

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA1077

Date ISDS Prepared/Updated: 22-Oct-2014

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I. BASIC INFORMATION

1. Basic Project Data

Country:	Argentina	Project ID:	P106685
Project Name:	AR Socio-Economic Inclusion In Rural Areas (P106685)		
Task Team Leader:	Renato Nardello		
Estimated Appraisal Date:	05-Apr-2011	Estimated Board Date:	02-Dec-2014
Managing Unit:	GFADR	Lending Instrument:	Investment Project Financing
Sector(s):	General agriculture, fishing and forestry sector (100%)		
Theme(s):	Rural services and infrastructure (33%), Indigenous peoples (17%), Rural non-farm income generation (17%), Other rural development (33%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	75.00	Total Bank Financing:	52.50
Financing Gap:	0.00		
Financing Source			Amount
Borrower			15.10
International Bank for Reconstruction and Development			52.50
Local Communities			7.40
Total			75.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

To increase the socio-economic inclusion of rural poor (small producers, indigenous people, and rural workers) by: (a) strengthening their organizational, planning and management capacity to achieve poverty-reduction goals; (b) improving their access to community infrastructure and services

and (c) piloting a new model for developing sustainable access to markets.

3. Project Description

Component 1: Capacity Development (US\$13.83 million, of which: Government US\$11.73 million and IBRD US\$2.10 million). This component would finance carrying out of capacity-building activities for purposes of increasing the impact of development actions on targeted rural groups, consisting of: (a) the provision of technical support to communities and organizations of small producers, indigenous peoples and rural workers, aimed at improving their organizational, planning, and management capacity; and (b) the provision of technical support to strengthen the capacity of targeted rural groups through the preparation of studies, strategies and planning instruments for local development.

Component 2: Rural Livelihood (US\$43.0 million, of which: Beneficiaries US\$4.00 million; and IBRD US\$39.00 million). This component would finance the carrying out of demand-driven investments/activities (Rural Investment Subprojects) aimed at improving the living conditions of the targeted poor rural communities and consisting of, inter alia, small-scale investments such as the rehabilitation or construction of rural community infrastructures, the provision of support aimed at improving agricultural production and marketing, the carrying out of food-security activities and natural resources management, and the construction or improvement of household water and sanitation systems.

Financing would include both on-farm and household investments as well as infrastructure, goods, and services for the community. Rural Investment Subprojects would be ranked based on social, environmental and technical evaluations and be prioritized accordingly. Participating communities would be expected to co-finance subprojects in cash, kind or labor for at least 10 percent of their total cost. Financing for Rural Investment Subprojects would be limited to a maximum amount of US \$250,000, with a maximum of US\$5,000 per beneficiary family. Thirty percent of the component's allocation will be earmarked for Indigenous People Subprojects.

Component 3: Access to Markets (US\$14.77 million, of which: Government US\$0.37 million; Beneficiaries US\$3.40 million; and IBRD US\$11.00 million). This component would finance the provision of support for the identification, formulation and implementation of business ventures (Productive Alliances) between producer groups and market agents buyers) through (a) the carrying out of activities for the promotion and preparation of Productive Alliance Subprojects, and (b) the carrying out of alliance-driven investments/activities (such as small-scale civil works, improvement of the production processes and quality standards of Producers Organizations) for the purpose of developing sustainable access to markets for Producers Organizations. Financing of each Productive Alliance Subproject would be tailored to achieve the specifications (quantity, quality, delivery schedule, etc.) agreed between each producers group and the respective buyer. The focus of this component is on the market opportunities for family producers rather than their needs (as it is for Component 2).

Eligible expenses for the producer groups include goods and equipment, civil works, and technical assistance, all of which could be at the individual farm and/or at the group level. Producer groups would be required to co-finance a minimum of 30 percent of the total cost of each Productive Alliance Subproject. Producers will be assisted in securing access to credit in order to support their co-financing of the subproject. Reimbursement to buyers for technical assistance they provide to producers, if any, would be limited to a maximum of 50 percent of the incremental operating costs incurred by each buyer. Financing for each Productive Alliance Subprojects would be limited to a maximum amount of US\$300,000, with a maximum of US\$10,000 per producer family.

Component 4: Project Management (US\$3.27 million, of which: Government US\$3.00 million and IBRD US\$0.27 million IBRD). This component would finance the provision of operational support to assist the Borrower in the coordination, implementation, administration, monitoring and evaluation of the Project. The component would support the costs of the technical units responsible for Project coordination, administration, monitoring and evaluation, including inter alia incremental operating costs; monitoring and evaluation system; technical and financial audits; management and oversight of fiduciary activities; maintenance of offices; acquisition and maintenance of goods and equipment needed for project activities.

