



# Project Information Document/ Integrated Safeguards Data Sheet (PID/ISDS)

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Concept Stage | Date Prepared/Updated: 13-Sep-2016 | Report No: PIDISDSC18657



**BASIC INFORMATION**

**A. Basic Project Data**

Country Burkina Faso	Project ID P159476	Parent Project ID (if any)	Project Name Burkina Faso Livestock Sector Development Support Project (P159476)
Region AFRICA	Estimated Appraisal Date Jan 05, 2017	Estimated Board Date Mar 30, 2017	Practice Area (Lead) Agriculture
Lending Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Ministry of Animal Resources	

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**Financing (in USD Million)**

Financing Source	Amount
Borrower	1.00
International Development Association (IDA)	40.00
<b>Total Project Cost</b>	<b>41.00</b>

Environmental Assessment Category

B-Partial Assessment

Concept Review Decision

Track I-The review did authorize the preparation to continue

Other Decision (as needed)

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**B. Introduction and Context**

Country Context

1. **Burkina Faso is a landlocked, low-income country with high demographic growth and poverty levels.** Being a sahelian country, it has mainly a semi-arid climate. It faces difficult agro-ecological conditions due to climate change and increasing human pressure. The rainfall is low overall (500 mm per year average in the sahelian zone and 800-1000 mm in the sudano-sahelian zone), irregular and poorly distributed; it is experiencing a downward trend. Per capita gross national income (Atlas method) was US\$750 in 2014 and 45 percent of the population lived in poverty. The population is currently estimated at about 18.5 million. With average growth rates at around 3 percent, the population is estimated to reach 21.5 million by 2020 . The country was ranked 181 out of 187 countries on the 2014 UN Human Development Index. Non-income indicators of poverty and welfare, particularly in the areas of education and health, are among the lowest in the world, and most of the Millennium Development Goals appear out of reach.



2. ***Economic performance was relatively strong in the past decade, but it has recently slowed down with negative impact on poverty.*** Over the last fifteen years, economic growth has averaged about 5.5 percent per year. The country has made progress in terms of structural reforms, sound economic policies, increased cotton and mining production, steady investments, and a stable macroeconomic environment. Monetary and exchange rate policy has been well-managed, and, in 2012, inflation was held to about 3 percent. Burkina has a healthy banking sector. The country is also working toward an integrated and open regional economic space through the West African Economic and Monetary Union (WAEMU), the Economic Community of West African States (ECOWAS), and other African cooperative initiatives notably as part of CAADP. In 2015, the country was ranked 76 in the world according to the Corruption Perceptions Index, one of the best ranking in Sub-Saharan Africa. However, Burkina Faso's economy is still overly reliant on agricultural production (especially cotton) and gold which contribute a substantial part of export revenues. The recent fluctuation in gold and cotton prices, combined with drops in grain production and political instability, have contributed to a slowdown in economic development and increased insecurity. Hence, government efforts have not translated into substantial poverty reduction. The country also faces increasingly harsh climatic conditions, which hinder efforts to reduce extreme poverty.

3. ***In December 2010, the Government adopted a Strategy for Accelerated Growth and Sustained Development (Stratégie de Croissance Accélérée et Développement Durable-SCADD, 2011-2015).*** SCADD focuses on promotion of growth poles to support agribusiness and small and medium-sized enterprises with pro-poor programs and critical structural reforms. The Country Partnership Strategy (CPS, FY13-16) adopted in June 2013 proposes an integrated World Bank Group (WBG) program of partnership activities that selectively supports SCADD, with the twin goals of reducing poverty and increasing shared prosperity. Under the CPS, the WBG works with the country to: (i) accelerate inclusive and sustainable economic growth; (ii) enhance governance for more efficient social service delivery; and (iii) reduce economic, social, and environmental vulnerabilities, as well as mainstreaming governance and gender. The SCADD and the CPS have identified the agriculture sector and related interventions in rural development as one the country's major sources of growth with high potential for shared prosperity and poverty reduction. The recent 2015 CPF Performance Learning and Review confirmed this potential.

