-P will align with Zambia's National REDD+ Strategy which provides a layout of nationally strategic options, actions and responses to support REDD+ in Zambia.

### **Relationship to CAS/CPS/CPF**

The Zambia Country Partnership Strategy (CPS ) FY13 to FY16 (renewed up to 2017) puts forward an integrated World Bank, IFC, and MIGA strategy -- a WBG strategic plan -- for supporting Zambia's development. The CPS also reflects the principles agreed by the Cooperating Partners (CPs) as articulated in the Second Joint Assistance Strategy for Zambia (JASZII ) 2011 to 2015. The project contributes to CPS Objective One: Reducing poverty and vulnerability of the

poor as it relates to Outcomes 1.1 Improved animal and crop productivity in selected areas and 1.2. Improved access to resources for strengthening household resilience and health in targeted areas. The program will also contribute to CPS objective 2. Improving competitiveness and infrastructure for growth and employment and related Outcomes 2.2. Selected infrastructure build and rehabilitated (minimal contribution), and 2.3. Improved access to finance for small enterprises through its collaboration with IFC. The ZIFL-P is of specific interest in Zambia to the World Bank, because it intervenes in a region with social and economic challenges and provides novel and innovative approaches to overcome these some of the barriers for rural income diversification.

### **C. Proposed Global Environmental Objective(s)**

#### **Proposed Global Environmental Objective(s) (From PCN)**

The PDO of the ZIFL-P is to improve rural livelihoods in the Eastern Province of Zambia by improving the management of carbon, forestry, wildlife, and agricultural resources while simultaneously reducing greenhouse gas emissions associated with land use.

#### **Key Results (From PCN)**

Key results for the GEF-financed part of ZIFL-P are preliminarily identified as:

- Restoration of wildlife habitat in the Eastern Province's protected areas and game management areas (GMAs) particularly in key corridors between selected protected areas;
- Improved forest conservation practices on forested land (ha);
- Reduction of poaching

### **D. Concept Description**

The exact program activities that the ZIFL-P will fund are not yet known but will be fully defined during program preparation. The GEF-funded part of the project will contribute to all axes of the program but with a particular focus on wildlife and forestry management components. There are four major pillars of focus:

- i. **Greenhouse Gas Mitigation.** Activities that directly address the local drivers of deforestation and the enabling environment that results in a net reduction of greenhouse gas emissions from the land sector. Since the drivers of deforestation in the Eastern Province are primarily due to expansionary small holder agriculture and charcoal production , program activities in this pillar will be cross-sectoral in nature, spanning primarily the forest and rural energy sectors. A technical study specific to the Eastern Province on the drivers of deforestation will identify the exact program activities to be promoted to reduce deforestation in the program area. However, likely program activities in the forest sector will include afforestation / reforestation activities for native tree species on community lots, and assisted natural regeneration within protected areas or game management areas (GMAs). Energy sector activities will likely include promotion of rural energy solutions that serve as alternatives to charcoal, as displaced demand for charcoal will reduce forest degradation pressure. Examples of rural energy solutions that the program will likely support include small holder uptake of biogas digester units, solar panel chargers, solar water heaters, fuel efficient cook stoves, etc. the program will also achieve reduced GHG emissions from strengthening the enabling environment for forest conservation. This may include new community conservation plans, local line ministry capacity building, protective forest policies etc.

Rural Livelihood Improvement. Activities will be specifically designed to improve livelihoods by increasing and diversifying incomes, improving food security, and increasing small holder resiliency to climate change. Conservation agriculture activities will be central to improving rural livelihoods as conservation agriculture practices in the Eastern province have proven potential to improve crop yields that increase small holder incomes and food security, while improving the long-term environmental and financial sustainability of farming. In this thematic area, featured activities include: promoting small holder agroforestry, where nitrogen fixing trees are planted on small holder farms that improve soil quality and improve seasonal crop yields; low tillage techniques to preserve soil structure and composition thus extending the farming life of agricultural soils; and diversified crop rotations to optimize soil nutrient levels towards targeted crops with the objective of increasing their yields on a seasonal basis. Agriculture interventions are relevant as agriculture expansion is also a driver of deforestation. Additionally Program activities will focus on delivering improved farming technologies to small holder farmers to improve their productivity and resiliency to climate change. Such technologies could include irrigation kits, rainwater collection devices, borehole drilling, solar water pumps etc., all of which would enable farming throughout Zambia's dry season and during extended periods of drought. Improved rural livelihoods will be also derived from activities that focus upon better land management, including development of non-timber forest products, tourism, game ranching, eco-charcoal and alternative energy solutions, and agricultural-based incentive payments for conservation compliance. Such interventions will focus primarily in the province's key cropland areas, including the districts of Katete, Chipata, Chadiza, Mambwe, Nyimba and Lundazi. Finally, rural livelihoods will be supported with the Program's provision of results-based payments if deforestation is avoided in the Eastern Province.

