

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC9968

Date ISDS Prepared/Updated: 05-Aug-2014

Date ISDS Approved/Disclosed: 12-Sep-2014

I. BASIC INFORMATION

A. Basic Project Data

Country:	Bangladesh	Project ID:	P149553
Project Name:	Bangladesh NATP-2: National Agricultural Technology Program - Phase II (P149553)		
Task Team Leader:	Patrick Verissimo		
Estimated Appraisal Date:	05-Nov-2014	Estimated Board Date:	26-Feb-2015
Managing Unit:	GFADR	Lending Instrument:	Investment Project Financing
Sector(s):	Agricultural extension and research (50%), Animal production (20%), Crops (20%), Information technology (10%)		
Theme(s):	Rural services and infrastructure (50%), Technology diffusion (25%), Rural markets (25%)		
Financing (In USD Million)			
Total Project Cost:	200.00	Total Bank Financing:	150.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			3.00
International Development Association (IDA)			150.00
US Agency for International Development (USAID)			25.00
Bangladesh MDTF for Climate Change			0.00
International Fund for Agriculture Development			22.00
Total			200.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

6. The proposed project development objective (PDO) for NATP-2 is to enhance the

agricultural productivity of smallholders through better research and extension and improve their market access through better integration in selected value chains. To that effect, NATP-2 will support a decentralized, demand-driven agricultural research and extension services, and promote market-oriented smallholder production. NATP-2 will also support access to markets for smallholder farmers by facilitating their linkages with selected value chains, contributing in turn to increased farm income and to the sustainability of farmer groups and producer organizations formed by the project. The following project design emerged as an outcome of the Identification mission: Comp.1: Promoting Agricultural Innovation, Comp.2: Supporting Crops Development; Comp.3: Supporting Livestock Development; Comp.4: Supporting Fisheries Development; and Comp.5: Project Management and Coordination.

7. NATP-2 will achieve the PDO: (i) by strengthening the capacity of the NARS and the extension services to generate and diffuse agricultural technologies aimed at increasing farm productivity; and (ii) by promoting the sustainability of existing and newly created farmer groups and producer organizations by strengthening their linkages with markets. Sustainable intensification and diversification of agriculture through technological change requires an efficient and productive national agricultural technology system, comprising agricultural research (technology development and refinement) and agricultural extension (technology dissemination). This needs to be supported by appropriate value addition and market linkages through the strengthening of supply chains for high value agriculture. To that effect, while NATP-2 will continue supporting agricultural research and extension, it will need to have a stronger focus on market-oriented production, on value chains and on the participation of smallholders in those emerging market opportunities, than under NATP-1.

C. Project Description

The proposed development objective of this project is to enhance the agricultural productivity of smallholders through better research and extension services and improve their market access through better integration in selected value chains. To that effect, NATP-2 will support a decentralized, demand-driven agricultural research and extension services, and promote market-oriented smallholder production.

NATP-2 will achieve the PDO by: (i) continuing to strengthen the capacity of the NARS and extension services to generate and disseminate agricultural technologies aimed at increasing farm productivity; and (ii) promoting the sustainability of existing and new farmer groups and producer organizations by strengthening their linkages with markets. Sustainable intensification and diversification of agriculture through technological change requires an efficient and productive national agricultural technology system, comprising agricultural research (technology development and refinement) and agricultural extension (technology dissemination). This needs to be supported by appropriate value addition and market linkages through the development of supply chains for high value agriculture. To that effect, while NATP-2 will continue supporting agricultural research and extension, it will need to have a much stronger focus on market-oriented production, on value chains and on the participation of smallholders in those emerging market opportunities, than under NATP-1. A differentiated approach will be required for project activities at field level to account for the vertical and horizontal scaling up efforts under NATP-2. The new project will deepen the interventions in existing upazillas (vertical scaling up) while expanding the geographic coverage to include new districts and upazillas (horizontal scaling up).

Component 1: Enhancing the Agricultural Innovation System

This component, led by the Project Management and Coordination Unit with implementation support from other agencies, will support the development of decentralized, demand-driven and integrated agricultural research. This component will likely include investments, capacity enhancement and

technical assistance in areas launched under NATP-1 (such as sustainability of Common Interest Groups (CIGs) and emerging Producer Organizations (POs), rehabilitation of rural markets, technical advisory services), strengthening National Agricultural Research Institutes (NARI) (including investments in physical infrastructure), developing one-stop farmer advisory service centers. The component will also include the window for competitive research and matching grants under the Agricultural Innovation Fund.

Component 2: Supporting crop development

This component, coordinated by the Department of Agricultural Extension, will support the development of decentralized extension services and demand-driven research for crop production (including horticulture), post-harvest management and processing, and facilitate the integration of smallholder farmers in selected crop-based value chains (bananas, vegetables, and aromatic rice). This component would include investments, capacity enhancement and technical assistance in e.g. smallholder farm mechanization, seed testing facilities (with IFC), an electronic phytosanitary certification system (with IFC), food safety, agricultural commercialization, and promotion of smallholder-based commodity value chains. Financial incentives to smallholder farmers for the adoption of productivity enhancing and post-harvest loss reducing technologies, as well as support to private small and medium agro entrepreneurs in the selected value chains (e.g. food processing) will be secured through the corresponding AIF window.

