

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED  
SAFEGUARDS DATA SHEET (PID/ISDS)  
ADDITIONAL FINANCING**

**Report No.: PIDISDSA16813**

**Date Prepared/Updated:** 12-May-2016

## I. BASIC INFORMATION

### A. Basic Project Data

<b>Country:</b>	Afghanistan	<b>Project ID:</b>	P157997		
		<b>Parent Project ID (if any):</b>	P143841		
<b>Project Name:</b>	National Horticulture and Livestock Project (NHLP) - Additional Financing (P157997)				
<b>Parent Project Name:</b>	Afghanistan: National Horticulture and Livestock Productivity Project (P143841)				
<b>Region:</b>	SOUTH ASIA				
<b>Estimated Appraisal Date:</b>		<b>Estimated Board Date:</b>	31-May-2016		
<b>Practice Area (Lead):</b>	Agriculture	<b>Lending Instrument:</b>	Investment Project Financing		
<b>Sector(s):</b>	Agricultural extension and research (30%), Animal production (25%), Crops (25%), Agro-industry, marketing, and trade (15%), Central government administration (5%)				
<b>Theme(s):</b>	Rural services and infrastructure (45%), Conflict prevention and post-conflict reconstruction (25%), Gender (10%), Rural markets (10 %), Export development and competitiveness (10%)				
<b>Borrower(s):</b>	Ministry of Agriculture, Irrigation and Livestock (MAIL)				
<b>Implementing Agency:</b>	MAIL (Ministry of Agriculture, Irrigation and Livestock)				
<b>Financing (in USD Million)</b>					
<b>Financing Source</b>		<b>Amount</b>			
Borrower		0.00			
Afghanistan Reconstruction Trust Fund		90.00			
Total Project Cost		90.00			
<b>Environmental Category:</b>	B - Partial Assessment				
<b>Appraisal Review Decision (from Decision Note):</b>	The review did authorize the team to appraise and negotiate				

<b>Other Decision:</b>	
<b>Is this a Repeater project?</b>	No

## B. Introduction and Context

### Country Context

Since 2002, the Government of Afghanistan (GOA) has been engaged in programs to build security, its legitimacy and rebuild the economy of Afghanistan. The government has made remarkable progress in many areas, such as primary education, basic health services, irrigation rehabilitation, and rural development. However, the country remains extremely fragile. Security remains a serious obstacle to the delivery of reconstruction assistance and program implementation. Afghanistan's poverty and social indicators remain among the lowest in the world. Government capacity is still weak, despite improvements. The pace of implementation of reconstruction programs has however not met popular expectations. The combination of poverty, insecurity, a drug economy and poor governance means the GoIRA faces daunting challenges in advancing the reconstruction agenda.

Between 2003 and 2012 growth in GDP averaged 9.4 percent per annum; per capita GDP increased from US\$168 to US\$668. The country should be commended for this good achievement. However, more recently growth has slowed down to only 3.7 percent in 2013 and 1.3 percent in 2014 due in part to a decline in the volume of international assistance programs and deteriorating investor confidence because of the deteriorating security situation. The current situation is fragile and Afghanistan continues to confront many difficulties in achieving sustainable development due to: (a) continued economic dependence on international assistance programs, (b) persistent unemployment, particularly in rural areas, (c) a widening urban-rural income disparity, and (d) increasing fiscal gaps.

### Sectoral and institutional Context

Agriculture is one of the most important sectors in the country's economy. It currently accounts for about one fourth of the GNP and contributed more than half of the 8.3 per cent growth in GDP in 2012. If the illegal poppy and opium economy were to be considered as part of the agricultural contribution towards the GDP, agriculture would contribute to more than half of the GDP. While other sectors such as mining and services are emerging, at least for the medium term the agriculture sector will remain the key sector for employment and poverty alleviation. More than 80 per cent of the population and 90 per cent of the poor are engaged in agriculture for livelihoods. Nearly one third of the households earn main income from the agriculture.

Afghanistan has a strong comparative advantage in the production of specific tree crops, particularly fruits and nuts. These crops have strong potential for income generation, employment creation, and export earnings. The horticulture sub-sector contributes US\$1.4 billion to the national GDP, equivalent to 34 percent of agricultural GDP and 6.7 percent of national GDP. It extends to about 360,000 ha, covering almost 14 percent of the total irrigated land area and involving more than two million people. The country's diverse geographical and climatic conditions allow for a wide range of crops to be grown and harvested at different times of the year. The most prominent crops are grapes, almonds, apple, pistachio, apricots, pomegranates and melon, most of which are exported. Meanwhile, vegetable crops are also an important source

of household income in many regions of the country, and are a crop of particular significance to women.

