



**Islamic Republic of Afghanistan**  
**Ministry of Agriculture Irrigation and Livestock**  
**د افغانستان اسلامي جمهوریت**  
**د کرنې، اوبولګولو او مالدارۍ وزارت**



**Afghanistan Agribusiness Development Project (AADP)**

**Terms of Reference (TOR)**

**For**

**Consulting Firm**

**For**

**Preparation of Environmental and Social Management Framework  
(ESMF), Pest Management Plan (PMP), and  
Resettlement Policy Framework (RPF)**

**October 10, 2018**

## Contents

<b>1.</b>	<b>Project Context and Description .....</b>	<b>3</b>
	1.1 Context.....	3
	1.2 Project Description.....	4
<b>2.</b>	<b>Project Environmental and Social Safeguards Issues .....</b>	<b>8</b>
<b>3.</b>	<b>Objective of the Assignment .....</b>	<b>9</b>
	3.1 Environment and Social Management Framework.....	9
	3.2 Resettlement Policy Framework (RPF) .....	11
	3.3 Pest Management Plan.....	12
	3.4 Consultation and Disclosure .....	13
	3.5 Citizen Engagement (CE) .....	13
<b>4.</b>	<b>Detailed Tasks to be carried out by the consultant.....</b>	<b>14</b>
<b>5.</b>	<b>Consultants Deliverables .....</b>	<b>16</b>
<b>6.</b>	<b>Schedule of Deliverables.....</b>	<b>16</b>
<b>7.</b>	<b>Consulting Firm and Qualifications.....</b>	<b>16</b>
<b>8.</b>	<b>Services, Facilities and Materials to be provided by the Client.....</b>	<b>17</b>
<b>9.</b>	<b>Payment Schedule .....</b>	<b>17</b>

# 1. Project Context and Description

## 1.1 Context

There is a compelling case for investing in agriculture/agribusiness in Afghanistan. The sector accounts for about 25 percent of national GDP and is the second largest sector after services. This percentage becomes even higher if processing of agricultural products is included. More than 80 percent of the population and nearly 90 percent of the poor live in rural areas, and agriculture plays a key role in their livelihoods. About half of all households derive at least part of their income from agriculture, which employs about 40 percent of the national workforce.

Notwithstanding recent progress, the agriculture sector continues to suffer from the recurring and long-lasting political instability leading to structural constraints and low productivity. While significant results have been achieved in recent years regarding the development of selected value chains (i.e., horticulture crops), increases in productivity, and expansion of irrigation infrastructure, there is a long way to go to utilize the full potential of the agricultural sector - including: developing the necessary national capacity to carry out the structural reforms and other changes required by the sector's development strategy; revamping the rural institutions and infrastructure; improving access to modern production and post-harvest technology; and facilitating access to finance.

Agribusiness value chains are undeveloped with a low ratio of food processing to primary agriculture. The agro-processing sector in Afghanistan is poorly developed due to unpredictable policy environment, inadequate infrastructure (logistics, energy, storage, handling and packaging, etc.), lack of access to finance to make new, and competition from imported processed products that benefit from greater technological expertise and economies of scale. Furthermore, poor security, high land lease rates, and costs of operation have led to several businesses established in industrial parks (Herat, Mazar-i-Sharif, Bagram, etc.) to cease operations. Compared to neighboring countries, costs of production in Afghanistan are high, and the costs and risks associated with export are equally high. While it is quite easy to start a business, the country ranks poorly in enforcing contracts, trading across borders, protecting minority investors, registering property, dealing with construction permits and providing electricity. The World Bank's annual Doing Business rankings for 2017 show that Afghanistan continues to be one of the most challenging places in the world to do business; the country is ranked 183 among 190 economies in terms of Doing Business. At the same time, regulations and institutions that could facilitate agricultural production and trade, such as SPS enforcement, food safety standards and export certification, are lacking.

To reverse this trend, the Government of Afghanistan has developed a strategy for promoting agribusiness in the country; the Afghanistan Agribusiness Charter. The latter not only recognizes that commercial outcomes will ultimately be achieved by viable and resilient agribusinesses identifying and meeting market demands; but recognizes as well that the Government has a key role in setting in place supportive policies and in providing essential infrastructure, services and regulatory frameworks that allow business to be conducted efficiently. The Charter contains an action plan arising from stakeholders' consultation that address several strategic priorities for agribusiness development in the areas of: (i) enabling policies and regulations; (ii) creation and support of innovative institutions and agri-spatial solutions; (iii) facilitating access to finance; (iv) and institutional strengthening for effective service delivery.

The proposed project supports the objectives set by the Afghanistan Agribusiness Charter. Its Development Objective is to enhance the competitiveness of key agri-value-chains in Afghanistan for increased market access and value-added; benefiting farmers and agri-entrepreneurs. This will be achieved through the following components: (i) Improving the enabling environment and quality of support services for agribusiness development; (ii) Support of agri-spatial solutions and access to finance; and (iii) Crisis Prevention and management, project management and monitoring and

evaluation (M&E), and establishing the governance structure for the coordination and implementation of the Afghanistan Agribusiness Charter

## 1.2 Project Description

The proposed Project will be structured as an Investment Project Financing (IPF), funded by an IDA grant in the amount of US\$25 million and a US\$150 million contribution from the Afghanistan Reconstruction Trust Fund (ARTF) over a five-year period. It will focus primarily on the agro-processing segments of the horticulture and livestock value chains, including the critical linkages to upstream raw material. These were identified as priority value chains for development under the national development policies (NPP5- 2016-2021 and NES 2018-2022); specifically: horticulture products (dried fruits and nuts, fresh fruits and vegetables - mostly for exports), and livestock products (poultry, eggs, and dairy for domestic markets, in competition with current imports).

