

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA15245

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I. BASIC INFORMATION

1. Basic Project Data

Country:	Angola	Project ID:	P154447
Project Name:	Smallholder Agriculture Development and Commercialization Project (P154447)		
Task Team Leader(s):	Aniceto Timoteo Bila		
Estimated Appraisal Date:	07-Mar-2016	Estimated Board Date:	05-Jul-2016
Managing Unit:	GFA07	Lending Instrument:	Investment Project Financing
Sector(s):	General agriculture, fishing and forestry sector (60%), Public administration-Agriculture, fishing and forestry (14%), Irrigation and drainage (9%), Agricultural extension and research (9%), General water, sanitation and flood protection sector (8%)		
Theme(s):	Rural services and infrastructure (45%), Rural markets (45%), Rural policies and institutions (10%)		
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:	95.00	Total Bank Financing:	70.00
Financing Gap:	0.00		
Financing Source		Amount	
Borrower		20.00	
International Bank for Reconstruction and Development		70.00	
LOCAL BENEFICIARIES		5.00	
Total		95.00	
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

The Project Development Objective is to increase smallholder agriculture productivity, production and marketing for selected crops in the project areas.

3. Project Description

The SADCP is designed to address two critical constraints to agricultural development in Angola. First, it is designed to increase agriculture institutional capacity through training programs, both nationally and in the project areas. Second, it is designed to address critical bottlenecks in the value chain, including extension, irrigation, production and post-harvest value addition, and market linkages of selected crops.

The project will be implemented over a period of five years, from July 2016 through June 2021. The total project cost is estimated at US\$95 million, of which US\$20 million equivalent will be in-kind and cash contributions from the Government of Angola and US\$5 million equivalent will be in-kind and/or cash contributions from project beneficiaries. A US\$70 million IBRD loan will constitute the remainder of the total project cost.

The SADCP builds on the experience gained under MOSAP, from which it differs in the following important aspects: (i) it is larger in scope in terms of absolute funding and number of beneficiaries; (ii) it includes a subcomponent to support development of small-scale irrigated agriculture; (iii) in addition to food crops (maize, cassava, beans, and Irish potatoes), it emphasizes the production of high-value crops, particularly vegetables; and (iv) it further strengthens commercialization of agriculture, including market linkages and contract farming. The proposed project has three components: Component 1- Capacity Building and Institutional Development; Component 2- Support for Increased Production and Commercialization; and Component 3- Project Management, Monitoring, and Evaluation. Details are provided in Annex 2 of the PAD.

A. Project Components

Component 1. Capacity Building and Institutional Development- US\$43 million (US\$23 million IBRD and US\$20 million equivalent Government of Angola)

The objective of this component is to improve the technical, institutional, managerial, and marketing skills of 150,000 farmer beneficiaries and to strengthen the capacity of government agricultural extension specialists, agricultural research institutions, private agricultural service providers, and NGOs related to different aspects of agriculture, including value chains. The expected results are: (i) smallholder farmers' organizations established and strengthened; (ii) technical and managerial competence of smallholder farmers improved; and (iii) government capacity to support smallholder agricultural production and commercialization enhanced.

This component consists of three subcomponents: (i) Strengthening Capacity of Smallholder Farmers and Farmers' Organizations through Farmers' Field Schools; (ii) Institutional Strengthening of Local, Provincial, and National Units of the MINAGRI; and (iii) Strengthening Capacity and Global Knowledge to Address Emerging Research Problems.

1.1 Strengthening Capacity of Smallholder Farmers and Farmers' Organizations through Farmers' Field Schools (US\$10 million IBRD and US\$15 million equivalent Government of Angola)

The first subcomponent deals with training of smallholder farmers through FFS and building the capacity of relevant government staff at the local ADI offices. The main focus of the training of smallholder farmers will be on: (a) supporting the establishment of smallholder farmers'

organizations; (b) strengthening the knowledge of farmers on agricultural practices, technology, inputs and marketing; (c) strengthening the functional literacy and numeracy of farmers; (d) improving household nutrition; (e) improving soil fertility and integrated nutrient management; (f) promoting conservation agriculture; and (g) building the capacity of relevant government staff at the municipal level to implement a farmer field schools program.

The capacity of smallholder farmers and farmers' organizations will be strengthened in all critical aspects related to agriculture by scaling up the FFS initiative. The FFS training is expected to benefit 150,000 smallholder farmers. The FFS methodology empowers smallholder farmers to set their own agenda and take steps to improve their agricultural knowledge and economic situation.