The livestock sector has also been identified as a sector where investments in animal health and related improvements in on-farm productivity could reap substantial gains. The dispersed structure of the livestock industry in Afghanistan suggests that such benefits would be very broad based and accrue to populations in remote and undeserved areas. Livestock currently contributes about 15 percent of agricultural GDP, or US\$680 million annually, and creates about 1.1 million FTE jobs, 15 percent of which are off-farm. Afghanistan exports some livestock products, mostly skins, wool, and cashmere, but it imports much larger amounts (by value) of live animals, meats, eggs, and dairy products. Too often the non-monetary contributions of livestock towards the family diet, fuel for heating and cooking and animal traction to plough a large part of Afghanistan's agricultural lands are overlooked. An additional role of livestock is the absorption of surplus cash in the absence of rural banking facilities and providing cash at hand when needed.

The contribution of these sub-sectors in Afghanistan's economy could be much higher than stated above, however the prolonged years of instability and conflict and recurrent droughts not only limited the progress and advancement of these sub-sectors, but also limited the development of the institutional capacities required to address the challenges as and when they emerge. The regulatory framework and enabling environment remain poor and farmers still have limited access to improved production inputs, extension services, and output markets. This however also means that Afghanistan has many catch-up opportunities through revamping the rural institutions and infrastructure destroyed during the years of conflict, which offers the possibility of a period of accelerated agricultural growth. The agricultural rural sector thus requires urgent attention to enable the country to move forward in addressing the key issues the country faces such as poverty, unemployment, low rate of growth and a weak food security.

The Ministry of Agriculture, Irrigation and Livestock (MAIL) is the main institution for agriculture related policies, legislation, regulations and strategy formulation, program development and implementation and continuously assessing the output, outcome and impact of its programs and actions.

## C. Proposed Development Objective(s)

### **Original Project Development Objective(s) - Parent**

To promote adoption of improved production practices by target farmers, with gradual rollout of farmer-centric agricultural services systems and investment support.

Service delivery centered on farmers will promote in practice increased participation of beneficiaries both in defining the type of services required and in the delivery itself. The project would also promote improved ratio of overall costs reaching beneficiaries as direct investments. The aim is thus to promote sustainability, effectiveness and efficiency.

### **Key Results**

Over 300,000 farmers and herders will directly benefit from improved production and post-harvest practices through a strengthened extension and learning network, increased delivery capacity of the MAIL and support to develop policies and strategies. Over 1,000 productive investment packages will be developed and provided to farmers and herders, consisting of new

orchards, post harvesting facilities, improved water use efficiency and use of IPM, orchard rehabilitation, fish ponds and access to fingerlings, improved backyard poultry keeping, improved animal health, productivity and marketing of produce. The establishment of 250 Farmer Learning and Resources Centers at district level in collaboration with DAIL will facilitate transfer of knowledge, technologies and make inputs and marketing opportunities available to the target communities.

#### **D. Project Description**

The National Horticulture and Livestock Project (NHLP) became effective on December 22, 2012 and was scheduled to close on December 31, 2018. It has been developed to focus on the horticulture and livestock subsectors exclusively, because both were deemed instrumental to driving growth in the larger agriculture sector. In the case of horticulture, Afghanistan has a strong comparative advantage in the production of specific tree crops which also have strong potential for on-farm income generation, employment creation, and export earnings. The livestock sector was identified as an area in which investments in animal health and related improvements in on-farm productivity can lead to substantial gains, while the dispersed structure of the livestock industry in Afghanistan suggested that such benefits will be very broad based and accrue to populations in remote and underserved areas.

The parent project's accomplishments against the agreed targets to date have been satisfactory and its impact has been recognized by both the government and rural communities. In response to the Government request, the Bank is currently preparing an Additional Financing (AF) to the NHLP, aiming at expanding the geographical scope of the project to additional provinces and communities that have not yet been reached and replicating the successes gained during the last few years of implementation.

The proposed AF will broadly maintain a similar structure to the NHLP, which has the following three components: (a) Component A: Horticultural Production, (b) Component B: Animal Production and Health, and (c) Component C: Implementation Management and Technical Assistance Support. The total estimated project cost of the AF is US\$ 90 million, which would be financed from the Afghanistan Reconstruction Trust Fund. Some of the key changes proposed as the results of this AF are summarized as follows: (i) Expansion of project activities from 22 to up to all 34 Provinces, security permitting; (ii) Increased emphasis on the use of Community Development Councils (CDCs) as the main entry point for introducing technology transfer programs; (iii) Increased emphasis on marketing, post-harvest handling and processing systems, and market development for farm outputs; and (iv) introduction of Farmers Learning and Resource Centers as a means of enhancing the technology transfer capabilities of existing Farmer Field Schools (FFS) and investment support and Packages. Lastly, the results framework has been refined and updated to reflect additional financing and introduce the new indicators needed.