Field operations will be implemented sequentially in the five selected areas of the country which have a comparative advantage to produce for these value chains (Mazar e-Sharif, Kandahar, Kabul, Herat, and Nangarhar). The project will adopt an integrated perspective to developing the selected chains from production to marketing on the domestic and regional markets, or for export to international markets. It will support access to finance for services and activities of entrepreneurs who are ready to engage in intensification of their production and/or develop value-added activities to primary production through diversification of processing activities. It will also support the logistics between agricultural production and the market (including processing, storage, and transport). This will require the close involvement with Partner Financial Institutions (PFIs), as well as partner companies with the framework approach of productive partnerships.

**Constraints to be addressed:** The project will address the following constraints to agri-business development identified as part of the consultation process for the preparation of the Afghanistan Agribusiness Charter:

- a) *High cost of doing business in Afghanistan:* the country continues to be one of the most challenging places in the world for businesses to operate due in part to corruption and lack of transparency; lengthy and burdensome bureaucratic policies and procedures that cause substantial costs and contribute significantly to increased corruption and inefficiency. In addition, Afghanistan's tax regime is confusing, complicated and costly, particularly for the SMEs that play a key role in the agricultural sector;
- b) *access to markets remains challenging for Afghan agri-food enterprises:* Afghanistan has made some improvements in facilitating imports and exports; however, with the WTO Trade Facilitation Agreement coming into force, major reforms are still needed (standards and certification regime particularly which is rudimentary and lacks the equipment and infrastructure required to test for key quality and food safety standards);
- c) *access to industrial serviced land for agri-food enterprises and SMEs is limited;* available serviced land remains a severe constraint to upgrading the agricultural sector; agribusiness firms face challenges in trying to acquire productive plots due to patronage, poor management and rent-seeking behavior;
- d) *access to finance:* producers and processors lack access to finance because of ill-adapted financial products, weak capacity of financial institutions, lack of credit guarantees and overall poor financial outreach and education; and
- e) *producer organizations are inefficient:* cost-savings, access to technology and markets can in theory be achieved through stronger producer organizations and cooperatives as part of productive partnerships with processors and traders; in reality, however, many cooperatives have been created mainly for the purpose of channeling aid to farmers; current cooperative and farmer organization laws therefore require revision.

**Proposed Development Objective(s):** The PDO is to enhance the competitiveness of key agri-value-chains in Afghanistan for increased market access and value-addition for farmers and agri-entrepreneurs. This objective is fully aligned and contributes to the Government of Afghanistan's Agribusiness Charter Vision which aims at achieving a sustainable and competitive agribusiness sector, generating economic growth and diversifying employment opportunities.

**Project components:** The Project is designed with two interrelated technical components: (i) improving the enabling environment and quality of support services for agribusiness development; and (ii) support to private investments through agri-spatial solutions and facilitation of access to finance. The third project component would focus on crisis prevention and management, project management and monitoring and evaluation (M&E), and establishing the governance structure for the coordination and implementation of the Afghanistan Agribusiness Charter:

### **Component 1: Improving the enabling environment and quality of support services for agribusiness development**

The objective of Component 1 is to ensure an enabling policy and regulatory environment, and delivery of support services that can foster a competitive and sustainable development of the agribusiness sector in Afghanistan, essentially through public provision of enabling environment, goods and services.

**Sub-Component 1.1: Support to policies and regulations.** SC1.1 will focus on the following twin policies: (i) *business policies*: technical assistance to streamline or amend laws, regulations, administrative acts, other controls and taxation arrangements that create an unnecessary burden or unjustified cost to private activities; ensure an enabling regulatory and operating environment for agriculture finance that will influence the level of funding allocated to agriculture/ agribusiness development; and formulate and implement a clear and transparent legal and regulatory framework codifying the agri-industrial parks strategy and establish the rules of the game for all stakeholders involved in the process; and (ii) *trade policies*: support to establish a national sanitary and phytosanitary system fit for the purpose of fostering investment and initiatives in food systems; ensure that appropriate food safety/ quality regulations and facilities are available to enable the country to compete on export markets; see that policies are in place to enable Afghanistan to take maximum advantage of WTO membership benefits, including the extent to which domestic producers in infant industries can be offered some level of tariff protection; and ensure that steps are taken to reduce documentary requirements for import and export and to avoid overlapping and duplicating responsibilities of various agencies at border points. The financing of these activities will be coordinated with the Executive Committee on Private Sector Development (PriSEC).

**Sub-Component 1.2: Delivery of support services.** The project will improve delivery of government assistance for sustainable development of the agri-business/ agri-food sector. This will be achieved, building on the on-going GoA Capacity Building for Results Program (CBRP), by providing catalytic support towards strengthening the capacity of MAIL, MoCI, and other relevant institutions to deliver efficient agri-value-chain oriented services and to promote an enabling environment for sustainable agri-food sector development. A focus will be on those entities and structures involved in formulating and implementing policy; strategies and solutions for enhanced growth, employment and entrepreneurship in the agribusiness sector; making interactive and demand driven knowledge, innovation and extension system; promotion of investments in the sector; enhanced governance and partnerships across the value chains, and management of agribusiness development programs/projects. To the above effect, the project will fund special studies, dissemination activities, targeted training and specialized technical assistance.