For effective implementation of the FFS approach, the government will ensure that each commune has at least three agricultural extension specialists at each EDA. The project expects to cover all 80 communes in 26 municipalities by the end of the third year, with at least 30 communes covered in the first year and 60 in the second year. This will ensure that all farmers in the target group benefit from at least one full FFS training cycle during the project.

1.2 Institutional Strengthening of Local, Provincial, and National Units of the Ministry of Agriculture (MINAGRI) (US\$9 million IBRD)

The second subcomponent aims to: (i) strengthening the institutional capacity of local, provincial, and national units of the Ministry of Agriculture in the areas of irrigation, extension, market information, statistics and policy analysis to improve provision of services to smallholder farmers at the farm level investments; and (ii) rehabilitating and constructing agricultural extension facilities at the local level of the Ministry of Agriculture, including offices and residential complexes for agricultural extension staff. In particular, project financing will be provided for:

- Data and statistics: Targeted support: to expand data collection for crop production (including forecasts) and post-harvest surveys through funding for enumerator training and data collection in the project areas; to produce regular production statistics and reports at the national level; and for the planned national agricultural census in 2016, as needed.
- Policy analysis: Targeted support for agricultural policy training and annual sector review processes, possibly with a link to Angola's commitment under CAADP to institute two reviews of the agriculture sector per year.
- Market information systems: Support for the development of market information systems; exploration of possible systems to be developed for farmers' or traders' groups; and linkages to Ministry of Commerce initiatives around market information systems within the context of PAPAGRO (Programa de Adquisição de Produtos Agropecuarios).
- Small-scale irrigation: The rehabilitation and development of small-scale irrigation is part of ADI's mandate to support smallholder agriculture development in the country, while development of larger irrigation schemes is within the mandate of MINAGRI's Department of Hydraulics. The project will provide technical training on gravity-fed irrigation systems at provincial and municipal levels to enable technical backstopping for small-scale irrigation systems to ADI staff and policy support such as preparation of water users' association (WUA) regulations to the GEPE (MINAGRI's Division of Statistics under the Department of Planning and Studies).
- Provision of infrastructures for extension officers: Critical agricultural extension facilities need to be rehabilitated and/or built at local level. This will require construction and rehabilitation of office-residential complexes for agricultural extension services in selected communes. An estimated 40 new houses and 10 new offices will be required in the 80 beneficiary communes. This activity will be implemented by the PIU/PPIUs (Project Implementation Unit/Provincial Project

Implementation Units) in collaboration with local beneficiary organizations. The government will allocate specific resources for operations and maintenance (O&M) as part of its contribution.

1.3 Strengthening Capacity and Global Knowledge to Address Emerging Research Problems- US\$9 million (US\$4 million IBRD and US\$5 million equivalent Government of Angola)

The main activities to be financed under this subcomponent include: (i) improving soil diagnostic services, (ii) supporting the multiplication of seeds and planting material; (iii) building the technical capacity of the national research and extension system; (iv) developing technology packages for selected crops and (v) increased field testing and demonstration of improved technologies received from international and regional research institutes.

The third subcomponent aims to strengthen the institutional capacity of Angola's national and provincial-level agricultural research system to enhance access to modern agricultural innovations and technologies that increase agriculture productivity and production. The objective is to strengthen the research systems to address emerging issues in the productivity, production, and value chains of priority food and horticulture (vegetable) crops. This will include scaling up the availability of improved technologies for farmers, thereby filling technical knowledge gaps around cropping systems within the project areas and introducing new knowledge and technologies that may be available within the region or globally, where appropriate.

The Project financing will be provided to develop proposals for addressing specific R&D initiatives linked to project objectives and building on relevant global or regional sources of knowledge and technology. Implementation of these activities will be executed by IIA (Institute of Agricultural Research) and the partner(s) selected for the specific R&D activity, and the PIU will retain the fiduciary responsibility.

ADI and IIA will prepare a detailed work plan for the R&D activities to be financed with the time frame, and budget. They will also prepare a Memorandum of Understanding (MOU) setting the responsibility of each party in the implementation of the work plan including the supervision mechanisms during implementation. The MOU should be prepared no later than six months after effectiveness.