Detailed information on components is illustrated as follows:

Component 1: Horticultural Production (Original: US\$56 million, revised: US\$ 125.35)

Sub-component 1.a - Extension and Farm Advisory Services: The overarching goal of this sub-component is to increase horticulture crop production, productivity and improve target producers' incomes through the adoption of improved practices and technologies. To do this,

the component will continue to organize farmers into Common Interest groups (CIGs) under the Community Development Council (CDCs) platform of their community, and farmers►( field schools where they can get together, identify their problems, and jointly identify solutions. Furthermore, the project will support target DAIL offices to establish one Farmer Learning and Resource Center (FLRC) in the target district which will be used as a hub to bring extension agents, producers, input suppliers, and traders together to exchange information and improve linkages at the district level. Further, the project will also promote the delivery of extension messages focusing on key horticulture production issues through private demonstration plots and lead farmers. The extension component will primarily focus on transfer of information and skills to the producers on the topics of orchard management including effective pruning techniques, integrated pest management and intercropping techniques; vegetable production for both open air and greenhouse production systems; water management for orchard, vegetable, and field crops; IPM, and harvesting and product handling practices for improving product quality. Given that the security situation has deteriorated, the lead farmers who are being supported by the project will play a key role in technology and information dissemination. The project will continue to provide an incentive to the lead famers and support them technically with a gradual reduction of support so that after three years the lead farmers have enough knowledge to operate at profit. It means that the lead farmers are capacitated and equipped such that in the future the communities perceive the value of their services and are ready to pay them. Another approach that will be used by the project in delivery extension messages and information will be the increased use of Information and Communication Technologies (ICT) in collaboration with Digital Green.

**Subcomponent 1.b Investment Packages for Improved Productivity and Market Efficiency.** This component will complement capacity building delivered through the Extension Sub-Component 1.a by providing support to productive investments required for actual adoption of improved technology packages in thematic areas mirroring those covered by extension messages. These packages are typically comprised of improved production inputs and companion practices that can quickly and effectively be adopted by farmers. Investments supported will include but not be limited to: rehabilitation of existing orchards and establishment of new orchards, dry land horticulture, off-season vegetable and soft fruit production, kitchen gardening, saffron demonstrations, and women focused activities like vegetable processing, mushroom production and grape trellising. It will also include cross-cutting agricultural practices such as integrated pest management, soil and water management, and agronomic interventions using a cropping systems approach.

**Sub-Component 1.c Improved Market Access and Post-Harvest Handling Systems.** The project starts its marketing efforts by informing the target farmers on what to produce to get better market prices based on the information received from different markets. In this regard the marketing team will be in close contact with the extension agents to facilitate information sharing on market requirements. To date NHLP has distributed a number of harvesting and post-harvesting tools to a total of 10,681 target farmers on a cost-sharing basis. These include almond shakers, fruit pickers, harvest bags, harvesting shears, harvesting ladders, pruning saws grape baskets and plastic buckets with the over goal of reducing losses and maintaining an acceptable level of quality. The NHLP has moreover supported over 350 target farmers to establish improved raisin drying houses. The construction of this new design was executed through CDC collaboration with NHLP financial support, and with 25 percent of farmer contribution. The initiatives will be extended to more famers till end of the project. In addition, a number of crops are such as apple, appreciate, citrus which are largely for domestic consumption but have benefited from postharvest

activities that enables famers to ensure quality and reduce postharvest losses. About 100 traders and market intermediaries will be trained on improved postharvest-handling and marketing practices and will linked with NHLP farmers groups in different geographical locations. The project will also attempt to link the producers groups with local and international processors such Omid Bahar fruit juice company and others who offer better prices.

Component 2. Animal Production and Health (Original: US\$ 29.7 million, revised: US\$ 53.4 million)

Subcomponents and activities covered under the Animal Production and Health Component are illustrated as follow:

Subcomponent 2.a Improved Animal Health Service Delivery. The objective of this project component is to ensure that the government will take full responsibility for the Sanitary Mandate Contracting Scheme (SMCS) at the end of the project period in 2020. Currently the FAO is going to cover 11 provinces, the government 5 and NHLP the remaining 18 provinces. The FAO will finance the programs in their assigned provinces until 2018. The NHLP will finance programs in its area of operations until 2020. It is foreseen that the NHLP will reduce the number of provinces in which it is operating to 16 in 2017, and 8 in 2019. By 2020, it is planned that the national budget will have taken over the whole financing of this national sanitary program.