4. ***The political climate has recently stabilized.*** Burkina Faso experienced major political crises in October 2014 and September 2015. The internal unrest associated with these crises was fueled by the unequal distribution of resources and a perceived lack of accountability in the management of public resources. This situation was exacerbated by recent upheavals in neighboring Mali, and the Sahel region in general. Burkina Faso received numerous refugees. In 2015, as the new election period approached, political uncertainty was heightening. However, presidential and legislative elections were held successfully on November 29, 2015, giving promise of a more politically stable situation. The local government (LG) elections were also held successfully on May 22, 2016.

***In July 2016, the new Government prepared and adopted a national program for economic and social development (Programme National de Développement Economique et Social-PNDES).*** PNDES replaced SCADD, which expired at the end of 2015. PNDES is the current strategic document that lays out the Government's vision and action plan for the next five years (2016-2021). The document emphasizes the structural transformation of the economy as well as the key role for the agriculture sector as a driver of growth. The Bank's Systematic Country Diagnosis under preparation acknowledges the PNDES/SCADD thrust as a solid basis moving forward.

#### Sectoral and Institutional Context

5. ***Overall agriculture sector.*** Burkina Faso is a mainly agro-pastoral country. The agricultural sector (crop and animal production) is one of the pillars of the Burkinabe economy. The sector's contribution to GDP has declined



recently, from 35 percent in 1999 to 30 percent in 2011, due to the development of other sectors of the economy such as the mining. However, farming and livestock activities still occupy about 86 percent of Burkina Faso's workforce and constitute the main source of income for the poorest populations. On that account, the Government made agriculture a pillar of its 2010 SCADD; this was reconfirmed under the newly-approved PNDES. The Rural Development Strategy (RDS) adopted in 2003 still governs all public interventions in rural development, with the following objectives: (i) increase agriculture, pastoral, forestry, wildlife and fisheries production through improved productivity; (ii) raise income through diversification of rural economic activities; (iii) strengthen the link between production and market for all agriculture (plant and animal) value chains; (iv) ensure the sustainable management of natural resources; and (v) improve the economic and social status of women and rural youth. The National Rural Sector Program (NRSP) that ended in December 2015 supported the Government's vision to modernize Burkina Faso's rural sector and to make it a driver of food security, sustainable growth and job creation. This was to be achieved through the development of professional, competitive, market-oriented businesses and agro-industries. A new NRSP is under preparation; it will build on the same priorities within the framework of PNDES.

6. **Livestock sector.** With a national herd estimated at 8 million cattle, 19 million small ruminants, 35 million poultry and 2 million pigs (2008), the livestock sector contributes over 18 percent to GDP (12 percent for animals and 6 percent for hides and skins). The share of animal products, including hides and skins, in the value of exports is approximately 26 percent placing livestock in second position after cotton. Furthermore, livestock employ over 80 percent of households to whom it provide the greater part of their cash income. Besides generating much needed employment, livestock contribute to food and nutrition security. It is a positive factor for regional integration (through trade which is largely informal), as well as for the intensification of farming activities as it provides for crop-livestock integration through animal traction and soil fertility. Burkina Faso's livestock potential is yet to be fully exploited. To mobilize its potential, the sector still faces many technical, institutional, financial, legal, socio-economic and environmental constraints. One key hurdle is the lack of funding available to implement the national livestock sector policy and development strategy. This prevents the sector from playing the strategic role it is meant to have in the country's development process.

7. **Production systems.** Three main categories of livestock production systems co-exists in Burkina Faso: (i) mobile pastoral/ agro-pastoral systems: mainly extensive based on large and small ruminants in the northern part of the country; (ii) traditional mixed crop-livestock systems: mainly sedentary/ village-based, throughout the country; and (iii) commercial systems: mainly semi-intensive peri-urban poultry and pig production. These three categories have very differentiated strengths and weaknesses and require specific interventions. Since pastoral systems are already covered under the PRAPS, the proposed project focuses on sedentary mixed crop-livestock and commercial systems.