In particular, financing under the SADCP will be provided for:

- Multiplication of seeds and planting material: Scaling up breeder or foundation seed production within the Institute of Agricultural Research (IIA), developing partnerships with seed producers to increase production of certified or quality declared seed, and scaling up production and dissemination of virus-free cassava cuttings through available tissue culture laboratories (in Malanje and Luanda).
- Development of recommended technology packages for project crops (cartas tecnologicas por culturas): Packaging and disseminating recommendations for priority crops for use by farmers, delivered by extension system/technical service providers.
- Improvement of soil diagnostic services (soil analysis and fertilizer recommendations): Provision of equipment, training, and operational costs within Huambo and Malanje to improve soil testing facilities and development of comprehensive fertilizer recommendations.
- Training of national research and extension system on specific technical topics by international experts: Support to partnerships to bring in outside knowledge for the benefit of the national research and extension system from partners such as EMBRAPA (Brazilian Agricultural Research Corporation), CGIAR (Consultative Group for International Agricultural Research)

institutes, or within the SADC (Southern African Development Community) region.

- Scaling up the testing/demonstration of new technologies based on CGIAR research system or others: Support for R&D activities within IIA to test new technologies brought in from the CGIAR system, EMBRAPA, or countries within the region and targeting priority crops.

Component 2. Support for Increased Production and Commercialization -US\$42 million (US\$37 million IBRD and US\$5 million equivalent beneficiaries)

The objective of this component is to support value chain development of selected crops through demand-based matching investment grants to smallholder farmers' groups and organizations to improve agricultural productivity, production, and market access for 50,000 eligible beneficiaries. The beneficiaries for investment support will be selected from those trained through FFS under MOSAP, the SADCP, or any other training program. This component will support three kinds of investments in the value chain, including: (i) rehabilitation of small-scale irrigation schemes; (ii) agricultural production and productivity improvements; and (iii) post-harvest management for value addition, including storage, processing, and marketing facilities.

The project will hire an experienced and competent service provider to provide necessary support during implementation of this component. The service provider will work within ADI's structures and will only hire internationally qualified experts to integrate in the team and to support ADI to address technical issues along the selected crops' value chains.

A Project Implementation Manual (PIM) will be compiled for the SADCP and will include eligibility criteria and the selection process for investment subprojects. These may vary according to the type of support required, as described in Annex 2 of the PAD, but eligibility for each subsequent investment will be contingent on satisfactory performance in the previous investment support phase, if any. A detailed process for identification, appraisal, and approval of subproject proposals is described in the implementation arrangement in Annex 4 of the PAD and details will also be provided in the PIM.

Smallholder farmer beneficiaries will be required to make a 10-30 percent contribution (in-kind or cash) to the matching grants funded by the project, depending on the type of investment. The project will cover up to 90 percent of the subproject cost. The approval process for the subproject proposals seeking matching grant investment support will be as follows:

- (i) The Project Implementation Sub Committee (PISC) at the national level will approve subprojects above US\$50,000 and up to US\$100,000. The first two proposals in each category will require prior review and clearance by the Bank; and
- (ii) The Provincial Project Implementation Sub Committee (PPISC) will approve subprojects up to US\$50,000, with the first two proposals in each category to be cleared by the Bank.

The PISC and PPISC will include NGO and private sector representatives to ensure full transparency in the selection process. Subproject proposals from farmers' organizations will be evaluated by a special Project Committee against competitive selection criteria, as outlined in Annex 2. A full set of criteria and procedures will be outlined in the PIM. Farmers' organizations with a poor performance record under MOSAP will not be eligible for any new investment support under the SADCP, but every effort will be made to reach a diverse and large number of qualified farmers' organizations. In other words, selection of farmers' organization for investment support will focus on both equity and

efficiency criteria. Strategically, the activities planned under this component will support implementation of Objective 2 of ADP 2013-17 by promoting value chains, agribusiness, development of irrigation, and construction of infrastructure to support agricultural production.

This component will be divided into two subcomponents: subcomponent 2.1 will provide technical support whereas subcomponent 2.2 will provide investment support to qualified farmers' organizations and enterprises.

2.1 Provision of Technical Support (US\$7 million IBRD)

The activities to be implemented under this sub-component, aim to provide support in preparing proposals for subprojects and in implementing selected subprojects under investment support subcomponent.

The implementation modalities for providing technical support include contracting an experienced and competent service provider to: (i) support farmers' organizations to prepare subproject proposals for competitive funding under sub-component 2.2; (ii) provide specialized technical assistance to smallholder beneficiaries of irrigation schemes to create Water Users Associations (WUA), (iii) provide implementation support to smallholder beneficiaries of subprojects to ensure that the objectives of each subproject funded under the Project are achieved ; and (iii) strengthen the capacity of NGOs and agricultural input providers to respond to the smallholder demands.