National Animal Disease Control Programs (NDCP). The objective of this project activity is to set up a national system for the control of animal diseases, for which Brucellosis was chosen as the initial model around which other disease control programs will be developed. Worldwide, there are two animal diseases with a control and eradication plan: Foot and Mouth Disease (FMD) and small ruminant pest or as officially called Peste des Petits Ruminants (PPR). Both FAO and OIE play a leading role in guiding national veterinary services to align their programs with this progressive pathway to control these diseases.

Finally, this component will build on accomplishments achieved to date through the existing NHLP and will continue to provide support to the Afghanistan Vaccine Production Laboratory (AVPL). The NHLP will provide investment support for larger production capacity and promote a management change whereby, through a Public Private Partnership (PPP) arrangement, the day-to-day management of AVPL and the possibility to improve the commercialization will be developed and the availability of vaccines in the country is expected to increase. Besides assistance in the development of poultry, aquaculture and beekeeping policies, NHLP will continue to strengthen the public private partnership model in animal health and extension and support the government in institutionalizing this approach in its strategies and program.

Subcomponent 2.b Improved Animal Production through Investment Support and Investment Packages

In total it is anticipated that there will be 400 investment packages implemented for the livestock sector as a whole. These will be distributed among the following sub-sectors.

Poultry Development. During the first phase of the NHLP the focus of the poultry program was to test and evaluate different types of poultry programs to determine the optimal package or scheme to assist the development of the poultry sector. The productivity of the birds used, the

number of birds to be more commercially viable (15 versus 30 and more), and the availability of quality poultry feed at accessible prices were identified as the main bottlenecks. For the ordinary village chicken Newcastle Disease (ND) is still the major threat. The program will continue its investigative and advisory work with the introduction of a dual purpose more productive breed (Bovan Nera, tested successfully in Charikar by DCA in 2005-2007), the introduction of concentrated poultry feeds, to be mixed with domestic maize or wheat, and the launching of wide-spread ND vaccination with the use of thermostable I2 vaccine produced at the AVPL. The investment packages to promote semi-commercial layer and broiler production will continue in parallel with 30,000 women benefitting from the 30 birds package and 5,000 from the 100 birds package.

Fish farming/aquaculture. Two pilot fish farming enterprises were initiated in Nangarhar and Kunduz in 2015. The project took an interest in this activity because fish farming in lowland warm-water systems is the most productive form of animal protein production per unit area. The NHLP will identify bottlenecks and increase the availability of quality fingerlings. If successful, the activity may be expanded to Kandahar/Helmand and Mazar e Sharif. Should a lack of quality fingerlings prove to be the main bottleneck, a large number of currently unused fish ponds will be returned to production in addition to the 10 ponds to be constructed in each province by the project.

Dairy development. Donor programs in the dairy sector in Afghanistan have so far been largely based on the Integrated Dairy Scheme approach of the FAO, and results have been somewhat mixed. Meanwhile, a private dairy processing industry has emerged which makes use of considerable quantities of milk powder. To leverage opportunities in the sector, NHLP will assist producer groups to improve their skills and productivity and link them to these private companies and support the dairy value chain, in which the private sector is the chain manager and providing necessary services to the producers. The project will concentrate on peri-urban dairy producers and assist them in organizing themselves and establishing milk collection centers and enter into supply contracts with the existing dairies in these places. It is planned to work with four dairies and support five producer groups per dairy.

Beekeeping. Feasibility work and pilot programs have identified beekeeping as a high return enterprise that also lends itself particularly well to women's agriculture programs. NHLP will support the existing national beekeeping structures and through investment packages, eligible farmers in suitable areas to start keeping bees. The project plans to support 500 farmers keeping bees in areas where beekeeping is important for the pollination of tree crops and where there is sufficient variation in crops and vegetation to keep bees.

Small ruminant production. There have always been two phases of small ruminant production in Afghanistan. The first is the reproductive phase that is in the hands of the Kuchi. The second is the productive fattening and slaughter phase that is done by sedentary farmers. The intricate collaboration that once existed between these two groups has been disrupted through droughts and war. The NHLP, together with CLAP and others will explore new ways to make the current small ruminant production system more productive (increased vaccination and health care, supplementary feeding of ewes and fattening of lambs) and resilient (rangeland management, production of forages and building fodder stores/fodder banks). A limited number of grazing systems will be identified, preferably used by the Kuchi with whom the project has already worked together in the extension program.