8. **Policy and strategy.** In recent years, Burkina Faso prepared comprehensive livestock sector policy and strategy papers, and related operational plans for their implementation. These include: (i) the National Policy for Sustainable Livestock Development (PNDL, 2010-2025), the key document setting the framework and blueprint for livestock development; (ii) the Action Plan and Investment Program for the Livestock Sector (PAPISE, 2010-2015), developed within the framework of the Livestock, Poverty and Growth (IEPC) initiative under the Alive initiative; the study benefited from the technical and financial support from the Bank and the FAO Investment Centre; and (iii) the National Plan for Adaptation to Climate Change in the Livestock Sector (PNEL, 2013). PNDEL overall objective is to enhance livestock contribution to national economic growth, as well as to food and nutrition security, and, in doing so, improve the living conditions of the Burkinabe population. PNDEL implementation is organized around four strategic axes, namely: (i) capacity building of sector stakeholders; (ii) security and sustainable management of pastoral resources; (iii) enhanced animal productivity and production; and (iv) improved competitiveness and marketing of animal products.



9. **Key strengths and opportunities.** Burkina Faso's livestock sector displays a strong comparative advantage in regard to supporting the country's growth and social development. The sector comparative advantage encompasses principally: (i) the presence of a numerically large and varied animal stock, as well as the existence of a strong traditional know-how in animal husbandry; (ii) its important contribution to GDP (18 percent) and exports earnings (26 percent of export earnings or CFAF 36.5 billion in 2007); and (iii) the generation of employment for a substantial proportion of the population with key significant redistributive effects and contribution to food security, nutrition and the fight against poverty (livestock is the main source of cash household income in rural areas). Other strengths include the fact that livestock serve as a store of wealth to cope with climatic and economic shocks; it is resilient in the sense that it can rebuild or restock quickly after climatic shocks, particularly drought. There is now a growing network of agro-pastoral producers which facilitates policy dialogue and access to inputs. It is worth noting also that the financial profitability of animal production for individual producers far exceeds that of crop production (rate of return of 19.7 percent against 7.5 percent for plant production).

10. To build on its comparative advantage, Burkina Faso can count on the following opportunities: (i) a significant scope for improvement of livestock productivity (e.g., through improving animal health and tapping the genetic potential of local breeds); (ii) an increasing deficit in animal products on the domestic market, in view of the growing demand of the local population: consumption of meat and animal continues to grow as it is positively correlated to population growth, urbanization and increase in per capita income; (iii) a strong traditional know-how in animal husbandry in general and positive reputation in specific Value Chains (VCs) (e.g., poultry); and (iv) the export possibilities offered by the regional market, particularly in neighboring coastal countries (Ghana, Ivory Coast and Benin). As part of project activities, market surveys will be prepared to ascertain precisely the characteristics of the demand for livestock and animal products both on the domestic market and in the sub-region.

11. **Constraints to livestock development.** In order to mobilize the potential of the livestock sector and capitalize on its comparative advantage the following major constraints must be addressed: (i) institutional, legislative and regulatory constraints: support services are weak, legal texts governing the sector regulatory framework are often inadequate, or, if they are adequate, are not sufficiently enforced, and information systems are grossly undeveloped; (ii) weak level of organization and low degree of expertise (including literacy) of actors operating in the livestock value chains; (iii) limited access to inputs (feed supplies, and zootechnical and veterinary inputs), and to grazing resources due to the marked fluctuation in quantity and quality of pastures depending on the season<sup>1</sup>; (iv) weakness of adaptive research, in particular lack of an adequate breeding program in view of the need to improve the low genetic potential of local breeds for intensive production systems<sup>2</sup>; (v) insufficient productive infrastructure, weak technical support services and lack of access to financial resources; (vi) unsettled land tenure and land insecurity; and (vii) absence or weakness of national mechanisms for preventing and managing climate and food crises; and persistence of domestic and transboundary animal diseases and zoonoses.

12. **Institutional context.** The Ministry for Animal Resources and Fisheries (MRAH) is responsible for the livestock sector, with the following functions: (i) improvement of traditional livestock activities through training and extension for producers, including support for partnership and cooperation between them and other relevant actors in the targeted production value chains; (ii) development of pastoral areas, promotion of feed-processing industries, and

<sup>1</sup> Regarding feed, the problem is not just access but production of sufficient quantity to meet animal requirements year-round. In the Sahel, about 60 percent of livestock diets come from grazing. Pastures have to be improved in terms of primary productivity otherwise increasing livestock productivity will still remain a big challenge.