- a) **Strengthening MAIL's capacity.** The project will strengthen MAIL's capacity to deliver adequate services for facilitating agribusiness development with a focus on the on-farm production segment of the value chain. The project will focus on two-pronged activities: (i) policy and institutional reform: supporting the implementation of MAIL's on-going institutional reform; establishing an internal technical and institutional advisory unit for

agribusiness promotion; and developing MAIL's Agricultural Statistics and Market Information Directorate (ASMID); and (ii) improved delivery of agribusiness oriented services: strengthening the capacity of MAIL's Private Sector Directorate; developing MAIL's capacity to deliver certification services to the private sector; and developing demand-driven extension system, and strengthening and expanding its extension services (based on Farmer Field School-FFS and Farming Learning and Resource Centers-FLRC concepts), with the involvement of private service providers. As part of the programmatic approach to support the implementation of the Agribusiness Charter, the financing of these activities is being considered by the EU.

- b) **Strengthening MoCI's capacity.** MoCI is currently inadequately structured and lacks the required human resources to supervise and support the new trade and industrial development vision of the country. Due to the lack of technical capacity, and inefficient business support services, the ministry has not been able either to formulate or implement a coherent policy that could promote and protect the nascent and vulnerable national industries, especially in the agri-food processing sub-sector (dairy, animal feed, poultry, etc.). The project will support building selectively the capacity of MoCI Directorates which are mandated to promote agri-value chains development. These include the SME Directorate, Investment Promotion Directorate, Industrial Parks Directorate, Market Regulation and Strategic Commodities Directorate, and Fair Competition and Consumer Protection Directorate. To strengthen its outreach and decentralization process, the project will also support MoCI to establish accredited Business Development Services (BDSs) in selected provinces. These BDSs may be either public services or private services outsourced to third entities.

## **Component 2: Support for development of integrated agri-spatial solutions (US\$ 116.5 million)**

The objective of Component 2 is to enhance the productivity of Afghan smallholders' farmers and competitiveness of agri-food enterprises in domestic and international markets. This will be achieved through a mix of integrated interventions including: (i) developing and promoting investment opportunities in the agribusiness sector; (ii) investing in infrastructure and services that serve to increase market access, productivity, and value addition along the value chain; and (iii) facilitating value-chain financing to catalyze private investments in the agribusiness sector and allied services.

**Developing and promoting investment opportunities in the agribusiness sector.** This intervention is expected to be implemented by IFC. Activities will include helping potential investors to prepare bankable business plans and work with current investors to identify opportunities to improve productivity and processes and upgrade technology. IFC will also support current and new agribusiness firms through advisory services including the development of value chains through improvement in extension services, contract farming and capacity building. These activities will focus on the IAFPs and in their broader catchments areas (see below).

**Integrated Agri-Food Parks (IAFPs).** In partnership with IFC, Component 2 would promote the creation of several *Integrated Agri-Food Parks* (IAFPs) at provincial level which would be linked to producers in selected catchment areas via a network of strategically placed *Farmers Collection Centers* (FCCs) and *Rural Transformation Hubs* (RTHs). IAFPs would be equipped with suitable infrastructure and services aim to reduce costs and improve competitiveness for agri-processors as well as to create ready markets for farming communities in the surrounding production catchment areas. The IAFP model was selected as part of the Agribusiness Charter as it is perceived as an effective development approach to fill identified gaps in the current context of Afghanistan (lack of security, industrial infrastructure and enabling environment for agri-business development). It is also adopted based on other considerations including efficiency in terms of exploiting economies of scale, market demand, and public planning and resource allocation processes. It is expected that such platforms will act as "technology hubs and centers of excellence" supporting local economic development and inclusiveness of host communities, capturing industrialization opportunities in the agri-food system, creating labor-intensive manufacturing jobs and moving towards higher-value activities. IAFPs are also expected to provide an outlet for Afghan farmers in their own regions, with which they can be built long-term relationships, and to demonstrate to future investors that agri-processing can succeed in Afghanistan.

**Farmer Collection Centers (FCCs) and Rural Transformation Hubs (RTHs).** Component 2 will support establishing a network of strategically placed sub-provincial satellite centers feeding into the IAFPs by facilitating access to finance and technical assistance to induce more private sector investments. The entry point to support the creation of these facilities will be the off-takers and these will be fully private sector driven. The FCCs will serve as collection points for both farmers' groups and individual farmers and may offer pre-cooling storage services and extension and advisory services. The RTHs would offer a platform for primary processing (storage, grading, sorting and packaging) and for supplying agricultural inputs (planting material, fertilizers, pesticides, agricultural machinery, etc.).

In addition, the project will support investments for producer organizations in the catchment area to ensure optimal agricultural productivity to meet the supply needs of the IAFPs, generate employment opportunities along the value-chains and contribute to local economic growth. These investments will adopt the Productive Alliance scheme to strengthen value chain relationships, catalyze contract farming, and deliver technological and capacity upgrades.

Through this network, farmers in outlying districts will benefit from linkages to processors and gain access to market information, training and advisory services. Moreover, the FCCs and RTHs will serve as outreach buying points for the IAFPs and distribution points for farm inputs. This constitutes a win-win for farmers and firms. By extending the outreach and impact of the IAFPs to more remote growing areas within their production basins, they will strengthen supply chain linkages and serve as an important means of spreading supply risk, given that the processing platforms will be located close to towns where processors face intense competition for raw materials from traders. By linking farmers in outlying districts to processors, the satellite centers (FCCs and RTHs) will improve farmers' knowledge of market outlets, enable them to obtain better prices, and facilitate their access to training and inputs, eventually making the supply chain more efficient and sustainable.