### Sub-Component 2.c Improved Market Access and Value Addition for Livestock Products

Promotion of vaccination and availability of vaccines. The investments in the AVPL and the management system changes (public-private partnerships) need support through the development of the use and marketing of the vaccines produced. The network of distributors to VFUs and farmers will be supported through training, seminars, pamphlets, and radio and television messages. The vaccine value-chain will be further developed. It is expected that mortality of small ruminants can be reduced from an estimated 25 percent to at least 10 percent for lambs and kids, and village poultry mortality brought down from more than 50 percent to 20-25 percent. For this to be measured, a number of sentinel flocks will be followed through the SMCS.

Promotion of poultry services network. The large volume of institutional buying and distribution of poultry inputs has undermined incentives for local economic agents to invest in setting up risky private input and service delivery systems. This program activity will make sure that all poultry activities in the animal production sub-component will promote the use of private sector agents. The marketing of birds and eggs will be supported with training and pilot projects for aggregation and sale in town.

Fish farming and beekeeping. Both industries will require the development of effective marketing channels to operate successfully. In the case of fish, an effective cold chain, simple slaughter and preparation facilities, and transport to retail outlets in towns are necessary. In the case of beekeeping, honey slings, sieves, filling equipment and packaging will be needed. The marketing component of NHLP will support private individuals or groups in developing this infrastructure and providing this equipment.

Dairy development. The marketing component will work towards methods to set up a quality control and collection and cool storage system, either collectively or by a private entrepreneur. Producers will be linked to sources of finance and assisted in accessing them. Contracting with private buyers of milk and the producer groups will form part of the activities.

Small Ruminants. The subsector needs a completely new outlook on marketing, whereby animals are first properly finished for slaughter by the owners or their associates. The program will develop collaborative frameworks between migratory and sedentary small ruminant farmers, which are needed for the range management, assuring sufficient winter supplementary feed and feed and fodder for fattening. Earlier NHLP studies in this area have yielded a number of insights into the possibilities for supplementary feeding of ewes and lamb finishing. Additional investigation into improved marketing is required.

Component 3. Implementation Management and Technical Assistance Support. (Original: US\$ 28.9 million, revised: US\$ 39.45 million).

This component will support: (a) implementation management at national and regional levels of the project, (b) technical assistance to inform implementation and policy development, and capacity building of MAIL to mainstream and ensure long term adequate staffing for the service delivery systems being deployed, and (c) coordination with other donors and stakeholders to ensure the smooth development of a programmatic approach for the implementation of assistance programs in the horticulture and livestock sectors.

An Implementation Management Support Team (IMST) is staffed by permanent national and regional staff, with assistance from phased temporary international specialists. Implementation management support will continue to cover TA for overall management at central and regional levels, including procurement and financial management, monitoring and evaluation (M&E), communication functions, as well as decentralized regional activities. The IMST will be in charge of continued liaison within MAIL, overall oversight, guidance and coordination, as well as core administrative, monitoring, and communication functions. The planning and implementation of front line activities will be carried out through up to five regional offices. Special attention will be given to strengthening of M&E, knowledge management, and communications to facilitate decentralized implementation and ensure quality across regions by sharing good practices and disseminating lessons learned.

The IMST will maintain its existing structure, being staffed by permanent national and some regional staff, with assistance from phased temporary international specialists. The international TA will provide temporary support at various phases of implementation, at start-up in particular, regarding key horticulture, livestock, FM, procurement, and M&E activities. This TA will be time bounded with clear exit strategies. Also, instead of having an international lead facilitating partner, contracting of staff will be carried out by MAIL on a trial basis, based on positive partial direct contracting experiences carried out within NHLP during the last year.

#### **Component Name**

The three main components: Horticultural Production, Animal Production and Health, and Implementation Management and Technical assistance

#### **Comments (optional)**

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

The AF project will operate nationwide as far as the security conditions permits. There is an increase in geographic coverage of the parent project, which was implemented in 22 provinces, to up to all 34 provinces under the AF project. The additional coverage is the continuation of the scope and activities carried out under the parent project and are not expected to have significant and irreversible environmental and social impacts. The expansion of the project will be implemented in a phase manner bringing 2-5 new provinces under coverage every year.

### **F. Environmental and Social Safeguards Specialists**

Mohammad Arif Rasuli (GEN06)

Mohammad Ateeq Zaki (GSURR)

Najla Sabri (GSU06)

## **II. Implementation**

### **Institutional and Implementation Arrangements**

All the implementation arrangements, including the safeguards and fiduciary management will remain the same as in the original project design. MAIL is responsible for overall project implementation. The Implementation Management Support Team (IMST) in MAIL will remain

responsible for managing the proposed AF on technical, fiduciary, M&E and safeguards aspects. The Head of the Implementation Management Support Team (IMST) will continue to have overall responsibility project implementation and for ensuring compliance with safeguards requirements. He/ She has day-to-day operational responsibility for the project and will be assisted by a Safeguards Unit, including safeguards officers at national and regional levels who will continue to have specific responsibilities for developing and overseeing the implementation of ESMF safeguards requirements in all phases of the project implementation.