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

Project Area. Consistent with the CPS, the Project area will include regions characterized by both high levels of rural poverty and strong concentration of smallholder producers and/or indigenous peoples. Accordingly, the initial area of intervention will comprise the regions of North-East Argentina (Noreste Argentino NEA) and North-West Argentina (Noroeste Argentino – NOA). Component 3, because of its pilot nature, would be carried out only in NEA, based on the higher concentration of transitional family producers as well as the variety and importance of the agricultural value chains in which they are involved.

For components 1 and 2, Project resources would be allocated to participating provinces based on their relative distribution of small producers and indigenous communities. Within each Participating Province, Project resources would be allocated in priority to micro-regions that demonstrate above-average presence (both in relative and absolute value) of target beneficiaries. The criteria for allocation of resources by provinces and areas are spelled out in the Operational Manual.

5. Environmental and Social Safeguards Specialists

Lilian Pedersen (GSURR)

Claudio Luis Daniele (GENDR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	The project aims to have an overall highly positive socioeconomic impact and increase the socio-economic inclusion of rural poor by improving the efficiency of agricultural productivity. The physical interventions resulting from the implementation of Components 2 and 3 could have negative, if small-scale and localized, impacts on the environment. Expected subproject investments may include: the rehabilitation of existing roads; irrigation systems; water systems; rural electricity supply; and other small-scale infrastructure, land use change and improving agricultural production (with an increased pressure over natural resources). Because these subprojects involve mostly small-scale activities, the incremental environmental impacts are expected to be low and mitigated. Since the type,

		<p>scale and localization of specific subprojects was unknown at appraisal, the Borrower prepared an Environmental (and Social) Management Framework (ESMF), detailing the environmental screening process and a negative list that would exclude any sensitive environmental sites from being financed by the Project. Cumulative impacts are not expected to be significant. The ESMF includes guidelines to the mitigation of social and environmental impacts of each specific subproject including, as waste management, environmental protection measures (soil, air, flora, fauna, water, and landscape), among others. The Project does not finance any subproject considered as a Category A under the World Bank definition.</p>
Natural Habitats OP/BP 4.04	Yes	<p>Most project activities would be implemented in areas already under agricultural production. However, the potential impacts on critical natural habitats would be explored as part of the subproject screening process. Subprojects could be located in areas close to critical natural habitats or protected areas but subprojects which imply significant degradation or conversion of natural habitats would not be financed. Subprojects within protected areas (national and provincial) would not be eligible for funding. Areas with other conservation statuses (Ramsar sites, Birdlife IBAS, Biosphere Reserves etc.) would be considered ineligible unless compatible with the ESMF.</p>
Forests OP/BP 4.36	Yes	<p>Most project activities would be implemented in areas already under agricultural production. The project screening mechanism would identify subprojects with potential impacts on forests or their management. Subprojects impacting forests or involving establishment of plantations would require a deeper environmental analysis.</p>
Pest Management OP 4.09	Yes	<p>Integrated pest management would be a part of subproject activities under Component 2 and Component 3. Any procurement of pesticides would comply with the requirements of OP 4.09 which specifies pesticides ineligible for Bank financing. A positive list has been prepared to identify pesticides that can be used and is included in the ESMF. In addition, the ESMF requires the preparation of Pest Management</p>

		Plans and includes guidelines for Integrated Pest Management.
Physical Cultural Resources OP/ BP 4.11	Yes	The project would not finance any subproject with potential negative impacts of physical cultural resources. However, particularly because of intervention in indigenous people areas <chance finds> of cultural artifacts during implementation is considered possible. To handle such findings, Argentina has a well developed legislative and normative framework which will be applied in such cases. The implementing agency also has proven experience and appropriate procedures to address <chance finds> in line with these procedures and rules. The ESMF includes screening criteria to evaluate potential impacts on cultural resources and provide guidance on chance finds procedures.
Indigenous Peoples OP/BP 4.10	Yes	The policy is triggered because IP are present in many of the targeted provinces and a specific part of the Project is expected to benefit IP communities. For this reason, and given that the exact location of subprojects is not known before implementation, the Borrower prepared an Indigenous Peoples Planning Framework (IPPF), including a Social Assessment, which is part of the ESMF. Based on the principle of free, prior, and informed consultation, a first draft of the Project preparation documents (including project objectives, approach, activities, mechanisms and draft of the Indigenous People Planning Framework, IPPF) were made available and presented to organizations representative of indigenous peoples, namely: the Indigenous Participative Council (Consejo de Participacion Indígena) and the Meeting of Indigenous People Territorial Organizations (Encuentro de las Organizaciones Territoriales de Pueblos Originarios). Both organizations reviewed the documents in order to provide their advice and inform about their level of support. The Indigenous People Territorial Organizations (Encuentro de las Organizaciones Territoriales de Pueblos Originarios) and the National Family Producers Forum (Foro Nacional de Agricultura Familiar - FONAF) reviewed and commented on the revised project documents and provided their broad support to the Project. These and/or other

