



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 11/02/2019 | Report No: ESRSC00861



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
India	SOUTH ASIA	P172187	
Project Name	Rejuvenating Watersheds for Agricultural Resilience through Innovative Development		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
«PRACTICEAREA»	Program-for-Results Financing	4/15/2020	8/27/2020
Borrower(s)	Implementing Agency(ies)		
Department of Economic Affairs, Ministry of Finance, Government of India	Department of Land Resources, Karnataka Department of of Agriculture		

Proposed Development Objective(s)

The Project Development Objective (PDO) is to: improve land and water conservation and climate resilience in selected watersheds, and strengthen capacities of national and state institutions to deliver more effective science-based watershed development programs.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>250.00</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

No

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

India: Rejuvenating Watersheds for Agricultural Resilience through Innovative Development (REWARD) is proposed as a new multi-state integrated watershed project with its genesis in the recently cancelled Bank-supported Neeranchal National Watershed Project that has provided clear lessons on implementation approaches for multi-state watershed management projects. The proposed project would also replicate and scale up the Karnataka watersheds experience in other states. The proposed project would be implemented in select states (expected to be subset of nine



Neeranchal states) by building on lessons learned and adopting a lighthouse approach. Meetings with former Neeranchal states indicates there is a strong interest to participate in a new project with a state-focused implementation model.

**D. Environmental and Social Overview**

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]

REWARD will be implemented mainly under Program for Results financing across some of the selected states including Karnataka that have large areas under rainfed agriculture. Karnataka would serve as a lighthouse for other states based on the experiences gained in Land Resource Inventory (LRI) and hydrological study-based watershed management through the Karnataka Watershed Development Project-II. The other REWARD states are expected to be a subset of the former Neeranchal states including Maharashtra, Madhya Pradesh, Rajasthan, Andhra Pradesh, Gujarat, Odisha, Telangana, Chhattisgarh, and Jharkhand. These states, spanning across the country and varying agro-climatic zones, show wide variations and diversity in geographical conditions, rainfall and temperature profiles, and cropping patterns, as well as in altitude and terrains ranging from coastal plains to mid/high lands and plateaus. Significant parts of the REWARD states are designated indigenous people’s areas (Schedule 5 areas) where many legal and constitutional provisions apply to safeguard the social, cultural and economic resources and heritage of the tribal communities. The watersheds and the rainfed areas tend to have higher concentrations of socially, economically and climatically vulnerable households, especially small and marginal subsistence farmers, labor dependent landless households, scheduled castes, and scheduled tribe households. Proposed IPF will support capacity building and technical assistance (TA) components to support project implementation in these areas.

D. 2. Borrower’s Institutional Capacity

Department of Land Resources under the Ministry of Rural Development will act as the nodal agency at the central level along with Nodal Agencies at the State Level in the partner states. Some of the selected states such as Karnataka would have prior experience with the safeguard requirements of the World Bank through various projects, but not of Environmental and Social Framework (ESF). However, this lack of experience will not have significant implications, given the focus of TA on capacity building, knowledge exchange, and research studies. The environment and social risks will be assessed during the project preparation period, especially if the scope of the IPF changes. The TA activities will include a capacity-building module on Bank’s ESF. Experience of states that have prior experience of the Bank’s safeguard, gender, and CE policies especially in the context of watershed development will be leveraged for cross-learning.

**II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS**

**A. Environmental and Social Risk Classification (ESRC)**

Moderate

**Environmental Risk Rating**

Moderate

The IPF component of the project will implement TA activities such as capacity building, training, South-South knowledge exchange, and research studies to complement and support the activities to be implemented under the PforR component. These TA activities are expected to cover the themes of watersheds management, hydrology,

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Climate Resilience, land resource inventorization, and big data analytics. However, the actual activities that would be supported under the TA are yet to be finalized. Hence, the current scope and activities of the TA indicate a “Moderate” risk rating from the environmental perspective.

The TA does not envisage any adverse environmental impacts and may provide opportunities to strengthen environmental management capacity by introducing environmental aspects in the training and capacity building activities. Type and extent of capacity building activities and research studies that will be funded by the project will be detailed out during the project preparation and the risk rating will be subsequently revisited in the appraisal stage ESRS commensurate with the anticipated risks and implications of proposed TA activities.

**Social Risk Rating**

Moderate

The technical assistance activities do not include physical investments or civil works or use of construction labor. The TA activities will primarily focus on the themes of watersheds management, hydrology, Climate Resilience, land resource inventorization, and big data analytics. It may also include feasibility studies/specific plans once the scope of the project is fully known. Hence, the social risk classification is rated as “Moderate”.

The TA will also include capacity building of the project states in mitigating and managing risks related to the ESS, especially stakeholder engagement.

**B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

**B.1. General Assessment**

**ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

***Overview of the relevance of the Standard for the Project:***

The project envisages largely investment support with the majority of financing for improved, science-based watershed management in 10-20 model sub-watersheds (5000 ha each) in the participating states under PforR. The environmental and social aspects of the project for the PforR part would be captured in the ESSA. This includes a) preparation of improved science-based integrated watershed management plans with support of States and partner scientific institutions, (b) investments in model watersheds in varied geographical and environmental settings, c) site-specific innovations and pilots (urban/peri-urban watersheds planning and investments, managing landscapes /biodiversity, major gully rehabilitation, solar pumps for irrigation) and d) project management and co-ordination including office up-gradation.