**Component 3: Crisis prevention and management, project management and M&E, and establishing the governance structure for the coordination and implementation of the Afghanistan Agribusiness Charter (US\$ 15 million)**

Component 3 will strengthen crisis preparedness and management mechanisms for the project-targeted value chains; it will also support project implementation and coordination capacities, and establish the governance structure for the coordination and implementation of the Afghanistan Agribusiness Charter. It will support the following activities:

- a) *Crisis Prevention and Management:* The objective of this activity will be to strengthen the readiness of relevant institutions to face emergencies and crises related to the agribusiness productive and marketing base. One important focus would be to cover losses in case of drought affecting production or major market disruption due to external events leading to food emergency, livestock losses, etc. The project would provide the institutional support to strengthen MAIL's and MoCI's capacity to respond to such emergencies and the related funds to intervene in the event of a severe crises. These funds will not be provided upfront; they will come from reallocation of financial resources within the project proper and the entire Bank portfolio;
- b) *Project Management and M&E:* The project would fund the establishment of a Project Coordination Unit (PCU), through provision of appropriate staffing and operating resources to take charge of project management including resources for fiduciary management, safeguard compliance and M&E; the PCU will be integrated into the MAIL and MoCI administrative structure and work closely with Ministry of Finance (MoF) administrative and financial services; these services will be strengthened to that effect; and
- c) *Agribusiness Value Chain Task Force:* The project will support the creation of an Agribusiness Value Chain Task Force under the oversight of the High Council for Poverty Reduction. The main functions and responsibilities of the task force are fourfold: (a) advise on strategic direction and activities of the Agribusiness Charter; (b) approve its Annual Work Plan and Budget; (c) ensure effective coordination among the key line ministries (MAIL, MoIC, MoF and other agencies), public entities and development partners for the delivery of the Charter's interventions, including budget planning, implementation,

monitoring and achievements; and (d) review the Charter's implementation progress reports and advise on the effectiveness of ongoing activities, and on any adjustments needed in the annual work plan.

## 2. Project Environmental and Social Safeguards Issues

The project is classified as an Environmental/Social Assessment Category-A Project, because the project is planning to support the development of a number of agri-food parks including basic infrastructure (connecting and internal roads, water and energy access, communication, landfill, etc.), processing plants, food testing labs, and storage facilities as well as waste management facilities (Component 2). These activities may have adverse impacts which may be significant and irreversible. Therefore, an Environmental and Social Management Framework (ESMF), a Pest Management Plan (PMP) and (Resettlement Policy Framework (RPF)) will be prepared. The following table shows the World Bank Operational Policies triggered in the Project.

<b>Safeguard Policies Triggered by the Project</b>	<b>Yes</b>	<b>No</b>	<b>TBD</b>
Environmental Assessment ( <a href="#">OP/BP 4.01</a> )	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance Standards for Private Sector Activities OP/BP 4.03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Natural Habitats ( <a href="#">OP/BP 4.04</a> )	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pest Management ( <a href="#">OP 4.09</a> )	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Physical Cultural Resources ( <a href="#">OP/BP 4.11</a> )	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Involuntary Resettlement ( <a href="#">OP/BP 4.12</a> )	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indigenous Peoples ( <a href="#">OP/BP 4.10</a> )	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Forests ( <a href="#">OP/BP 4.36</a> )	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Safety of Dams ( <a href="#">OP/BP 4.37</a> )	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Projects in Disputed Areas ( <a href="#">OP/BP 7.60</a> )	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Projects on International Waterways ( <a href="#">OP/BP 7.50</a> )	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The World Bank's Operational Policy on Involuntary Resettlement (OP 4.12) is triggered by the project, under sub-component-2 that will facilitate the establishment of Integrated Agri-food Parks (IAFPs) and associated supply chain infrastructure, including Farmers Collection Centers (FCCs) and Rural Transformation Hubs (RTHs). These investments are expected to lead to land acquisition or restriction of access to sources of livelihood. Therefore, a Resettlement Policy Framework (RPF) will be prepared. The (RPF) will be used as a guide to conduct specific Social Impact Assessment (SIA) and Resettlement Action Plans (RAPs) as needed, as well as compensation measures to minimize negative impacts on Project Affected People (PAPs). The RAPs will be submitted to the Bank for approval prior to the commencement of any civil works.

Additionally, the World Bank Operational Policy on Natural Habitats OP/BP 4.04 is triggered. The project will be implemented on rural areas. This kind of environment concentrates various insects and others types of animals, whose natural habitat could potentially be affected by the project's activities mainly with the construction of agri-food parks. However, there is no specific safeguard instrument to be prepared. This issue will also be considered as part of the ESMF.

The ESMF should clearly depict procedures and guidelines for screening subprojects sites and their activities to ensure identification, assessment and careful evaluation of any subproject impact on any Natural Habitat and forests and to ensure mitigation and compensation measures for protection of potential forests. This would be done during undertaking inspection of all sites of potential subprojects and during undertaking their relevant ESIA. The ESMF should prepare such a relevant ToR for the preparation of such ESIA to address such concerns.

In Chapter 3 the ESMF should clearly focus on the proposed five selected areas and explore existence of any or more ecological sensitive areas and establish clear guidelines and procedures to be followed



during the ESIA's for the relevant potential subprojects. The ESMF should provide relevant guidelines, checklists, standards, Standard Operation Procedures (SOPs), etc., how to identify, assess and evaluate and manage the sensitive ecological habitats and receptors within these five areas.

The project sub-component-2 will aim at increasing the production and productivity of the horticulture value chain in the project areas and farmers may need agro-chemicals for the control/management of pests and disease and same within the agri-food parks for post-harvest treatment and storage. Therefore, OP 4.09 on Pest Management and sound application of an integrated pest management plan (PMP) is required, even if the project does not purchase fertilizers and agro-chemicals directly, it may induce the use of those products by farmers for pest and disease management. Consequently, an PMP will be prepared which should build on the work already prepared for the NHLP and AAIP projects.