To increase the local level capacity and sustainability of the project interventions over time, the service provider will also strengthen the capacity of NGOs and agricultural input providers to be able to respond timely to the smallholder needs. Selected NGOs' capacity will be strengthened to help disseminate knowledge and identify appropriate farmers' organizations to prepare subproject proposals for seeking competitive funding under subcomponent 2.2; private agricultural input suppliers will be strengthened in developing systems to supply critical agricultural inputs and services to smallholder farmers; and private enterprises' capacity will be strengthened in agricultural marketing, post-harvest management, specific value chains, and processing as well as in strengthening market linkages so that smallholders can easily access markets to sell their produce.

In coordination with the PIU, PPIUs, and ADI, the service provider will organize at least three seminars per province per year for the following target audiences: NGOs, private sector input suppliers, and private sector value chain actors. These seminars will: raise awareness; provide training for NGOs interested in helping farmers' organizations prepare investment proposals; and strengthen small, medium, and micro agribusiness enterprises' managerial and business capacities related to agricultural input supply, provision of agricultural services, and value chain activities, including storage, transport, packaging, processing, and value chains for different food and vegetable crops.

The provision of technical support by the service provider is divided into three broad categories: (i) irrigation subprojects; (ii) production subprojects; and (iii) post-harvest management subprojects. All provision of technical support will be in coordination with the Provincial and Local ADI offices.

2.1.1 Technical Support to Irrigation Subprojects

Rehabilitation of small-scale irrigation schemes will be at pilot scale and will only cover 1,000 ha of

the potential 5,500 ha available in the country. The design of irrigation schemes and construction supervision will be done under subcomponent 2.1 whereas actual construction and its funding will be done under subcomponent 2.2.

Initial data indicate that about 279 irrigation schemes, covering about 5,500 ha in the three beneficiary provinces, require rehabilitation, but the level of rehabilitation required varies. Given capacity constraints and the costs of rehabilitation, the project will only support rehabilitation of about 1,000 ha of small-scale irrigation systems as a pilot program, benefiting about 2,000 farmers (with an average of 0.5 ha each). Assuming an average of 32 ha per irrigation scheme, the project will cover approximately 32 irrigation schemes. The investment in irrigation schemes will adopt an integrated participatory planning and development process (details of this process as well the eligibility criteria are given in Annex 2). The project will support the establishment of Water User Association (WUAs) to all beneficiaries of irrigation schemes to ensure the investment's sustainability and to avoid possible future conflicts.

2.1.2 Technical Support to Production and Post-harvest Management Subprojects

The objective of this subcomponent is to increase crop production and marketing by smallholder farmers, thereby accelerating the transition from subsistence agriculture to commercial agriculture. The service provider will have the responsibility to: (i) identify the demand-driven but potentially critical subprojects for increasing crop productivity and production as well as post-harvest value addition and marketing; (ii) support preparation of subproject proposals that meet the eligibility criteria for investment support and have a good chance for competitive selection for support under Component 2; and (iii) supervise the implementation of subproject proposals selected for funding under Component 2. In addition, the service provider will train selected MINAGRI staff in project implementation, thus strengthening Angola's agricultural institutional capacity. It is extremely important that this subcomponent supports subprojects that are viable, sustainable, and likely to make a major contribution to increased productivity, production, and marketing, including value addition.

2.2 Investment Support (US\$30 million IBRD and US\$5 million equivalent by beneficiaries).

This subcomponent aims at carrying out Subprojects in Participating Provinces, and providing Matching Grants to Beneficiaries for carrying out said Subprojects, in the following areas: (i) rehabilitation and construction of small scale irrigation and drainage schemes; (ii) agricultural production and productivity improvements and (iii) post-harvest management and value addition.

The investment support will be provided for those competitively selected innovative subprojects that deal with irrigation, production, or value chains individually or in a fully justified package of investments in a combination of irrigation, production, and value chains. Further details, eligibility criteria, and eligible expenditures in each category are provided in Annex 2. While the menu of investment options will be flexible, the eligibility criteria will be strictly followed. Recipients of matching grants will be required to contribute 10-30 percent of the subproject's cost in-kind and/or cash.