### **III. Safeguard Policies that might apply**

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	This OP is triggered because the types of activities that the AF will finance under the investment packages and farmers learning and Resources Centers may have potential adverse environmental and social impacts that would require mitigation measures and monitoring arrangements to manage them effectively. Typical impacts may include toxicity to human/animal health due to improper use and storage of pesticides and fertilizers. These impacts may be mitigated by improving farmers' knowledge and capacity of farmers to address toxicity and safety issues. Such mitigation measures will be included in sub project ESMPs and will be informed by the PMP that project has already developed.
Natural Habitats OP/BP 4.04	No	This policy is not triggered, because, none of the project's components engages in any work that has direct or indirect relationship with Natural Habitats.
Forests OP/BP 4.36	No	The project activities do not impact forests in any way, as defined by the policy.
Pest Management OP 4.09	Yes	This policy is triggered by the AF project considering that, in general, support to horticultural activities might increase the use of pesticides/agro-chemicals. This might have potential impacts in terms of remaining pesticide residue in some horticultural products, as well as could damage local ecology. The current Pest Management Plan will be applied to the AF. Also, the application of the IPM approach, which is requested by the project, would help minimize the adverse impacts of the pesticide application.
Physical Cultural Resources OP/BP 4.11	No	OP/BP 4.11 is not triggered because there is no indication of presence of physical cultural resources within the selected sites for the additional financing. However, the updated ESMF includes guidelines for

		the Chance Find Procedure to be applied according to National Afghan Law.
Indigenous Peoples OP/BP 4.10	No	This policy is not triggered as there are no Indigenous Peoples that meet the criteria of OP/BP 4.10 within the project area that could potentially benefit or be adversely affected by the Project's activities
Involuntary Resettlement OP/BP 4.12	No	This policy was not triggered in the original project and is not triggered for the AF. At least, four types of activities under the AF will require land namely, horticulture (establishment of orchards), dry land horticulture (mainly for pistachio orchards ), small water harvesting structures or ponds (to be used by a small group of farmers) and possibility of establishment of a limited number of Farmers Learning and Resource Canters (FLRCs). The first three activities related to horticulture and water harvesting structures will be solely on private land. Ownership of such land will be verified, recorded, and documented and verified. Therefore all land transactions will be based on willing buyer-willing seller or acquired against community compensation. In some cases, minor voluntary land donation may occur in certain subprojects, but only provided that there are no structures or assets on the land. The livelihood impact of the donation on the land owner will be minor (less than 10 percent of an individuals' holdings), but the asset created will be used for improvement of their farms income. The voluntary nature of the donation will be fully documented and verified by relevant authorities. The documentation for all land transactions will be completed before starting any physical work. Also, government allocated land will be used for the establishment of a limited number of FLRCs with primary goal of improving the service delivery capacity of extension units in the district level.
Safety of Dams OP/BP 4.37	No	This project does not have any activity involving dams
Projects on International Waterways OP/BP 7.50	Yes	The likelihood of triggering of OP7.50 was raised and since the proposed investments for the AF are for the introduction of improved production technologies and technical assistance in relation to specific crop cultivation and management, as well as activities to improve on-farm management and the dissemination of improved water saving techniques,

		the impact will likely be to save water rather than involving water diversion for any rivers or any other sources. Accordingly, the proposed AF project will fall into the category specified under OP. 7.50 para. 7 (a) for which riparian notification is exempted. The exemption was approved by SARVP on May 5, 2016.
Projects in Disputed Areas OP/ BP 7.60	No	

## IV. 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:

The overall safeguards performance of the parent project is satisfactory. No major issues have been identified, except for the proper documentation of voluntary small pieces of land donations and all other types of land transactions and the availability of the documents at both Head Quarter and Provincial offices. In addition, the Integrated Pest Management (IPM) approach for the control of pests adopted under the original project will need further enhancement. Efforts need to be made in the capacity building of the client in regards with the IPM approach to enable it to regulate the importation, storing and use of pesticides which will have a positive impact on the environment. Also, the Government has prepared a Pesticide Law which was recently passed by the parliament and MAIL needs to develop and finalize relevant regulations.