The World Bank Operational Policy on Physical Cultural Resources (OP/BP 4.11) is TBD, however the activities supported by the proposed project such as the construction of the agri-food parks and storage/warehouse facilities will unquestionably involve excavations with possibilities to underscore physical cultural resources. The triggering of this policy does not entail the preparation of a specific safeguard instrument. Though, ESMF will include a chapter providing guidance and measures to ensure that physical cultural resources are preserved, in line with the Law on the Preservation of Afghanistan's Historical and Cultural Heritages and the WB's OP 4.11 on Physical Cultural Resources.

In addition to the World Bank Operational Policies and Best Practice Guidelines, the ESMF should also address the issue of Occupational Health and Safety issues and concerns. In this regard, beside application of any national regulation the ESMF should give reference to the World Bank Group general and industry specific Environmental Health and Safety (EHS) Guidelines that should be applied in letter and spirit as the national regulation is weak. Here the web site address is provided:

[https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/sustainability-at-ifc/policies-standards/ehs-guidelines](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/ehs-guidelines)

The ESMF shall include draft TOR for Environmental & Social Impact Assessment, which provides provisions to identify detailed impacts of the proposed project implementation and prepare mitigation measures.

### 3. Objective of the Assignment

The objective of this assignment is to conduct and complete the entire safeguards package which includes (i) preparation of Environmental and Social Management Framework (ESMF), (ii) Resettlement Policy Framework (RPF), (iii) Pest Management Plan (PMP) and, (iv) ToRs for Comprehensive EIA/SIA study and full RAP for the proposed project, irrespective of source of funding, in consistent and compliant with the relevant laws and policies of the Government of the Islamic Republic of Afghanistan (GoIRA) and the applicable safeguard policies of the World Bank.

#### 3.1 Environment and Social Management Framework

The ESMF shall:

- Establish clear procedures and methodologies for environmental and social aspects planning, review, approval and implementation of sub-projects to be financed under the project;
- Prescribe project arrangements for the preparation and implementation of subprojects to adequately address World Bank safeguard policies;
- Assess the potential environmental and social impacts of the sub-projects (agri-food parks, FCCs, RTHs, etc.);
- Propose mitigation measures which will effectively address identified negative impacts;

- Identify the gaps in terms of relevant standards, rules and regulations to help manage the whole process of sorting, packaging, testing for pesticide residues, certifying and approval of agri-products if they are to find good market.
- Specify appropriate roles and responsibilities, and outline the necessary reporting procedures for managing and monitoring environmental and social concerns related to sub-projects;
- Determine the training, capacity building and technical assistance needed to successfully implement the provisions of the ESMF;
- Identify the needed Occupational Health and Safety concerns and impacts, risks and the relevant mitigation measures, training needs, possible regulations and pinpoint the implementation issues and suggest the possible solutions; and
- Establish the project funding required to implement the ESMF requirements.
- The consultant should conduct the assessment and include the analysis of alternatives;
- Develop of detailed mechanism for stakeholder consultation and disclosure to make sure that there is a two-way interaction between the citizen and the project.
- Develop and include a detailed mechanism for grievance handling, including responsibilities of key stakeholders to address public concerns and grievances at the project level
- The consultant will carry out the social analysis to address social risks and impact, including impacts on vulnerable groups such as women and poor agricultural laborers, occupational and community health and safety issues (safety measures for workers, prevention of child and forced labor in the civil work and agribusiness, prevention of disease, traffic safety, emergency preparedness), use of security forces and gender-based violence.
- Labor influx related risks under the Project are expected to be “substantial” because some of the supported sites, for which the Project will provide direct support to the GoA are expected to engage large number of labors from the outside. The consultant will be responsible to conduct labor influx risk assessment study with a generic report “the employee code of conduct” and labor influx risk mitigation plan shall be included in the ESMF. The plan should also have the measures to prioritize the local workforce to minimize the influx of migrant workers.

The analysis to be carried-out by the consultant shall include:

- An assessment of the potential environmental and social impacts of the project, taking into account the World Bank’s relevant safeguard policies as well as Afghanistan’s environmental policies, laws and regulations;
- Development of screening procedures (including checklists) that will be used as a mechanism in the ESMF for screening potential environmental and social impacts due to sub-project interventions;
- If available apply the relevant national standards in conjunction with Standard Operation Procedures (SOPs) and International Best Practices with regard to the relevant products;
- Review of national environmental policies, legislation, regulatory and administrative frameworks in conjunction with the World Bank’s safeguard policies, and formulation of recommendations in the context of the project as appropriate;
- Review of the relevant conventions and protocols to which Afghanistan is a signatory;
- Evaluation of the existing environmental and social assessment, and management capacity as well as capacity to implement mitigation measures, and formulation of appropriate recommendations, including the institutional structure and the responsible agencies for implementing the framework, a grievance mechanism and monitoring and evaluation (M&E) of potential impacts;
- Evaluation of capacity building and training needs and their costs; and
- Presentation of an outline on institutional arrangements for environmental management, including environmental assessment procedures and monitoring indicators, as appropriate under the project.

The consultant shall adopt the following principles and methodology

Since the precise details of the sub-projects in terms of location, materials required, key communities, etc. are not yet known, the study will focus on the development of an ESMF instead of an Environmental and Social Assessment (ESA). The ESMF is required to screen for and manage the potential environmental and social impacts of the Project.

The ESMF methodology will involve:

- Review of previous reports, published and unpublished works on the environment of the study area;
- Conduct consultation with stakeholders and beneficiaries and include their feedbacks, suggestions and recommendations in the draft ESMF.
- Identification of gaps existing in the available information;
- Field investigations;
- Collation of baseline data on the environmental conditions of the project area;
- Identification of positive and negative environmental and social impacts;
- Identification of environmental and social mitigation measures;
- Preparation of screening procedures to be used while screening sub-projects; and provide guidance for preparation of the site-specific ESMPs for sub-projects
- Formulation of environmental and social monitoring plans.
- Application of current National Sectoral Standards in conjunction with SOPs.