2.2.1 Investments in Irrigation Systems and Support Infrastructure

The objective of this pilot activity is to finance the irrigation infrastructure required to increase the productivity and profitability of smallholder irrigated agriculture while taking into account the environmental and social safeguards associated with the civil works. On the basis of participatory

designs and the eligibility criteria, the SADCP will finance the costs of the schemes' rehabilitation/construction. Irrigation infrastructure development will be based on clearly articulated investment proposals and commitment from beneficiaries in scheme development and O&M. No infrastructure investments will be made before the local authorities confirm the beneficiaries land user rights and water rights. Regarding land and water user rights, the site or scheme specific environment and social assessment supported by ESMP (to be prepared after the site/design details are known) should consider ability of downstream users to use water, as well as, any environmental/ecology flow required to maintain the integrity of ecosystem, as an important element. Therefore, it is essential that an environment assessment be taken for all rehabilitation schemes that would quantify the negative and positive impacts due to construction and operation, and provide recommendation to sustain ecological flow to other users.

In general, the rehabilitation and construction works will consist of: (i) upgrading of the area around the intake and the main canal; (ii) construction of water collecting structures and/or rehabilitation of damaged embankments; (iii) installation of control structures like water gates; (iv) upgrading of the main canals and, where necessary, lining critical stretches of the distribution system; and (v) use of local plants/grass to control canal erosion. In places where the installation of buried pipes is feasible, hand-dug earthen canals may be substituted by pipes if water losses warrant this. Taking into account the higher unit cost of installing gravity-buried pipe systems, the costs and benefits of this option will be evaluated and discussed with the community prior to installation of any such system.

The SADCP will endorse a mix of construction methods, including both plant-based and labor-intensive construction methods that are designed to: (i) build local capacity in irrigation construction and maintenance; (ii) create local entrepreneurship for sustainable delivery of irrigation services; and (iii) deliver planned irrigation construction investments on time, of high quality, and at potentially significantly lower cost than contractor and equipment-based constructions experienced in past irrigation projects in Angola. The choice of construction method will be made on a case-by-case basis at feasibility stage, as this will determine subsequent stages of design/supervision and tendering. After field visits to some of the irrigated areas, the cost for small-scale gravity-fed irrigation scheme rehabilitation or development was estimated to be between US\$1,000-2,000/ha.

2.2.2 Investments in Agricultural Production

The main objective of this subcomponent is to support a sustainable increase in smallholder agricultural productivity and production. To achieve this objective, the subcomponent will provide matching grants to smallholder farmers' groups and organizations for investments in farm assets. Specific activities likely to be considered for investment support are demand-based agricultural technology packages and improved inputs designed to increase agricultural productivity and production (see the menu of investment options in Annex 2 of the PAD). The main focus will be on crops identified as a priority for the project areas (i.e., maize, beans, cassava, Irish potatoes, and vegetable crops).

To access matching grants for investment subprojects, eligible farmers' organizations will need to submit subproject proposals. Subcomponent 2.1 will assist eligible participants in the preparation of detailed subproject proposals that will allow an informed decision about their feasibility from technical, economic, financial, social and environmental perspectives. Subproject proposals can be submitted for any investment that will contribute to increasing crop production and productivity.

Proposals will be identified, appraised, and approved based on the criteria summarized in Annex 4 of the PAD. A full set of criteria and procedures will also be defined in the PIM. Proposals will be evaluated and selected by an independent technical committee based on the defined criteria. Although the disbursement mechanisms and advances may vary, taking into consideration the type of grant, the eligible expenditures are for Goods, Works, and Services.

2.2.3 Investments in Post-harvest Management and Value Addition

The main objective of this activity is to promote investments aimed at increasing value addition, reducing post-harvest losses, and strengthening market linkages for key priority food and vegetable crops in the project area.

The ultimate goal is to improve the performance and efficiency of the targeted value chains. This activity will support investments related to market linkages and commercialization of key crops and horticulture (see the menu of investment options in Annex 2 of the PAD). Any subproject requesting financing under this subcomponent will prepare a project proposal and a business plan that will go through a complete appraisal process to determine its economic feasibility and sustainability as well as its environmental and social impacts.

Financial support for farmers' organizations and rural enterprises' value addition activities is crucial for the sustainability of public investment in small-scale irrigation development as well as for investments in agricultural production. Eligible beneficiaries of value chain investment support will therefore include smallholder farmers' organizations that have proven capacities for market-oriented production and/or value chain activities. A key distinguishing feature of this activity will be more complex subprojects that may require multiple stages of support or greater focus on business development services.

Component 3. Project Management, Monitoring, and Evaluation -US\$10 million IBRD

The third project component will finance management, coordination, and monitoring and evaluation (M&E) of the project. It consists of two subcomponents.