<sup>2</sup> The local breeds are suited for pastoral and agro-pastoral systems as they are well adapted to harsh climatic conditions and have relatively low feed requirements. With the new breeds, suited for the intensive systems, there is the added challenge of meeting feed requirements.



support to fodder production, to spur intensive animal production; (iii) strengthening of animal health infrastructure and services; (iv) improvement of quality control of animal products; (v) support of the processing industries of livestock by-products: food products, hides and skins, and manure of animal origin; and (vi) identification of stable and remunerative markets for livestock products. Implementation of PNDEL is under the oversight of a Steering Committee that includes MRAH's central directorates, MRAH's decentralized units and associated autonomous structures, as well as representatives of partner ministries, the apex structures of professional value chains organizations, the civil society, the private sector and the Technical and Financial Partners (international and bilateral donor agencies). MRAH recognizes that the successful implementation of PNDEL must involve both the State and all other stakeholders in the sector being domestic (private and public) or external.

#### Relationship to CPF

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13. **Link to partnership strategy.** The proposed project interventions are selective, strategic, and closely coordinated with the activities of other development partners. They support Burkina Faso's National Policy of Sustainable Livestock Development (PNDEL). In turn, PNDEL links with development policies at national, regional and sub-regional (e.g., West African Agricultural Policy-ECOWAP via the Center of Specialization of Livestock, and CAADP via the Action Plan for the Development and Transformation of Livestock 2015-2020), and international level (e.g., Millennium Development Goals, Economic Partnership Agreements). PNDEL is aligned with the Government's former Strategy for Accelerated Growth and Sustained Development (SCADD, 2011-15), and its current National Investment Program for Social and Economic Development (PNDES), as well as the Country Partnership Strategy (CPS). It also takes into account the sector investment programs of the two ministries in charge respectively of agriculture and the environment (MRAH's Agricultural Sector Investment Program – PNSR, and MEDD's Ten-Year Action Plan for the Environment- PNE).

14. **Scope of intervention and complementarity with other Bank projects.** The proposed project will be national in scope, with a focus on the main livestock production basins. The targeted production systems will be complementary to those supported by the Bank-funded Regional Project for Support to Pastoralism in the Sahel (PRAPS) project. There will be no overlap with PRAPS as it has an exclusive pastoral focus. The project will relate to PRAPS not only with regard to the prevention and management of crisis situations, but also to optimize MRAH's fiduciary, as well as environmental and social safeguards, and overall management capacity. The project will also seek to enhance the support to livestock sectors already provided through the Bank-funded Agriculture Productivity (PAPSA), Agro-Sylvo-Pastoral Value Chains (PAFASP) and West-Africa Agriculture Productivity (WAAPP) projects. In this respect, it will focus on Burkina Faso's cattle and small ruminant production and meat processing industry, and the milk and poultry value chains (meat and eggs). The diversification sectors (pork, beekeeping and fish farming) will be considered also to the extent of their ability to improve food security and nutrition and generate attractive investment initiatives.

### C. Proposed Development Objective(s)



The proposed project development objective is to improve livestock productivity, develop animal value chains and strengthen capacity to respond to emergencies affecting livestock. The project will have a countrywide coverage. It will focus on the main livestock commodity value chains, including meat (cattle and small ruminants), as well as milk and poultry (meat and eggs). Commercially attractive businesses and value chains regarding pork production, apiculture and aquaculture may also qualify for project support as diversification areas.

The PDO is aligned with the Government's vision for sustainable livestock development, as laid out in PNDEL. It reflects a vision geared to promoting 'a competitive and environmentally sustainable livestock production for which operational value chains which are organized based on market conditions and are contributing to a greater extent to both food security and the improvement of the welfare of the Burkinabe people.' This goal is complementary to the goal of the Bank-funded PRAPS project. The proposed project will concern the sedentary systems, which are not dealt with by PRAPS which focuses strictly on pastoral (mobile) systems.