The ESMF report will be organized as follows:

- Executive summary
- Acronyms and abbreviations
- Chapter 1 - Introduction
- Chapter 2 - Methodology and Consultation
- Chapter 3 - Baseline Data Collection and Project Description
- Chapter 4 - Description of the Administrative Policy and Regulatory Framework
- Chapter 5 - Description of WB Environmental and Social Safeguards Policies and Triggers
- Chapter 6 - Determination of Potential Environmental and Social Impacts
- Chapter 7 - Project Implementation and Institutional Arrangements
- Chapter 8 - Safeguard screening procedures
- Chapter 9 - Guidance on impacts
- Chapter 10 - Reporting and responsibilities for the ESMF
- Chapter 11 - Capacity building and training requirements/needs
- Technical annexes
- Annex 1 - Terms of Reference for ESMF
- Annex 2 - Referred Documents
- Annex 3 – Environmental Code of Conduct and Guidelines
- Annex 4 – Environmental Standards to be used in the project implementation
- Annex 5 – Field Trip Schedule
- Annex 6 - Stakeholders consulted
- Annex 7 –ESIA and RAP ToRs

## 3.2 Resettlement Policy Framework (RPF)

The objective of the RPF is to outline the principles of resettlement and compensation thereof as and when the project reaches that stage. This will not only ensure consistency in resettlement planning but also develop the capacities of the implementing and supervising agencies gradually and simultaneously. Lessons learnt during the course of implementation can easily be integrated in improving the various

issues related to resettlement planning and its monitoring. Since the project will support establishment of Integrated Agri-Food Parks in different provinces which will probable include multiple subprojects and the detailed designs of which are unknown at this stage, thus it is expected that it will involve land acquisition and livelihood impacts.

The World Bank's Policy on Involuntary Resettlement (OP 4.12) requires that either an RPF or a RAP be prepared when project activities displace people from land or productive resources, and which result in the loss of shelter, the loss of assets or access to assets, and the loss of income sources or means of livelihood whether or not the affected persons must move to another location. RPF provides a more detailed framework which not only justifies the WB policy's objectives but also the inherent spirit of it, which entails a sensitive, transparent and inclusive process of acquisition, displacement and resettlement, process of setting cut-off date, census survey and socio-economic studies, preparation of entitlement matrix, etc.

The resettlement policy needs to be consistent with both of the following policies:

- Existing local laws and policies related to land acquisition and compensation and;
- World Bank's Operational Policy 4.12 Involuntary Resettlement.

The consulting firm will have to review the existing RPF prepared for CASA 1000 and IRDP and develop the RPF which would provide principal guidelines for the preparation of RAPs.

The resettlement policy framework covers the following elements, consistent with the provisions described in World Bank OP 4.12:

- a brief description of the project and components for which land acquisition and resettlement are required, and an explanation of why a resettlement plan cannot be prepared by project appraisal;
- principles and objectives governing resettlement preparation and implementation;
- a description of the process for preparing and approving resettlement plans;
- estimated population displacement and likely categories of displaced persons, to the extent feasible;
- eligibility criteria for defining various categories of displaced persons;
- a legal framework reviewing the fit between borrower laws and regulations and World Bank policy requirements and measures proposed to bridge any gaps between them;
- methods of valuing affected assets;
- organizational procedures for delivery of entitlements, including, for projects involving private sector intermediaries, the responsibilities of the financial intermediary, the government, and the private developer;
- a description of the implementation process, linking resettlement implementation to civil works;
- a description of grievance redress mechanisms;
- a description of the arrangements for funding resettlement, including the preparation and review of cost estimates the flow of funds, and contingency arrangements;
- a description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring; and
- arrangements for monitoring by the implementing agency and, if required, by independent monitors.

### 3.3 Pest Management Plan

In sectorial projects funded by the World Bank, it is required to prepare a generic PMP at the appraisal stage and upgrade that document during implementation phase. The plan should be designed to

minimize potential adverse impacts on human health and the environment and to advance ecologically based Integrated Pest Management (IPM). The plan should be established based ecological and specific on on-site evaluations of local conditions conducted by appropriate technical specialists with experience in participatory IPM."

The PMP shall cover the following:

- Guidelines on assessment of the potential impacts of pest management measures within the projects taking into account the World Bank's Operational Policy OP 4.09, as well as Afghanistan environmental policies, laws and regulations
- Development of screening procedures (including checklists) that will be used as a mechanism in the PMP for screening potential environmental and social impacts due to sub-project interventions
- Provides a guideline for development of appropriate methods to promote an Integrated Pest Management (IPM) approach that will minimize the need for chemical pesticides during each project intervention.
- Reviews national environmental policies, legislation, regulatory and administrative frameworks and formulation of recommendations in the context of each of the project as appropriate is provided
- Review of the relevant conventions and protocols to which the country is a signatory
- Management capacity as well as capacity to implement mitigation measures, and formulation of appropriate recommendations, including the institutional structure and the responsible agencies for implementing the framework, a grievance mechanism
- Monitoring and evaluation (M&E) of potential impacts;
- Evaluation of capacity building and training needs and their costs;
- Presentation of an outline on institutional arrangements for IPM
- IPM assessment procedures, monitoring indicators and mitigation strategies, as appropriate under the project.