Component 3: Supporting fisheries development

This component, coordinated by the Department of Fisheries, will support the development of decentralized extension services and demand-driven research for fish and aquaculture, and facilitate the integration of smallholder fish farmers in selected commodity value chains (tilapia, major carps, and shrimps). This component would include investments, capacity enhancement and technical assistance in e.g. the rehabilitation of fish ponds, food safety, quality improvement of fish feed and fingerlings, fish commercialization and the promotion of aquaculture-based commodity value chains. Financial incentives to smallholder farmers for the adoption of productivity enhancing and post-harvest loss reducing technologies, as well as support to private small and medium agro entrepreneurs in the selected value chains (e.g. food processing) will be secured through the corresponding AIF window.

Component 4: Supporting livestock development

This component, coordinated by the Department of Livestock Services, will support the development of decentralized extension services and demand-driven research for livestock products, and facilitate the integration of smallholder farmers in selected commodity value chains (dairy, goat meat). This component would include investments, capacity enhancement and technical assistance in e.g.: laboratory infrastructure and equipment (including at the regional level), artificial insemination, fodder production and conservation, efficient biogas production, farm mechanization, food safety, and the promotion of livestock-based commodity value chains. Financial incentives to smallholder farmers for the adoption of productivity enhancing and post-harvest loss reducing technologies, as well as support to private small and medium agro entrepreneurs in the selected value chains (e.g. food processing) will be secured through the corresponding AIF window.

Component 5: Project Management and Coordination

Under this component a Project Management and Coordination Unit will be in charge of overall day-to-day project management and implementation, as well as coordination among the project PIUs from the Ministry of Agriculture and Ministry of Food. The PCMU will have the operational, safeguards and fiduciary responsibility and be accountable for overall project performance. The

PCMU will carry out procurement and financial management activities. Other specific PMU-led activities under this component will include among others: (i) the support to the development of a national agricultural atlas, (ii) the coordination of third-party project monitoring and impact evaluation (with baseline, midline, endline surveys), (iii) the coordination of analytical studies and dissemination of findings, (iv) the support to short- and longer term assistance to the project management team and other agencies involved in component implementation, (v) the coordination of all staff training and (vi) preparation studies for a potential follow-up operation (phase III of NATP).

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

NATP-2 is national in coverage and will deepen the interventions in existing upazillas (vertical scaling up) under the NATP-1 while expanding the geographic coverage to include new districts and upazillas (horizontal scaling up). The listing of districts and upazillas to be covered by NATP phase-2 will be agreed upon with the Ministry of Agriculture and the Ministry of Fisheries and Livestock during project preparation. However, the main feature of the new project, relative to its predecessor, will be: increased focus on linking smallholders with markets, increased focus on climate-smart agriculture and technology, and increased focus on support to post production activities (e.g. agro processing).

E. Borrowers Institutional Capacity for Safeguard Policies

The project will be implemented by the Department of Agricultural Extension Services (DAE, Ministry of Agriculture) as well as the Department of Livestock Services and the Department of Fisheries (DLS and DoF, respectively, Ministry of Livestock and Fisheries). The Ministry of Agriculture (MoA) and the Ministry of Fisheries and Livestock (MoFL) have prior experience of working with Bank finance project and are familiar with the Bank's safeguard policies. However, MoA and MoFL still need capacity improvement with regard to environmental management and to comply with Bank's safeguards requirements since the new project would concentrate more on market-led production and commodity value chains for sustainability.

F. Environmental and Social Safeguards Specialists on the Team

Sabah Moyeen (GURDR)

Farhat Jahan Chowdhury (GENDR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	While the project designed to provide opportunities for an overall positive impact, some activities may have adverse environmental impacts. The key environmental issues that will need to be addressed by the project are: (i) soil degradation; (ii) pollution of the eco-system with agro-chemicals, particularly in ponds and water bodies; (iii) pesticide-related health and safety issues (iv) possible depletion of groundwater due to irrigation; (v) saline water intrusion in groundwater and surface water in select sites. Activities that would require mitigation action may include construction of

		<p>community collection marketing centers, cold storage, biogas plant, handling and management of wastes from livestock, chilling plant, and other related activities. Since some of the target sites have high level of groundwater depletion, technologies and strategies that improve the efficiency of irrigation and/or reduce the dependence on groundwater, as well as, enable the recharge of groundwater should be included in the design of the project.</p> <p>The project is classified as a “Category B” under OP/BP 4.01 with a partial assessment as the impacts are likely to be small-scale, site specific with no irreversible impacts and mitigation measures can be designed more readily. The implementing agencies will update the Environmental Management Framework (EMF) prepared for the current NATP-I. The updated EMF will be supported by an assessment of environmental practices of currently on-going IDA project (NATP-I), institutional capacity assessment, some limited environmental baseline, as well as guidelines to carry-out sub-project specific environmental assessment, consultations, prepare site specific EMP, costing, review process, implementation, and monitoring.</p>
Natural Habitats OP/BP 4.04	No	It is unlikely that the project will implement any agricultural activities inside protected areas (wild life sanctuaries, national parks, etc). A final decision will be taken once the final listing of areas of project interventions will be agreed with the Bank.
Forests OP/BP 4.36	No	The project will not implement any agricultural activities inside forests. Hence the policy is not triggered.
Pest Management OP 4.09	Yes	The project is only expected to have minor use for nationally approved pesticides and there are no significant issues of pest management and pesticide use to be addressed in the subprojects. However, in anticipation of higher yields, farmers could expand the use of chemical fertilizers, and pesticides more than what is recommended. Increased use of chemical pesticides leads to destruction of pest predators and increase in pest and diseases. Similarly,