#### Key Results (From PCN)

15. Key performance indicators include: (i) increased productivity of project targeted livestock systems: this will be measured based on the increased yield of the project-targeted production systems (kg/head or per ha), including the reduction of losses due to the most prevalent diseases; (ii) improved competitiveness of project-targeted livestock value chains: this will be measured based on the incremental value of traded animal commodities; and (iii) reduction in the Government's response time to animal related emergencies. In addition, the following two core indicators regarding direct beneficiaries will be measured: (i) number of sedentary livestock rearing households benefiting from project interventions in the project-targeted production basins, particularly vulnerable groups (e.g., women and youths); and (ii) beneficiary satisfaction rate with the quality of project-supported services for the livestock sector, as a partial measure of citizens' engagement in the project. The detailed results framework will be developed in the course of preparation. Adequate provision will be made in terms of human and financial resources for thorough M&E activities as part of project design. A baseline survey will be conducted to collect the required data to inform indicators at project inception.

#### Project Beneficiaries

16. **Direct beneficiaries.** Key beneficiaries of the proposed project are: (i) sedentary livestock rearing households benefiting from project interventions in the project-targeted production basins, particularly vulnerable groups (e.g., women and youths); (ii) small and medium scale private livestock operators and enterprises; (iii) livestock Producer Organizations (POs) and their apex institutions; (iv) staff of the livestock support services, including the public livestock research and extension services, NGOs, and private service providers, involved in the targeted livestock value chains in the project areas. The proposed project is expected to benefit livestock households and small livestock operators and enterprises in target areas (numbers to be determined during project preparation)

17. **Indirect beneficiaries.** Secondary beneficiaries include other livestock farmers not directly involved with the project activities outside the project-targeted basins; they will benefit particularly from improved control of animal diseases. VC stakeholders (buyers and processors) will benefit from increased provision of livestock commodities. On the consumption side, consumers in Burkina Faso will benefit from increased and better quality animal product supply. Other indirect beneficiaries are livestock VC service providers, including private veterinarians, and inputs providers (feed and veterinary medicines).



#### D. Concept Description

18. The project will be structured as an Investment Project Financing (IPF), funded by an IDA credit in the amount of US\$40 million over a five-year period. The project will have three components with activities sequenced in such a way as to remove constraints and address priorities sequentially for best results. Proposed project components are the following: (i) *Component 1*: improvement of access to inputs and services; (ii) *Component 2*: development of livestock value chains; and (iii) *Component 3*: strengthening capacity for prevention and response to crises and emergencies, and project coordination.

##### **Component 1: Improvement of access to livestock inputs and services (US\$14 million).**

19. Component 1's objective is to improve the productivity of traditional and improved sedentary livestock systems, by promoting producers' access to essential livestock inputs and related technical support services. Component 1 will adhere to the following intervention principles: (i) as deemed appropriate based on needs, cover part or the entire spectrum of the targeted value chains under both traditional and improved sedentary livestock systems; (ii) complement PRAPS activities as regards pastoral systems; and (iii) capitalize on relevant lessons learnt under the Bank-funded PAPSA, PAFASP and WAAPP projects. Component 1 activities will focus on: (i) animal health, by supporting plans to control key diseases, including the related capacity building of field veterinary services and the supply of drugs; (ii) technical advisory services, delivered by both the public and private sector; (iii) genetic improvement, including related applied genetic experiments; and (iv) access and/or production of animal feed, as well as related zootechnical and extension services, to meet animal production requirements year-round.

20. **Sub-component 1.1: Access to animal health services.** SC 1.1 will strengthen MRAH's Veterinary Services (VSs), in complement to PRAPS as required, with a focus on epidemio-surveillance and early detection systems for major animal diseases such as CBPP, FMD, *Peste des Petits Ruminants* (PPR), African Swine Fever (ASF) and Newcastle Disease, as well as Highly Pathogenic Avian Influenza (HPAI); it will also contribute to the control of diseases that negatively affect animal productivity, such as parasitic, vector-born or bacteriological diseases. This will be achieved through: (i) improving the operational capacity of the Veterinary Services, including both public and private veterinary services; and (ii) supporting surveillance and control of animal diseases. SC 1.1 will build on the results of the Performance of Veterinary Services (PVS) tool developed by OIE and its subsequent Gap Analysis as well as all relevant exiting documentation.