### 3.4 Consultation and Disclosure

In accordance with OP 4.01 the stakeholder consultation on ESMF, PMP and RPF should be organized/conducted twice prior to appraisal. All potential stakeholder groups, government agencies (MoIC, Arazi, MRRD, Ministry of Public Health, Ministry of Energy and Water, Ministry of Transport, Da Afghanistan Bank, Ministry of Public Health, ACCI) academia, CSO and communities' representative should be invited. At least 50% of the participants shall be from project beneficiaries, academia, and private sectors that are working in the agriculture/agribusiness sector. The consultation will be conducted in a gender inclusive manner through focus group meetings with women. Minutes of meeting of the stakeholder consultation with feedback from participants should be included in the updated ESMF, PMP and RPF. The consultant shall manage this consultation with support from MAIL and MoIC.

The final draft ESMF, PMP and RPF with TORs of the implementation stage social development/safeguards studies will be disclosed on MAIL and MoCI websites prior to the stakeholder consultation. These documents will be re-disclosed at the Bank's external website and in the country at the MAIL and MoCI websites in both Pashto & Dari languages by Borrower, following the review and clearance by the Bank.

### 3.5 Citizen Engagement (CE)

The consultant will be required to develop effective citizen engagement (CE) tools, this may include; prior identification, e.g., SMEs, Afghanistan International Industries, sharing information, meaningful consultation with public/stakeholders, receiving written feedback from the relevant participants, a

multi-level Grievance Redress Mechanism (GRM), beneficiaries' feedback regarding the benefit and opportunities should be included in the ESMF, PMP and RPF documents.

The ESMF, PMP and RPF for the project shall include a detailed mechanism for consultation to make sure that there is a two-way interaction between the citizen and the project.

Also the ESMF, PMP & RPF shall include a detailed mechanism for grievance handling, including responsibilities of key stakeholders to address public concerns and grievances at the project level. The implementing agencies will be responsible for ensuring that an effective GRM is established for each site, which would include: (i) public awareness among beneficiaries on how to use GRM services, (ii) establishing of multiple uptake channels and locations for submission of grievances, (iii) proper registration of all grievances related to project activities to enable tracing and review & (v) training on grievance handling.

The ESMF, PMP & RPF consultant will also include CE indicators for the Project in consultation with stakeholder: The following are a couple of CE indicators, which can be considered.

- Percentage of grievances satisfactorily resolved within stipulated timeframe: 70 %
- Community Development Agreement (CDA) on benefit-sharing with local community satisfactory implemented: one site

#### 4. Detailed Tasks to be carried out by the consultant

The consultants' work would entail, but not exclusively, a review of the potential environmental impacts and social risks likely to be associated with the project activities, both for existing operations as well as future operations. Specifically, for those intervention areas outlined in the project. The consultant will be required to perform the following tasks (but not necessarily in the same chronological order as many of these will occur in an iterative cycle):

**Task 1: Desk review** – The consultant will be required to study all relevant documents to ensure a comprehensive understanding of the relevant issues. These documents include, but are not limited to:

- The Banks Project documents; such as the Project Concept Note (PCN), Project Appraisal Document (PAD), the Integrated Safeguards Data Sheet (ISDS), Operational Policies OP 4.01, OP 4.11, OP4.09, OP 4.04, and OP 4.12, the WB labor influx guidance note. Also, the consultant in the ESMF will clearly address the application of general and industry specific EHSG (Agribusiness/livestock). In the same way, the consultant will address the need to cover the recently issued WB guidance note on Gender-Based Violence (GBV) and the potential use of security forces for protection of WB funded project staff and labor.
- The Afghanistan Agribusiness Charter.
- The Governments documents: including the RPF, relevant social law, Pesticides Law, Fertilizer Law and Regulation, Land acquisition law (2017), land management law (2017), environmental laws, ESIA regulations, and by laws, Water law, regulations and strategies, land use and planning documents, labor laws, National Action Plan for Women (NAPWA) and MoE's gender strategy, previous ESMF, PMP's produced by Ministry of Agriculture Irrigation and Livestock), Additionally, NHLP, AAIP and other World Bank funded project ESMF, PMP and GRM documents available within MAIL.

**Task 2: Consultations with MAIL, MoIC and other potential relevant entities** - The environmental and social management processes to be included in the ESMF, PMP and RPF, must be completely aligned with and integrated into the existing MAIL, MoIC and potential stakeholders and its project planning processes. The ESMF, PMP & RPF processes and requirements must be compliant with World Bank Operational Policy OP4.01, OP 4.11 and OP 4.12 and with the relevant social and environmental laws and regulations of the GoA. Therefore, the consultant should consult closely with the relevant

officials of the relevant national and sub national agencies, to be fully informed about how the planning processes work and the project design, to ensure the ESMF, PMP, and RPF processes are fully integrated and aligned with the national and project processes.

**Task 3: Consultations with the Bank Preparation Team** – Pursuant to Task 2, for the consultant to determine the project implementation and institutional arrangements, monitoring arrangements, ministries planning procedures, identification and selections of investments, obtain a fuller understanding of OP4.01, OP 4.11, OP4.12 and the ESMF, PMP and RPF concepts, the consultant shall also consult with the Bank’s preparation team based in the World Bank, Kabul Office.

**Task 4: Field Visits** – The consultant will be required to carry out field visits to a representative sample of facilities and potential sites, in the targeted provinces, to ensure a full understanding of the complexity, nature, physical environment, etc., of these facilities is derived, and thereby to further ensure, that the screening processes, potential environmental impacts, possible tangible mitigation measures and technical guidelines that are to be designed/stated in the ESMF, PMP, & RPF are relevant and responsive to the project and the MAIL and MoCI needs, and those who will use and implement them on the ground during implementation of the project.