Social Development and Citizen Engagement: Social development and citizen engagement is a fundamental aspect of a two-way interaction between citizens and the project and the government. The primary objective of the project is to improve the adoption of production practices in a demand driven and need based manner. The AF will follow a bottom up approach and deliver the services. The AF will expand its activities from 22 provinces to 34 provinces, ensuring an equitable development approach throughout the country. Furthermore, in order to engage in a two-way interaction with the citizens, the project has developed and operationalized a Grievance Redressal Mechanism (GRM). The GRM is functioning at sub-national level. However, there is a need to raise the awareness of the beneficiaries and stakeholders about the GRM and its utilization. The awareness campaign should be run through male and female CDCs, cooperatives, farmer's organizations, Irrigations Association at the community level.

Gender: Afghan women play a key role in the agriculture sector of the country. They are engaged in both pre-harvest and post-harvest activities supporting their male family members. Both the original project and the additional financing has specific investment packages for women. Also, there are gender-specific demonstration activities. The AF will focus more on the engagement of the female CDCs and raise the awareness of women about various investment packages of the project as well as the GRM in order to ensure the representation of women in the grievance redress committees, which will further enhance the women access to the project and make their voice heard.

Safeguards Policies under the proposed AF: all the policies of the parent project and one more additional policy (OP 7.50) apply to the AF.

OP/BP 4.01 (Environmental Assessment): This policy was triggered under the original project because the types of activities supported under this might have potential adverse environmental impacts that will require mitigation measures and monitoring arrangements to manage them effectively. Since the nature of activities supported under this AF will broadly remain similar to the parent project, the environmental assessment carried out during the preparation phase of the parent project will be applied to this AF.

OP/BP 4.09 (Pest Management) this policy was triggered under the original project considering that, in general, support to horticultural activities will increase the use of pesticides/agro-chemicals. Typical impacts may include toxicity to human/animal health due to improper use and storage of pesticides and fertilizers. These impacts may be mitigated by improving farmer's knowledge and capacity of farmers to address toxicity and safety issues. A Pest Management Plan was prepared for the original project and will be applied on this AF.

OP. 7.50 (Project on International Waterways) is triggered and an exception to the notification requirement prescribed by said policy has been secured. The exception also covers any as yet un-implemented activities to be financed by the remainder of the proceeds of the on-going parent NHLP (P143841). Under component A, the project supports farmers to improve production technologies and techniques through a combination of technical assistance and small scale on-farm investments. The investments includes on-farm infrastructure such as small retention ponds (less than 100 sq. m) to help improve micro-watershed management and increase water use efficiency. These structures are established at either the household or community levels, serving about 1 hectare per structure. About 900 (nine hundred) investments have been committed and supported under the original project to date, and the AF is expected to support an additional 1100 (Eleven hundred). However, inadvertently, OP 7.50 was not applied to the parent project during preparation and no exception to the riparian notification requirement was processed. During the decision review meeting of this AF, it was recommended to revisit this issue more closely and after consultations with the relevant experts, it was determined that OP 7.50 should be triggered for any remaining activities to be financed by the parent NHLP and by the AF. A restructuring to indicate OP 7.50 as triggered in all relevant documentation has been undertaken as part of the processing of the AF. While there is no concept of retroactive exception under OP 7.50, it is confirmed that all activities which have been undertaken to date under NHLP would have qualified for the exception under paragraph 7(a) had one been sought at the time.

Green House Gas Emission Analysis: A GHG Emission analysis was carried out to assess the impacts of the proposed AF Project and the results coming out of this analysis have been reflected in the project paper.

**2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:**

No indirect and/or long term impacts have been identified as a result of the planned activities under the AF. The AF will continue to apply and promote the IPM approach to control pests and diseases in the livestock and horticulture sectors in the project areas. The current NHLP's PMP is sufficient to act as the guiding tool and framework for the pest management related activities under this AF, as the project attempts to continue to expanding the existing activities. However, during the AF implementation phase, new conditions may emerge such as pest prevalence of pests on specific crops in a certain area of the country which may require site or crop specific management plans. In view of this, during the course of implementation, the NHLP project team