21. VS capacity will be strengthened through (i) operationalization of the regulatory framework governing the animal health system, including support to both MARH's field services and private veterinary practices (particularly through the Sanitary Mandate<sup>3</sup>); (ii) strengthening the National Order of Veterinarians of Burkina Faso to ensure the quality and ethical delivery of private livestock services; and (iii) development and operationalization of an animal health information and training system at the Directorate for Veterinary Services (DVS), including training and awareness building of producers and Producer Organizations (POs). Support to surveillance and control of animal diseases will include: (i) surveillance (active and passive); and (ii) vaccination/treatments. To complement the efforts

<sup>3</sup> The Sanitary Mandate regulates the devolution of certain aspects of animal health service provision from the public to the private sphere.





of veterinarians, the capacity of community animal health workers will be strengthened as they are critical to animal health service delivery in the rural areas.

22. **Sub-component 1.2: Access to technical advisory services.** SC 1.2 will support access to technical advisory services, through both public and private provision of such services. It will (i) help to define a national strategy to improve access to advisory services; (ii) strengthen MRAH's zootechnical support services, including training and logistical support for field staff; and (iii) improve private sector led delivery of advisory services, including the contribution of Producer Organizations (POs) in providing such services.

23. **Sub-Component 1.3: Access to high quality inputs.** SC 1.3 will support access to high quality inputs, particularly, improved genetic material, and improved feed and fodder. It will improve the availability of these inputs by: (i) assisting MRAH to develop its strategy for improved high quality animal inputs; and (ii) supporting the corresponding investment plan, particularly as regards the upgrade and development of the breeding and seed centers (to be identified). Project interventions will include: (i) development of norms and quality standards for animal breeding, as well as for feed and fodder production; (ii) promotion of good practices for farm-level animal production; and (iii) support to MRAH control activities regarding the use of the improved inputs provided to beneficiaries.

24. **Sub-Component 1.4: Institutional support.** SC 1.4 will strengthen MRAH's staff capacity to carry out its core responsibilities. Activities will include: (i) financing MRAH's training needs to increase the Ministry's pool of specialized staff; specific attention will be given to female staff; (ii) development of MRAH's information and communication system to improve the relation between the Ministry and its key stakeholders; (iii) support to the development of food-safety norms for livestock products, quality standards and their reinforcement, including the provision of specialized equipment, laboratory equipment, transport facilities, etc.; and (v) support to the promotion of market outlets for Burkina Faso's animal commodities (in collaboration with VC professional organizations, see para 29 below).

## **Component 2: Development of livestock Value Chains (US\$20 million)**

25. Component 2's objective is to strengthen the competitiveness of Burkina Faso's animal production, through the modernization of activities all along the targeted value chains (VCs), at production, processing and marketing stages. The project will target as a priority the beef, goat/sheep, poultry and milk VCs in key geographic areas, as well as pig and honey VCs based on their importance in these areas. Component 2 will consist of two interrelated sub-components: (i) Sub-Component 2.1: Support to livestock VC competitive environment; and (ii) Sub-Component 2.2: Productive Alliance Scheme.

26. **Sub-Component 2.1: Support to livestock V/C competitive environment.** SC 2.1 aims to create a competitive enabling environment for targeted VCs, particularly as regards the establishment of direct and sustainable commercial relations between producers and buyers, and the mobilization of funding from Financial Institutions (FIs). Activities will include: (i) improving the understanding of targeted VCs, by supporting the required production and market surveys to characterize both supply and demand and promote the country's animal commodities; (ii) supporting VC professional organizations so that they play a key role in helping organize the targeted VCs, *inter alia* monitor VC activities, organize VC membership and defend its interests, and provide the required advisory services including information on technology developments and applications and market outlets (e.g., online-based market information system); (iii) helping mobilize funding for private operators: this will be achieved by providing training and technical assistance to Financial Institutions (FIs), so that they better understand the livestock sector and design financial services that are tailored to the sector's diversity; and (iv) building capacity of private promoters and POs for



preparation of viable investment projects, including training in business and administrative skills, and capacity to comply with FI requirements; the sub-component will support *inter alia* the establishment of sustainable business relations between targeted promoters/ POs and Financial Institutions (FIs), through the IFC Business Edge initiative, and capitalize on models developed within the ongoing PAFASP project.

