

INTEGRATED SAFEGUARDS DATA SHEET

IDENTIFICATION / CONCEPT STAGE

Report No.: ISDSC17505

Date ISDS Prepared/Updated: 12-May-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Burkina Faso	Project ID:	P159754
Project Name:	Burkina Faso access to irrigation for cotton farming		
Team Leader(s):	Rajesh K. Advani, Richard Charles Henri Colback		
Estimated Date of Approval:	10-Oct-2016		
Managing Unit:	GWA07	Lending Instrument:	IPF
Sector(s):	Agricultural extension and research (20%), Irrigation and drainage (80%)		
Theme(s):	Micro, Small and Medium Enterprise support (5%), Nutrition and food security (10%), Climate change (20%), Water resource management (65%)		
Financing (in USD Million)			
Total Project Cost:	0.0000049	Total Bank Financing:	0
Financing Gap:	0		
Financing Source			Amount
Global Partnership on Output-based Aid			0.0000044
LOCAL BENEFICIARIES			0.0000005
Environment Category:	B - Partial Assessment		

B. Project Development Objective(s)

The Project Development Objective (PDO) is to improve access to basic irrigation services for cotton farmers in Burkina Faso.

C. Project Description

Description

The project will have two components, the first to support the training of farmers to adopt new technology and the second to support the acquisition of irrigation equipment. The project will be implemented by SOFITEX, a government owned parastatal that is the largest cotton buyer and processor in Burkina Faso. The project will be implemented in regions selected from the company's current area under production including Houet, Koudougou, Mouhoun, Kossi, Sourou and Comoé Bougouriba. Other organizations playing a key role in implementation are Ecobank, which will provide financing for irrigation equipment, and the national cotton farmers association (UNPC-B), which has extensive experience in delivering training to farmers.

Component 1 (US\$900,000): Output based training for farmers. Under this component, the project will provide technical capacity strengthening for 5,000 farmers on good agricultural practices for soil and water, such as mulching or land forming for rainfall harvesting. Such practices are low-cost ways to manage soil water to increase yields, and allow effective use of the irrigation technologies. The project will also provide further training to 3,000 farmers who will benefit from irrigation equipment subsidies on the operations and maintenance of equipment supported by the project. Training materials will be tailored to the needs of farmers, who are often illiterate.

The delivery mechanism for the training, contracting of trainers and selection of beneficiaries will be determined during preparation, and is expected to involve SOFITEX, the national cotton farmers association (UNPC-B), which has extensive experience delivering training to farmers, and other local actors who can play a long-term role in building farmer capacity for water management. In order to ensure sustainability, the project will support the training of trainers.

All training will be output-based. A practical certification method will be defined during preparation in consultation with project stakeholders. The training provider will be reimbursed for training costs after independent verification by the independent verification agent (IVA) that training was carried out in accordance with the rules of the project.

Component 2 (US\$3,100,000) OBA subsidies to support acquisition of irrigation technology by cotton farmers in the SOFITEX supply chain. Under this component, the project will support 2,500 farmers and 24 communities to acquire irrigation technology for supplementary irrigation. These farmers are expected to be drawn from the set of 5,000 farmers trained under Component 1. The irrigation is not meant to replace rain fed cotton farming but to help farmers supply water to the cotton crop during critical dry periods when there is a high risk of crop failure, which will help build resilience to climate change impacts. Technologies to be supported are likely to include:

- a) Improved local wells, to enhance availability of water from subsurface sources. Typical wells have a limited diameter and recharge capacity; lining and enlarging the wells will significantly improve performance (200-300% increased flow rates, estimated cost \$ 250 - \$ 400 per well)
- b) Motorized pumps to increase access to water. The need to manually access and carry water is a major constraint to the adoption of supplementary irrigation. The introduction of locally available and maintained diesel and gasoline pumps (capital cost \$430 per ha plus \$31 annual O&M) will create greater access to irrigation water at an affordable cost. Solar powered pumps will also be assessed as a way to introduce high-capital low-O&M options (Capital cost \$ 16,000 / 12 ha, or \$660 per half-hectare plot).
- c) Community-based solar irrigation systems. The system will allow a group of farmers within a cooperative to share larger capital costs and output. Solar power reduces reliance on fossil fuels and has the advantage of eliminating most of the O&M costs that have historically created problems for the long-term sustainability of community-based irrigation systems.
- d) Improved water distribution and storage via piping and water storage structures, to improve efficient utilization of water. This leverages the costly infrastructure already promoted and supplied by government and donors, and will allow for organized and coordinated access to water where such structures exist (costs tbc on-site).

Component 3 (US\$400,000) Partial Risk Fund to support access to loan finance. The project is

proposing a partial risk fund to be accessed by the lender in the event that farmers default on their loan repayment obligations to Ecobank. This would encourage the lender to make loans in what is clearly a high-risk operating environment. Key risks include: fragile state with limited legal options to settle disputes; absence of liquid collateral that can be provided by borrowers; and, pilot investment in irrigation technology for low-income farmers not familiar with the concept. The partial risk sharing structure, including limits of coverage and cover for principal payments or interest and principal will be negotiated during preparation. The initial estimate has been set at approximately 50% of the farmer contributions for equipment purchases under the project. Any funds not called on from the partial risk fund shall be reallocated to Component 2.

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

The project will be processed under O.P. 4.03 as it is a joint operation with IFC. The concept stage ISDS has been processed and cleared offline.

E. Borrower's Institutional Capacity for Safeguard Policies

Borrower has complied with IFC's Performance Standards and hence qualified for IFC investment. The project is being processed under O.P. 4.03

F. Environmental and Social Safeguards Specialists on the Team

Abdoul Wahabi Seini (GSU01)

Leandre Yameogo (GEN07)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	No	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

III. SAFEGUARD PREPARATION PLAN

A. Appraisal stage ISDS required?: Yes

i. Explanation

The project will trigger the environmental assessment, and may trigger additional Safeguards Po

- ii. Tentative target date for preparing the Appraisal Stage ISDS
15-Aug-2016

B. 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 Appraisal Stage ISDS.

IV. APPROVALS

Team Leader(s):	Name: Rajesh K. Advani, Richard Charles Henri Colback	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Johanna van Tilburg (SA)	Date: 13-May-2016
Practice Manager/ Manager:	Name: Alexander E. Bakalian (PMGR)	Date: 13-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.