iii. Wildlife Conservation. Program activities related to wildlife conservation will focus on preservation of wildlife habitat in the Eastern Province's Lukusuzi National Park, and adjacent GMAs. The project will also focus on the maintenance of a critical wildlife corridor from Lukusuzi National Park to Kasungu National Park in Malawi. Program activities may also include establishment of plantation forestry sites as buffer zones in the GMAs that protect natural forest regeneration amongst areas with biodiversity significance, and/or establishing joint federal/ community/ tourism sector ownership of the GMAs so that stakeholders can equally benefit from the high value of wildlife resources, thus incentivizing local wildlife conservation in the GMAs.

iv. Institutional Strengthening. The sectoral program activities discussed in the concept note will be strategically linked with localized land use planning initiatives to be carried out by institutions ranging from the national level, provincial, and district levels to the community level. At the national level, program activities will support, strengthening recently passed legislation, relevant to Forest and Wildlife Sector, by supporting enforcement capacity and/or design following a jurisdictional approach. At the provincial level, program activities would focus on improving operations and scaling up the capabilities of provincial land use planning institutions. Examples include, strengthening the Chipata Roundtable (a coalition of private sector, public sector, and bilateral partners focused on preserving the natural resources within the Eastern Province) and the planning efforts of local line ministries (such as FD, ZAWA, and MAL, etc.). At the District level, program activities would focus on improving the functionality of District Development Committees (DDCs), District Advisory Management Committees (DAMCs), and Sub-committees of the District Coordination Committee (DCC) - all of which play a role in land use planning at the district level. At the community level, program activities would include support to community conservation planning groups, establishing new community-based

enterprises designed to sustainably manage the landscape of the local community, and promotion of community based natural resource management.

## II. SAFEGUARDS

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

Project target is the Eastern Province of Zambia. Conservation farming will focus on the main crop land areas of Eastern Province, namely, Katete, Chipata, Chadiza, Mambwe, Nyimba and Lundazi. Wildlife conservation programs will focus on the preservation of wildlife in the Lukusuzi National Park and surrounding GMAs, the maintenance of wildlife corridors from Lukusuzi National Park on the Zambia side, to Kasungu National Park in Malawi, the establishment of plantation forest sites that will act as buffer Zones in the GMAs to offer protection/regeneration of natural forests with biodiversity significance. The project will also finance the establishment of plantations to promote regeneration and protection of forests in Lukusuzi National Park and adjacent GMAs.

### B. Borrower's Institutional Capacity for Safeguard Policies

The Interim Inter-Ministerial Climate Change Secretariat, under the Ministry of Finance, of the Government of the Republic of Zambia (GRZ) is currently implementing another Bank funded project, hence has some capacity of safeguards knowledge and implementation requirements exist at the central level. The Secretariat is currently implementing a World Bank funded program in Western Province of Zambia, the Pilot Programme for Climate Resilience (PPCR). However, there is a need to add technical staff to the implementing unit of this program as well as a need to identify the key people who would be drafting, implementing and monitoring safeguards at both central and decentralized (field level) in the various government and / or private entities that would be involved in this project. Substantial safeguards training needs are identified, which would be provided through the affiliated TA component of this program. Additional skill update for both Bank and client side would be done once the new Bank safeguards policies are approved.

### C. Environmental and Social Safeguards Specialists on the Team

Mwansa Lukwesa (GEN01)

Paula F. Lytle (GSU07)