		<p>imbalanced and excessive use of chemicals in farming destroy the soil biota and thereby its fertility as well, leading to a need for increased use of chemical fertilizers. As a result, these agro-chemicals would pollute the village ecosystem and affect the health of the farming families in the village. Since NATP-2 is expected to promote sustainable production practices as a part of project design, the above issues are not considered to be critical in the project. However, as a matter of precaution to address any potential and unforeseen issues of pest and pesticide management, OP 4.09 has been triggered. Therefore, an Integrated Pest Management plan will be developed focusing on the review of IPM technologies available and identification of appropriate IPM technologies and environmental code of practices for nutrient and pest management, as well as on creation of awareness about soil and nutrient management.</p> <p>The NATP-2 project will continue to promote green agriculture technologies that were initiated under NATP-1. This includes: (i) Integrated Pest Management (IPM) such as the use of pheromone traps and light traps; (ii) balanced fertilizer use to reduce the dependence on fertilizers; and (iii) composting. It will also arrange training of pesticides dealers, and initiate balanced fertilizer use to reduce the dependence on fertilizers. This will be done as much as possible throughout project activities especially through training activities which will be discussed and agreed during project implementation.</p>
Physical Cultural Resources OP/ BP 4.11	No	The project would not impact any physical and cultural resources.
Indigenous Peoples OP/BP 4.10	Yes	The project may work in areas where indigenous people (IPs) live. The project does not anticipate any adverse impacts on IPs. Since the new upazillas where interventions will take place have not been determined at this stage, a the NATP-1 Social Management Framework will be updated after conducting a Social Impact Assessment (SIA) in sample areas to include a Tribal Peoples Development Framework (TPDF). The SMF will also include a gender

		<p>framework and will focus on enhancing community participation and inclusion through information dissemination, and an on-going strategy for consultation and communication. A comprehensive SIA was undertaken and detailed SMF was prepared for NATP-I which will serve as a basis for the preparation for the updated SMF and will incorporate the lessons learned from NATP-I. The SMF will include a screening format (to be implemented at the time of sub-project submission) to determine if project areas include IPs. If so, the sub-project will be required to prepare and implement a Tribal Peoples Development Plan in compliance with the TPDF included in the SMF. The gender and inclusion elements should be incorporated and implemented project wide.</p>
<p>Involuntary Resettlement OP/BP 4.12</p>	<p>Yes</p>	<p>The project will not require acquisition of private land. The construction of mini laboratories under Component 4 will be undertaken on public lands only. However this does not preclude the possibility of involuntary resettlement as the lands may have squatters living on them (not widespread in rural areas), or have on-going livelihood activities (public lands are commonly leased out or “permitted” to be used for small scale agricultural activities in rural areas). The rehabilitation of ponds is not expected to require additional lands as the activity focuses on deepening the ponds only. The project activities may have special impacts on women or can enhance benefits to them and other vulnerable groups. The project will update the Social Management Framework (SMF) from NATP-1, which will contain a Resettlement Policy Framework and a Gender and Inclusion Framework focused on participatory processes, social inclusion and accountability. The SMF will include a screening format to be applied in case land use is required to check whether squatters are impacted or livelihoods are adversely impacted due to the project. If so the RPF will apply and site specific Resettlement Action Plans will have to be produced. All sub-projects will follow the guidelines provided in the Gender and Inclusion Framework and</p>

		maintain the requisite consultation processes and documentation.
Safety of Dams OP/BP 4.37	No	The project will not construct or rehabilitate dams larger than 10 meters in height.
Projects on International Waterways OP/BP 7.50	No	The project does not involve in any international waterways. The project does not plan to carry out any interventions that affect the use or pollute international waterways, particularly river or body of surface water that flows through two or more states.
Projects in Disputed Areas OP/BP 7.60	No	No project activity will be implemented in disputed areas.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 15-Sep-2014

B. Time frame for launching and completing the safeguard-related studies that may be needed.

The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

- Environmental Management Framework: launched; to be completed by October 2014
- Integrated Pest Management Plan: launched; to be completed by October 2014
- Social Management Framework: launched; to be completed by October 2014

IV. APPROVALS

Task Team Leader:	Name: Patrick Verissimo	
Approved By:		
Regional Safeguards Coordinator:	Name: Francis V. Fragano (RSA)	Date: 09-Sep-2014
Practice Manager/ Manager:	Name: Simeon Kacou Ehui (PMGR)	Date: 12-Sep-2014

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.