3.1 Project Management

The purpose of this subcomponent is to strengthening the capacity of the PIU for Project management, coordination, monitoring and evaluation, including fiduciary (i.e. financial and procurement management), environmental, and social safeguard compliance, audits and reporting support; and strengthening the capacity of the PPIUs to assist in Project management, coordination, monitoring and evaluation at the provincial level, including fiduciary (i.e. financial and procurement management), environmental, and social safeguard compliance, and reporting.

Overall this subcomponent is designed to ensure that the project is implemented correctly, on time, and in accordance with the Loan Agreement. This will be the responsibility of a Project Coordinator (PC) and a team of experts located at the national and provincial levels. Financing will be provided to support project coordination activities, including planning and budgeting, management and administration, procurement, financial management (FM), M&E, safeguards compliance, audits, and national and provincial engagement. Government counterpart resources will be used to pay staff-related costs that are not eligible for IBRD funding. The final arrangements for project management incorporate the lessons learned under MOSAP in terms of organization, staffing, and timing. Eligible

expenditures under this component may include funding activities in connection with the preparation of the new agricultural subprojects aimed at supporting the development of commercial agriculture.

3.2 Project Monitoring and Evaluation

This subcomponent is to support the establishing and implementing a monitoring and evaluation system for the Project, including establishing a management information system within the project implementation unit. An M&E system will be established to collect and process appropriate information to monitor project performance and measure the output, the effects, and eventually the impacts of project activities over time. Baseline information will also be collected at the beginning of project implementation.

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

Though the project will have a national resonance because of its impacts (i.e. component 1 and 2), it is expected to be implemented in three Provinces of Bié, Huambo and Malanje, covering an area of 80 communes from 26 municipalities (i.e. component 2).

5. Environmental and Social Safeguards Specialists

Cheikh A. T. Sagna (GSU01)

Nuno Maria Brilha Vilela (GENDR)

Paulo Jorge Temba Sithoe (GEN01)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Under Component 1 of the project will finance construction of buildings, and under Component 2 will finance agricultural production and post-harvesting sub-projects, rehabilitation of gravity fed irrigation schemes, storage facilities and land delimitation. Some of the foreseen activities may have adverse environmental impacts which could include soil erosion and water logging, water contamination, alteration of water flows due to irrigation schemes, including risks to the human health by those handling pesticides. Details and precise location of these activities are not known and will be known during project implementation. Social impacts could include loss of land during delimitation, resource use such as water, including possible health and safety issues during construction activities. Consequently the OB/BP4.01 is triggered to set forth the basic principles and prerogatives to be followed to comply with the safeguard requirements. Detailed description of the activities with their footprints will be known by the Recipient during implementation. Hence, the Recipient has prepared an Environmental and Social Management Framework (ESMF) that will guide preparation of ESIA and EMPs. The ESMF include an environmental and social screening form (ESSF) for sub-projects to

		determine and guide the preparation of ESIA's and ESMP when needed. The ESMF include a model ESMP and a set of Environmental and Social Clauses (ESC) for project implementers that can be adjusted to the specifics of subproject activities. The ESMF has been prepared and disclosed in-country on December 11, 2015 and at the Bank InfoShop on December 16, 2015.
Natural Habitats OP/BP 4.04	No	The project will not open new areas as it is largely aimed at intensification of agriculture on already cultivated areas to increase production and productivity. As far as irrigation is concerned, activities will be limited to rehabilitation of small scale gravity infrastructure. The project has also developed a negative list and activities adversely affecting protected areas are included on this list.
Forests OP/BP 4.36	No	The project is not expected to have any direct or indirect impacts on health and quality of forests. The project will not finance any change in management, protection or utilization of forests. The ESMF will incorporate screening tools for risks and impacts on forests and provisions to exclude activities that would have adverse impacts on forest and protected areas from financing through a negative list.
Pest Management OP 4.09	Yes	Provision of improved agricultural inputs under Component 2 may include the use of pesticides (though expected only at a low scale) and the Recipient has prepared an Integrated Pest Management Framework (IPMF) which has been disclosed in-country on December 11, 2015 and at the Bank InfoShop on December 16, 2015. Pest Management Frameworks (IPMFs) includes a detailed and practical guideline and concise steps needed to apply Integrated Pest Management approaches tailored for eligible sub-projects. The IPMF which contains also contain provisions to monitor and mitigate possible negative impact of any increase in the use of agrochemicals, particularly chemical pesticides by promoting ecological and biological control of pest management within beneficiary groups. The IPMF will be also vital in the support to the establishment of national data banks, monitoring system of pesticides poisoning.
Physical Cultural Resources OP/BP 4.11	No	The policy is not triggered as no major civil works or large movements of earth are expected to be supported by the Project. Nevertheless, the ESMF will include a Chance Finds mechanism to adequately mitigate any potential risks.
Indigenous Peoples OP/	No	There are no Indigenous Peoples expected to be present in