The aim of the TA is to build borrower’s capacity through training, South-South Knowledge Exchange, research studies and make provisions for information dissemination. These are aimed at complementing and supporting the activities implemented under the PforR component. The split between P4R and IPF components would become clearer during preparation.

Adverse risks or impacts are not foreseen under the TA activities since these are mainly capacity building, research/studies and analytics. Capacity building and research studies may involve providing direct or indirect support to institutions in carrying out or overseeing activities under the PforR component that may have social and environmental implications. These implications will be taken into account in the design and implementation of the proposed activities under the TA. As part of project preparation, the team would review the activities towards which



the capacity building and research studies are being directed, to determine the extent to which these relate to matters covered by the ESF. During project preparation when the scope of TA activities are known, they will be screened for environmental and social implications and any E&S analysis in TA activities based on screening, where relevant, will be embedded in the Terms of References (TORs) for the TA activities. An Environmental and Social Commitment Plan will also be prepared by the implementing agencies, which will include Labor Management Procedures. Procedures for proper stakeholder engagement and information dissemination will be identified and accordingly, SEP will be made part of the Environment and Social Commitment Plan.

**Areas where “Use of Borrower Framework” is being considered:**

The use of the Borrower Framework will not be considered for the TA component of this project. The project TA activities will follow Bank’s new Environmental and Social Framework and its Environmental and Social Standards along with the national and state-level regulations and requirements in managing the environmental and social risks and impacts.

**ESS10 Stakeholder Engagement and Information Disclosure**

The key stakeholders of the TA are going to be DOLR, Karnataka and nodal agencies of watershed programs in REWARD states, including technical and scientific partners. Based on the identification of stakeholders, a stakeholder engagement plan (SEP) will be prepared in line with the ESS10 and disclosed prior to appraisal. The other interested stakeholders in these activities will also be identified and their engagement will be reflected in the SEP. All ESS related documents will be disclosed in English as well as relevant local languages in an accessible manner. The DOLR will seek stakeholder feedback on the proposed activities, and all consultations and stakeholder engagement will be inclusive and accessible. The project will also develop a project-specific Grievance Redressal Mechanism (GRM), proportionate to the potential risks and impacts of the project.

**B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

**ESS2 Labor and Working Conditions**

The TA component of the project will employ direct workers such as project staff, as well as consultants to carry out capacity building activities envisaged under the TA. The number of such staff and their time for employment is yet to be detailed out. No contract labor, community workers and primary supply workers are anticipated to be engaged under the TA. Given the limited scale of labor issue, the Labor Management Procedures (LMP) will be included in the ESCP.

**ESS3 Resource Efficiency and Pollution Prevention and Management**

This standard is not relevant at this stage. However, technical studies/feasibility studies on watershed management and land use plans or research studies, where relevant, will promote resource efficiency.

**ESS4 Community Health and Safety**

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This standard is not relevant as no construction or infrastructure development activity to be supported by the TA component of the project.

**ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

This standard is not relevant at this stage since the proposed TA activities do not include any land acquisition, restrictions on land use or involuntary resettlement. If the project envisages technical studies/feasibility studies on watershed management and land use plans or research studies on resource efficiency or pollution management as a part of this TA, the application of this standard will be updated.

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

This standard is not relevant as the TA component will involve studies, research, capacity building and there will be no physical works. The TA activities, however, where needed and relevant, will embed requirements of this standard in the TOR of any studies, research, etc.

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

Though IPs are present in the REWARD states, the TA activities implemented under IPF do not include any direct, physical interventions, and hence will not directly impact any indigenous areas or communities positively or negatively. Any plans/studies under the TA will be subject to social risk assessment in the context of ESS7, and based on the findings the relevance of this standard will be updated.

**ESS8 Cultural Heritage**

This standard is not relevant as there are no physical works to be supported by the TA component.

**ESS9 Financial Intermediaries**

Given the nature of the project, this standard is not relevant.

**B.3 Other Relevant Project Risks**

Not identified at this stage of the project.

**C. Legal Operational Policies that Apply**

<b>OP 7.50 Projects on International Waterways</b>	No
<b>OP 7.60 Projects in Disputed Areas</b>	No

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**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?**

No

**Financing Partners**

None

**B. Proposed Measures, Actions and Timing (Borrower’s commitments)**

**Actions to be completed prior to Bank Board Approval:**

Actions to be completed prior to Bank Appraisal:

- (i) Environment and Social Commitment Plan, including Labor Management Procedures.
- (ii) Stakeholder Engagement Plan, covering all key stakeholders
- (iii) TORs for of key studies screened for E&S risks/implications and requirements of relevant standards integrated into these TORs

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

- i) Implementation and Monitoring arrangements for the ESCP, LMP and SEP
- ii) Agreed capacity building activities on ESF
- iii) Commitment on timelines and resources for carrying out various capacity building activities

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

02-Mar-2020

**IV. CONTACT POINTS**

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**Borrower/Client/Recipient**

Borrower: Department of Economic Affairs, Ministry of Finance, Government of India

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**Implementing Agency(ies)**

Implementing Agency: Department of Land Resources

Implementing Agency: Karnataka Department of of Agriculture

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

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