### D. POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The Bank safeguards policy on Environmental Assessment is triggered as this is an integrated forest landscape program that will involve afforestation, reforestation, the promotion of sustainable conservation farming methods, preservation of wildlife habitat in national parks and adjacent GMAs and the maintenance of wildlife corridors. The program is expected to have both positive and negative environmental and social impacts. The positive impacts of the program are: a reduction in greenhouse gas emissions with improved forest cover, rural livelihood improvement, and wildlife conservation. The negative impacts will be known

		with more specificity as program activities and areas of influence are identified during project preparation; the impacts are likely to be limited. An Environmental and Social Management Framework (ESMF) will be prepared to guide the screening and mitigation of any negative impacts of the program.
Natural Habitats OP/BP 4.04	Yes	The Bank's safeguards policy on Natural Habitats is triggered given the potential impacts on natural habitats either directly or indirectly, through REDD+ activities, conservation farming, and the management of wildlife habitats. The expected impact on habitats is positive. Changes in livelihoods of rural farmers, due to increased agriculture activities and the introduction of new agricultural technologies, are likely to have limited negative impacts on natural habitats. The proposed mitigation measures for these impacts will be included in the program's ESMF.
Forests OP/BP 4.36	Yes	The Bank's safeguards policy on Forests is triggered as the program will have both positive and negative impacts on the forest cover and resources in the area. The positive impacts associated with the program are the preservation and restoration of forest resources, the establishment of new plantations, and a reduction in charcoal production with the availability of alternative energies. The negative impacts associated with the program are envisaged to be the intrusion of smallholder agroforestry which may have an effect on the indigenous forests. The proposed mitigation measures for these impacts will be included in the programs ESMF.
Pest Management OP 4.09	Yes	The Bank's safeguards policy on Pest Management is triggered as increased agriculture activities and the adoption of new climate smart agriculture technologies could result in increased usage of agrochemicals by farmer beneficiaries, although the program does not directly advocate the use of pesticides or chemical fertilizers. With increased risks to human health and the environment, a Pest Management Plan (PMP) will be drafted, reviewed and once approved, adopted for use on the program.
Physical Cultural Resources OP/BP 4.11	Yes	The policy on Physical Cultures Resources is triggered as a preventative measure in the event of potential impacts on the cultural resources of the area. Appropriate mitigating measures will be included in the ESMF.
Indigenous Peoples OP/BP	No	The policy is not triggered as the proposed program

4.10		activities in the Eastern Province of Zambia are in areas that do not include indigenous groupings as defined by the policy.
Involuntary Resettlement OP/ BP 4.12	Yes	This policy is triggered given that some of the activities related to forest management, agricultural investments, or protected area investments may require resettlement. A Resettlement Policy Framework (RPF) will be prepared, stakeholders consulted and the documents disclosed to the public prior to Appraisal. A Process Framework will also be required given that the Project will support improved management of Lukusuzi National Park and adjacent GMAs and protected areas.
Safety of Dams OP/BP 4.37	No	The policy on the Safety of Dams is not triggered as the program will not involve the construction of water retention structures that are likely to pose potential hazards to human or animal health and safety. The project will not fund any dams as defined in OP 4.37 requirements for small and large dams.
Projects on International Waterways OP/BP 7.50	No	The policy for Projects on International Waterways is not triggered as the proposed activities will not potentially impact any country that shares the Luangwa watershed. The anticipated increase in water use and direct abstraction on water resources of the Luangwa watershed will be of low significance and of local impact only.
Projects in Disputed Areas OP/ BP 7.60	No	The Bank policy on Projects in Disputed Areas is not triggered by the program, as it is not located in any disputed territory of the country.

## E. Safeguard Preparation Plan

### 1. Tentative target date for preparing the PAD Stage ISDS

15-Sep-2016

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

Discussions with the project team is on-going. Drafting TORs for consultancy tasks and preparation of requisite safeguards instruments (ESMF, RPF, and PMP) is behind schedule. Coming preparation missions will include adequate Bank support to guide the project team to prepare the required safeguards instruments and do the necessary consultations. There is some capacity in place for environmental assessment related work and once the EA team is identified, TA funds will be used for training to ensure that those instruments specifically address base compliance requirements for both BioCF and GEF parts of this project.

## III. Contact point

World Bank



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 Title: Senior Environmental Specialis

Contact: Iretomiwa Olatunji  
 Title: Environmental Specialist

**Borrower/Client/Recipient**

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**IV. For more information contact:**

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**V. Approval**

Task Team Leader(s):	Name: Douglas J. Graham, Iretomiwa Olatunji	
<b><i>Approved By</i></b>		
Safeguards Advisor:	Name: Nathalie S. Munzberg (SA)	Date: 20-May-2016
Practice Manager/ Manager:	Name: Stephen Ling (PMGR)	Date: 25-May-2016
Country Director:	Name: Ina-Marlene E. Ruthenberg (CD)	Date: 27-May-2016

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.