BP 4.10		the project area. The SADCP Project is a scale up of the ongoing Market Oriented Smallholder Agriculture Project (MOSAP). It will be implemented in the same geographical areas as its predecessor which did not trigger this policy.
Involuntary Resettlement OP/BP 4.12	Yes	The project will finance activities that could possibly require land acquisition which could result in involuntary resettlement of people and/or loss of (or access to) assets, means of livelihoods or resources. Details of activities will not be known until project implementation and the Government has prepared a Resettlement Policy Framework (RPF) to guide the preparation of site specific Resettlement Action Plans (RAP) as needed. The RPF has been reviewed, and disclosed in-country on December 16, 2015 and at the InfoShop on December 21, 2015.
Safety of Dams OP/BP 4.37	Yes	The project will involve rehabilitation of dikes and drainage systems, small water storage and water canals. Nonetheless, it is not expected that the project will be involved in any new investments in large dams of 15 m or higher nor in any major water storage or water control beyond the 3 million m ³ reservoir capacity. The irrigation systems that will be rehabilitated will be very small gravity systems. Most of those are currently earth canals with some losses of water due to infiltration and other losses. The project aims at rehabilitating about 1,000 ha in the three beneficiary provinces, covering about 32 systems; i.e. on average 31 ha each. The Project will not fund any large dams, as defined in the OP4.37. However as part of the rehabilitation of small scale gravity fed irrigation schemes may fund simple diversion weirs and other small-scale water control structures. For this reason, OP 4.37 is triggered as precautionary measure. A detailed ESMP will be undertaken for new site, and any dam-related activity will be undertaken following the guidelines of the FAO manual Small Earth: A guide to Siting, Design and Construction (2010).
Projects on International Waterways OP/BP 7.50	No	Project activities will rehabilitate existing small scale gravity irrigation systems on pilot scale. The project will not affect international waterways
Projects in Disputed Areas OP/BP 7.60	No	There are no disputed areas in the targeted project area.

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

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>The potential social and environmental concerns are those associated with the proposed project-financed investments under Component 2. The project will finance rehabilitation and expansion of small-scale gravity fed irrigation schemes (earthen made and/or gravity-driven), agricultural inputs (equipment, fertilizers and/or pesticides), storages, cold storage, grinding mills and packaging infrastructure which triggers Bank's Safeguard Policies OP 4.01, OP 4.09, OP 4.12 and OP4.37. However, given their type, size and nature, as well as footprint, they are expected to cause very limited environmental and/or social impacts and risks, mostly site specific and therefore easily manageable.</p>
<p>The environmental and social classification of the proposed project is Category B and given that both the footprint and clearer details (type, nature and magnitude) of the proposed activities will not be known prior to appraisal, the borrower has prepared, an Environmental and Social Management Framework (ESMF), an Integrated Pest Management Framework (IPMF) and a Resettlement Policy Framework (RPF) respectively, mainly updated from those produced under the ongoing MOSAP. These have been reviewed internally and cleared by the World Bank Group, each of these three standalone safeguards instruments were publicly disclosed in the country on December 11 (ESMF and IPMF), December 16 (RPF) and at the InfoShop on December 16, 2015 (ESMF and IPMF) and on December 21, 2015 (RPF).</p>
<p>These documents are designed to: (i) assess the environmental and social impacts of expected sub-projects; (ii) outline environmental management procedures and provide requisites tools, including a screening process with a sub-project assessment forms and guidelines for mitigating impacts; (iii) integrate environmental considerations into each phase of the sub-projects cycle; (iv) develop and implement the Integrated Pest Management Plan; (v) provide guidelines for the preparation of Resettlement Action Plans (RAPs); and (vi) determine the capacity building needs of the PIU, key stakeholders (CSO, Service Providers, etc.) and beneficiary communities inclusive of women and vulnerable groups. Apart from formal disclosure, the content of these documents (i.e. executive summaries) will be disseminated in Angola through a series of stakeholder workshops, particularly on the project targeted areas. The ESMF, the RPF and the IPMF, along with their screening processes, social and environmental clauses for contractors including an annex, on social and environmental check list will be adequately integrated into the Project Implementation Manual (PIM).</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 are small in size, spread in the selected provinces (communes & municipalities) and the project does not anticipate any long term or irreversible damage caused by the proposed activities to the natural and/or physical environment. In any case, easily implementable preventive measures are being taken through the preparation of the framework documents, namely the ESMF/ESIA or ESMP, RPF/RAP as well as the IPMP which will screen each sub-project on their social and environmental merits (risks and/or impacts) to ascertain that any indirect risk and/or impact will be appropriately captured and addressed in time.</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p>
<p>Not Applicable</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>Although the client has gathered considerable experience in implementing the ongoing MOSAP</p>