		organizations will be consulted again before the start of Project implementation.
Involuntary Resettlement OP/BP 4.12	Yes	Although involuntary resettlement is not foreseen, it is possible that involuntary economic displacement and/or loss of assets may be generated during small infrastructure works, including the following: (i) rehabilitation of irrigation or water systems; (ii) rehabilitation of feeder roads; and (iii) small rural infrastructure. Given the demand-driven nature of project activities, it would be difficult to anticipate the number of people that would be impacted by Project investments. For this reason, the Borrower prepared a Resettlement Policy Framework (RPF) in order to minimize and mitigate any potential adverse social impacts resulting from Project investments. The RPF, which is part of the ESMF, provides the overarching framework by which potential resettlement issues would be addressed. In cases in which resettlement issues would affect indigenous peoples, the RPF would address them in a form consistent with the IPPF.
Safety of Dams OP/BP 4.37	Yes	While the project would not finance building of any large dam, it is possible that irrigation or water supply subprojects financed under components 1 and 3 might depend on the storage and operation of an existing dam for their supply of water and may not function if the dam failed. The ESMF stipulates that financing of such subprojects requires a preliminary specialized safety assessment, including a review and evaluation of the operation and maintenance procedures of the existing dam and the presentation of a written report including findings and recommendations for any remedial work or safety related measures.
Projects on International Waterways OP/BP 7.50	No	Projects on International Waterways are not eligible for financing. If during Project implementation the Borrower should present to the Bank a subproject proposal with activities that would involve the use or potential pollution of water from an 'international waterway' (as determined by the Bank) and which the Bank is willing to finance, prior to the approval of said subproject, the Bank would require the Borrower to comply with the provisions of OP/BP 7.50 (including pre-subproject riparian notification).

Projects in Disputed Areas OP/BP 7.60	No	
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II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:
2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.
5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	22-Oct-2014
Date of submission to InfoShop	23-Oct-2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Argentina	23-Oct-2014
<i>Comments:</i> Document originally disclosed prior to appraisal. Revised and redisclosed prior to supplemental negotiations in October 2014.	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	22-Oct-2014
Date of submission to InfoShop	23-Oct-2014
"In country" Disclosure	
Argentina	23-Oct-2014
<i>Comments:</i> Document originally disclosed prior to appraisal. Revised and redisclosed prior to supplemental negotiations in October 2014.	
Indigenous Peoples Development Plan/Framework	
Date of receipt by the Bank	22-Oct-2014
Date of submission to InfoShop	23-Oct-2014

"In country" Disclosure	
Argentina	23-Oct-2014
<i>Comments:</i> Document originally disclosed prior to appraisal. Revised and redisclosed prior to supplemental negotiations in October 2014.	
Pest Management Plan	
Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	22-Oct-2014
Date of submission to InfoShop	23-Oct-2014
"In country" Disclosure	
Argentina	23-Oct-2014
<i>Comments:</i> Document originally disclosed prior to appraisal. Revised and redisclosed prior to supplemental negotiations in October 2014.	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.04 - Natural Habitats	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP 4.09 - Pest Management	
Does the EA adequately address the pest management issues?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Is a separate PMP required?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP/BP 4.11 - Physical Cultural Resources	
Does the EA include adequate measures related to cultural property?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
OP/BP 4.10 - Indigenous Peoples			
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input checked="" type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement			
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
OP/BP 4.36 - Forests			
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
Does the project design include satisfactory measures to overcome these constraints?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]	NA [<input type="checkbox"/>]
OP/BP 4.37 - Safety of Dams			
Have dam safety plans been prepared?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]	NA [<input type="checkbox"/>]
Have the TORs as well as composition for the independent Panel of Experts (POE) been reviewed and approved by the Bank?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]	NA [<input type="checkbox"/>]
Has an Emergency Preparedness Plan (EPP) been prepared and arrangements been made for public awareness and training?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]	NA [<input type="checkbox"/>]
The World Bank Policy on Disclosure of Information			
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
All Safeguard Policies			
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader:	Name: Renato Nardello	
<i>Approved By</i>		
Practice Manager/ Manager:	Name: Laurent Msellati (PMGR)	Date: 23-Oct-2014