27. **Sub-Component 2.2: Productive Alliance Scheme.** SC 2.2's implementation will be based on the key intervention principle of productive alliance, i.e., supporting investment sub-projects based on partnerships between actors in given VCs or segments thereof. Productive Partnerships (PPs) are agreements between formally organized producers or individual promoters, and agri-business partners (processing industries, marketing corporations, etc.) The PP agreement specifies: (i) product quality and characteristics, including animal species and size, and type of animal products to be produced; (ii) quantity to be produced and bought; (iii) delivery modalities: how the product will be delivered, when, and in what conditions; (iv) payment modalities and price determination criteria; and (v) the buyer's contribution, such as technical assistance, specific arrangements for input supply and reimbursement. Component 2 will focus on the emergence of dynamic promoters of productive alliances, on access of these promoters to financial institutions (FIs), and on improving linkage between supply and demand to steer promotion of livestock activities to areas where demand exists. It will capitalize on the successful achievements of the Bank-funded PAFASP project in the above areas.

28. Component 2 activities will consist of supporting Productive Alliance investment Sub-Projects (SP) initiatives, by (i) facilitating linkage of supply and demand (organization of supply, identification of market outlets, support to contractual arrangements, etc.); (ii) improving access to funding, including support for contract negotiations between project promoters/ POs and FIs; and (iii) provision of funding in the form of matching grants for investments as required in all segments of the targeted value chains. The basic eligibility condition for project funding will be that actors have established a viable productive alliance based on a partnership arrangement between themselves to implement their investment sub-project. The basic condition is that the alliance provides evidence bringing buyers together with producers/ producer organizations. Beneficiaries (individual animal producers, producer organizations and private entrepreneurs/ promoters) under SC 2.2 will be identified through a systematic process based on well-defined eligibility criteria including years of doing business in the project-targeted VCs, financial and operational capacity, registration with professional organizations, knowledge and experience with food safety, etc. Selection criteria will be based essentially on the viability of the business plan underlying the productive alliance partnership as measured by adequate profitability criteria (IRR, NPV, etc.) The business plan will give evidence of strong relationship between buyer and producers.

29. The project support for the selected promoters/ POs/ private entrepreneurs will be in the form of technical assistance and matching grants to support the productive partnerships. Details on the implementation arrangements including eligibility and selection criteria, negative list, etc., as well as the requirements all along the productive alliance sub-project cycle, will be specified during pre-appraisal and summarized in the Project Implementation Manual. As part of project preparation, an assessment, analyzing farmers and producers demand and readiness to join productive alliances, will be conducted to inform the subcomponent design. Depending on the results of this assessment, it will be decided to place more effort in raising awareness and pro-actively engaging with stakeholders towards their participation in the productive alliances.

**Component 3: Prevention and response to crises and emergencies, and project coordination and management (US\$6 million).**



30. Component 3's twin objective is (i) to support preparedness and response to crises, and emergency management of the livestock sector, with a focus on production systems targeted under the project, and (ii) to provide institutional support to MRAH for project coordination and management. It comprises two sub-components supporting the related activities.

31. **Sub-component 3.1: Strengthening of prevention and response to crises and emergencies.** SC 3.1's objective is to help Burkina Faso to be fully prepared and to respond effectively in the case of livestock crises and emergencies. In line with the project thrust, S/C 3.1's activities will focus on sedentary systems in complement to PRAPS's activities which are focused on pastoral systems; they will comprise: (i) developing animal health contingency and emergency response plans per targeted disease, and/ or updating and field-testing of these plans to increase preparedness in the event of a crisis affecting the livestock sector; (ii) supporting the Permanent Secretariat for Livestock Crises and Vulnerabilities (SPCVE, after its French acronym) which is being created at MRAH; and (iii) establishing a National Livestock Emergency Fund to rapidly provide operating means in the event of a crisis or emergency (in accordance with the policy OP/10.00 of the Bank).