the institutional capacity to handle operational environmental and social safeguards requirements as well as national environmental regulations is still weak, especially at the local level. Substantial training and capacity building will be required. Under the ongoing, MOSAP (P093699) there was no dedicated Environmental and Social Safeguards Focal Point (ESFP), but the training was provided for all monitoring and evaluation specialists, and provincial project coordinators. Regular supervision was also provided by consultants and Bank staff based in Maputo and South Africa Country Offices. Bulk of the work consisted in screening sub-project proposals under Component 2 before they were considered for funding including monitoring during implementation. This was based on check list prepared for the project by the safeguard consultant and cleared with the Bank. The environmental and social safeguards under MOSAP is rated Satisfactory. During the implementation of the proposed operation, further steps are already being considered to strengthen the Government's capacity, particularly through the hiring of four (4) ESFP, one at national level with an overall safeguards coordination role and three for each of the provinces covered by SADCP. The aforementioned ESFP will ensure compliance of the proposed project activities with relevant Angola environmental laws and regulations and the World Bank Safeguards Policies triggered. They will be responsible for the screening, monitoring and reporting on safeguards requirements including providing needful and timely support for the preparation of ESIA/ESMP and RAP as required. This initiative will be coupled with a series of regional training workshops to be organized for all actors involved, such as project coordination team at all levels, beneficiary groups, contractors and other relevant project partners in the implementation of social and environmental safeguards policy upon project effectiveness. The WBG Environmental and Social Safeguards specialists will train the team at national and provincial/municipal level in close issues related to protected areas, forestry. Additionally, relevant authorities such as the Ministry of Environment and its affiliates and will be systematically involved throughout the project implementation process.

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

During the preparation by the Government of ESMF, RPF and IPMF public consultations and participation were extensively undertaken at both central (Luanda/Ministry of Agriculture and sectoral partners), provincial and district levels, and a larger dissemination program is been scheduled during implementation with a total budget of US\$900,000.

A communication strategy stressing awareness raising activities about the program and possible compensation procedures and entitlements will be carried out through preparation and implementation of site-specific RAPs and/or ESIA/ESMPs in order to promote dialogue and reduce misunderstandings and grievances. Communities will be involved in awareness raising and training concerning community rights and obligations; how to obtain legal advice and representation, and how to seek redress against what they could regard as unfair process. Training of technical staff and the Ministry of Agriculture, municipality and comunas is also planned, budgeted against by the project and will minimize negative risks and impacts of conflicts. Under the communication strategy, awareness will also be raised regarding nutrition, gender, youth, climate-smart agriculture and other environmental issues.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	04-Dec-2015
Date of submission to InfoShop	16-Dec-2015

For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Angola	11-Dec-2015
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	14-Dec-2015
Date of submission to InfoShop	21-Oct-2015
"In country" Disclosure	
Angola	16-Dec-2015
<i>Comments:</i>	
Pest Management Plan	
Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	04-Dec-2015
Date of submission to InfoShop	16-Dec-2015
"In country" Disclosure	
Angola	11-Dec-2015
<i>Comments:</i>	
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 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 checked="" type="checkbox"/>] No [<input 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 checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	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"/>]
Is physical displacement/relocation expected? Provided estimated number of people to be affected	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] TBD [<input type="checkbox"/>]
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods) Provided estimated number of people to be affected	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] TBD [<input checked="" type="checkbox"/>]
OP/BP 4.37 - Safety of Dams	
Have dam safety plans been prepared?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
Have the TORs as well as composition for the independent Panel of Experts (POE) been reviewed and approved by the Bank?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
Has an Emergency Preparedness Plan (EPP) been prepared and arrangements been made for public awareness and training?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input 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(s):	Name: Aniceto Timoteo Bila	
Approved By		
Safeguards Advisor:	Name: Johanna van Tilburg (SA)	Date: 21-Mar-2016
Practice Manager/ Manager:	Name: Dina Umali-Deininger (PMGR)	Date: 31-Mar-2016