	<p>will prepare action plans based on the principles outlined in the current PMP to be able to deal with the conditions in an acceptable manner. The site/crop specific management plans would include relevant mechanical, biological and cultural management methods in which application of pesticide will be discouraged and will be considered as the last resort.</p>
<b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b>	N/A
<b>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.</b>	<p>A safeguards structure at national and regional level was established under the parent project with a current total of 18 staff supporting this function. This structure includes a National Safeguards coordinator with a regional coordinator in each of the existing five regions. Each regional coordinator is responsible for between 5-8 provinces. Female staff from the Gender Unit within MAIL have been assigned to work on the project, including a national Gender officer with five regional Gender officers working alongside their male safeguards colleagues. In addition an international IPM adviser with 5 regional IPM officers were appointed under the original project to work closely with safeguards staffs.</p> <p>The National Safeguards Coordinator will continue to be responsible for overseeing the implementation of the Environmental and Social Safeguards Framework whilst the IPM expert will continue to ensure the proper and result-based application of the IPM approach under the AF. The National Safeguards Coordinator will facilitate and contribute to capacity building, lessons learned in IPM and implementing the PMP, good practices, case studies, collect and compiles reports about the progress or the lack of it and will get feedback from the stakeholders including the WB. The National safeguards coordinator will also help to mainstream environmental and social issues within the broader project. The Safeguard monitoring capacity will be gradually transferred to relevant MAIL staff to ensure continuity in safeguard application after project completion. During the operation stage, the M&amp;E Unit will carry out the monitoring of the operations also.</p> <p>In the medium term, MAIL has decided to establish a Safeguards Management Cell to be housed in the relevant department. Doing so will improve the in-house Environmental and Social Safeguards implementation capacity and ownership in MAIL and accordingly will enhance the sustainability and development impacts of the project interventions.</p>
<b>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</b>	<p>The main direct stakeholders are farmers (women and men), CDC members, cooperative and Irrigation Association (IA) and other farmer organizations. The main indirect stakeholders are local government officials in districts where activities will be implemented, local NGOs, provincial authorities including DAIL and DRRD.</p> <p>The ESMF for the AF has been revised and is mainly a continuation of the ESMF for the original project. During preparation of that ESMF, many persons, local communities, Government officials, NEPA, NGOs and other institutions were consulted in the project provinces. Meetings were held with key officials and opinion leaders to gauge level of awareness and involvement with the project, concerns of project implementation, and to obtain relevant documents or baseline information. Consultations on the updated ESMF for the AF NHLP were held in Kabul on 25</p>

January, 2016. The minutes of these consultations are attached as annex 13 of the ESMF

### **B. Disclosure Requirements**

<b>Environmental Assessment/Audit/Management Plan/Other</b>	
Date of receipt by the Bank	28-Jan-2016
Date of submission to InfoShop	05-May-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Afghanistan	05-May-2016
<i>Comments:</i>	The Executive Summary of the updated ESMF has already been disclosed on the MAILs website and soon after approval of the ESMF by the Practice Manager, the Government will disclose the full version of the ESMF in local languages (i.e. Pashto and Dari) to all the stakeholders. The English version of the ESMF will also be disclosed on the World Bank InfoShop as soon as managerial approval is obtained. The ESMF will be also translated into local languages and made available through the relevant websites. The Government of Afghanistan also makes all the safeguards related documents of the project publicly available through the Afghan Information Management System (AIMS).The environmental assessment carried out during the preparation phase of the parent project is applied on this AF as well.
<b>Pest Management Plan</b>	
Was the document disclosed prior to appraisal?	No
Date of receipt by the Bank	20-Apr-2016
Date of submission to InfoShop	27-Apr-2016
"In country" Disclosure	
<i>Comments:</i>	
<b>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.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	

### **C. Compliance Monitoring Indicators at the Corporate Level**

<b>OP/BP/GP 4.01 - Environment Assessment</b>		
Does the project require a stand-alone EA (including EMP) report?	Yes [ <input checked="" type="checkbox"/> ]	No [ <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"/> ]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]

<b>OP 4.09 - Pest Management</b>		
Does the EA adequately address the pest management issues?	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
Is a separate PMP required?	Yes [ <input checked="" type="checkbox"/> ]	No [ <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 checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
<b>OP 7.50 - Projects on International Waterways</b>		
Have the other riparians been notified of the project?	Yes [ <input type="checkbox"/> ]	No [ <input checked="" type="checkbox"/> ]
If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
Has the RVP approved such an exception?	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
<b>The World Bank Policy on Disclosure of Information</b>		
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input checked="" type="checkbox"/> ]	No [ <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"/> ]
<b>All Safeguard Policies</b>		
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"/> ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input checked="" type="checkbox"/> ]	No [ <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"/> ]
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"/> ]

## V. Contact point

### World Bank

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### Borrower/Client/Recipient

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### Implementing Agencies

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**VI. For more information contact:**

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**VII. Approval**

Task Team Leader(s):	Name: Amanullah Alamzai	
<i>Approved By</i>		
Practice Manager/ Manager:	Name: Martien Van Nieuwkoop (PMGR)	Date: 15-May-2016
Country Director:	Name: Stephen N. Ndegwa (CD)	Date: 16-May-2016