32. **Sub-component 3.2: Project coordination and management.** SC 3.2's objective is to provide institutional support to MRAH to manage the project. It will establish a Project Coordination Unit (PCU) with characteristics presented in para 42 below, including appropriate staffing and operating resources to take care of the project fiduciary management, safeguard compliance and Monitoring and Evaluation. A joint institutional set-up with the PRAPS PCU will be considered, with the objective that the proposed project PCU would share staff and operating resources with the PR

## SAFEGUARDS

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

Country-wide

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

Borrower has experience in managing World Bank's operations and the safeguards aspects. Also the country has the legal and regulatory framework and an interest in promoting safeguards. aspects. The Borrower's institutional capacities for safeguards policies is acceptable. The hosting unit has been implementing another livestock related project including safeguards issues. Also this unit is staffed with a safeguard person in charge of supporting the preparation for environmental and social instruments. In terms of institution, the country has a national agency (Bureau National des Evaluations Environnementales - BUNEE) that is in charge of environmental studies validation, monitoring and control of project implementation at the national level.

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

Abdoul Wahabi Seini, Leandre Yameogo

### D. Policies that might apply



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Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	This project is likely to be small-scale and site specific typical of category B projects. More specifically, it aims at improving animal health, by supporting plans to control key diseases, including the related capacity building of field veterinary services and the supply of drugs. In addition, the project will be focused on technical advisory services, genetic improvement, and access and/or production of animal feed, as well as related zotechnical and extension services. Furthermore, the support of the modernization of activities along the targeted value chains (VCs) will also be part of project activities. These types of interventions are usually site specific and have little or no adverse impacts. At the time of project conception, the sites of sub-projects to be financed are not known. Then, an Environmental and Social Management Framework (ESMF) needs to be prepared, reviewed, consulted upon and disclosed in-country and at the Bank Infoshop prior to the appraisal.
Natural Habitats OP/BP 4.04	No	The project activities will not be implemented in areas hosting natural habitats.
Forests OP/BP 4.36	No	The project will not support activities related to forest exploitation or management or might not have potential adverse impacts on forested areas.
Pest Management OP 4.09	Yes	The project aims at supporting plans to control key diseases, including the supply of drugs (component 1). In addition, it intends to support the provision of specialized equipment and laboratory equipment (sub-component 1.4). By their nature, these activities will use or lead to the use of chemical products. However, based on their small scale of use, there is no need to develop a specific safeguard instrument. The ESMF to be developed in line with OP/PB4.01 will include a chapter dealing with all issues related to the use of such chemical products.
Physical Cultural Resources OP/BP 4.11	No	The project activities are not expected to infringe or impact any physical cultural artifacts in its implementation areas
Indigenous Peoples OP/BP 4.10	No	There are no indigenous people in the project intervention areas as defined by the World Bank.
Involuntary Resettlement OP/BP 4.12	Yes	A Resettlement Policy Framework (RPF) will be prepared and will be used as a guide to prepare



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		specific Resettlement Action Plans (RAPs) as needed to meet the Strengthening Prevention and Response Mechanisms to crises and emergencies requirements.
Safety of Dams OP/BP 4.37	No	The implementation of the project will not entail the construction of new dam, neither will any of the project activities rely on the performance of an existing dam or a dam under construction (DUC) that draw directly from a reservoir controlled by an existing dam or a DUC; diversion dams or hydraulic structures downstream from an existing dam or a DUC, where failure of the upstream dam could cause extensive damage to or failure of the new Bank-funded structure.
Projects on International Waterways OP/BP 7.50	No	This project will not involve extraction of water from any international waterways (any river, canal, lake, or similar body of water that forms a boundary between, or any river or body of surface water that flows through, two or more states, whether Bank members or not). In addition, the project will not impact any tributary or other body of surface water that is a component of any waterway described above.
Projects in Disputed Areas OP/BP 7.60	No	The project is not located in Disputed Areas as defined by OP/BP 7.60.

**E. Safeguard Preparation Plan**

Tentative target date for preparing the Appraisal Stage PID/ISDS

Dec 20, 2016

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 PID/ISDS

Required studies will be launched and completed before appraisal. These studies include: (i) Environmental and Social Management Framework; (ii) Resettlement Policy Framework; and (iii) Integrated Pest management Plan.

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**APPROVAL**

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**Approved By**

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