**Task 5: Consultations** – OP4.01 requires that the ESMF, PMP and RPF documents be subjected to consultations with all stakeholders, including the affected people and groups potentially affected by civil works in a gender inclusive manner through focus group meetings with women. The consultant is therefore required to conduct meaningful and participatory consultations, using participatory methods that are culturally appropriate and gender sensitive, to consult with all stakeholders including PAPs to explain the process of the ESMF and PMP to them and to solicit their views, so as to inform the final design of the ESMF and PMP, and ultimately the project design itself. The consultant will also be required to document and record the proceedings of the consultations, in an acceptable way without necessarily disclosing the identity of those consulted and without direct attribution of any statement to any individual, if these issues would raise concerns or without their expressed consent. As part of the consultant’s inception report, the consultant will be required to include a simple consultation plan explaining how the ESMF, PMP & RPF consultations would be carried out and the methodology for identify PAPs and their representation at the consultations. In accordance with OP 4.01 the stakeholder consultation should be organized/conducted twice prior to project appraisal.

**Task 6: GRM-** The consultant will be required to prepare grievance handling mechanism for the project and shall recommend measures for the successful implementation of the grievance mechanism. Apart from this, the consultant will require to include effective citizen engagement (CE) tools in the ESMF and PMP. These may include: (i) mechanism for meaningful consultation with public/stakeholders (ii) a multi-level Grievance Redress Mechanism (GRM) to be applied for the project. The consultant shall also include/suggest at least two CE indicators to be considered. In addition, the GRM should have a mechanism to address Gender-based Violence (GBV)-related grievances.

**Task 7: Labor influx assessment-** There shall be the employee code of conduct” and labor influx risk mitigation plan included in the proposed ESMF document. The plan should also have the guidelines and measures to prioritize the local workforce to minimize the influx of migrant workers.

**Task 8: Public Disclosures** – Bearing in mind that this is a social and environmental category-A project, propose steps and timeline to ensure that public disclosures of key findings are adequately implemented, and in synch with the overall project preparation calendar.

**Task 9: Preparation of the ESMF, PMP & RPF Documents** – As stated in earlier sections of these TORs, the output/deliverable for the consultant will be the development of the ESMF, PMP and RPF documents (including GRM) to acceptable quality to the World Bank.



**Task 10: ESIA ToR development--** The consultant shall develop ToR for the Environmental & Social Impact Assessment study to be conducted for the proposed project. In addition, the consultant will prepare a separate ToR for preparation of RAP.

## 5. Consultants Deliverables

The consultant deliverables are the following:

- The Environmental and Social Management Framework (ESMF) report.
- The Pest Management Plan (PMP) report.
- The Resettlement Policy Framework (RPF).
- Draft terms of reference for EIA/SIA and RAP.

The above documents should be of acceptable quality to MAIL and the World Bank.

## 6. Schedule of Deliverables

This assignment is expected to be completed within **[8]** weeks or **[43]** working days, with an anticipated starting date of October 10, 2018. The draft ESMF, PMP, and RPF and draft terms of reference for EIA/SIA, RAP etc. shall be provided by 30 November.

The final draft of ESMF, PMP and RPF reports that has been updated based on the comments received during consultations, and final documents will be delivered after December 15, 2018.

## 7. Consulting Firm and Qualifications

To successfully carry out these tasks, the consulting firm will have the following team composition:

- **Environmental Safeguards Specialist**– Expert with 10 years or more directly relevant post Master’s degree (or higher) experience with preparation of Environmental and Social Management Framework for agriculture projects, preferably on projects supported by international organizations, the private sector and/or on projects based abroad. Must have good familiarity and experience with Afghan environmental laws. Proven ability and strong writing skills in English, Pashto and Dari.
- **Social Development Specialist**- the consultant shall have academic degrees in a relevant field (social science, sociology, anthropology and resettlement management with seven years working experiences in agriculture and agri-business sector) and at least seven years of relevant professional experience in conducting social assessment in the relevant sectors. Furthermore, the Consultant will have a demonstrable experience and knowledge of applying the World Bank's environmental and social safeguards and working with local communities on land, resettlement and livelihoods issues. Knowledge of, and previous regional experience in the geographic, socio-economic and environmental context of Afghanistan and the region would be an important advantage.
- **PMP specialist**- the consultant shall have a minimum a master’s degree in agriculture/Plant Protection/Plant Pathology with specialization in Integrated Pest Management (IPM) (preferred) /Insect Pest or Disease Control. Minimum of 10 years’ experience in IPM research/approaches and PMP development. Extensive knowledge in International Plant Protection Conventions (IPPC), Sanitary and Phytosanitary Standards (SPSs), International Standards for Phytosanitary Measures (ISPMs). Experience of working in developing countries or Afghanistan will be an advantage.



## 8. Services, Facilities and Materials to be provided by the Client

The Client will provide the following services to the Consultant(s):

- All relevant documents relevant to the specific project;
- All available and relevant background documentation and studies (e.g. regional, sectoral, cumulative);
- Unrestricted access to project areas and sites;
- Transport and - if required - security detail for all travel related to the assignment;
- Making all necessary arrangements for supporting the work of the Consultant(s), by e.g. facilitating access to government authorities and other Project stakeholders.
- Provision of furnished and heated / cooled office space with electricity supply for the duration of the assignment, in the same location where the project coordination unit will be installed.
- Disclosure of draft documents, sending out of invitations, organization of venues for public hearings, and being present as discussant at all public hearings.

## 9. Payment Schedule

- [30] % on submission of first draft of ESMF, PMP and RPF
- [70] % on submission of a final ESMF, PMP and final RPF / final TORs and final proceedings of the required disclosure workshops, documenting outcomes of discussions and list of participants