



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

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Concept Stage | Date Prepared/Updated: 30-Jun-2016 | Report No: PIDISDSC18718



**BASIC INFORMATION**

**A. Basic Project Data**

Country India	Project ID P158798	Parent Project ID (if any)	Project Name Jharkhand Opportunities for Harnessing Rural Growth Project (P158798)
Region SOUTH ASIA	Estimated Appraisal Date Feb 01, 2017	Estimated Board Date Apr 24, 2017	Practice Area (Lead) Agriculture
Lending Instrument Investment Project Financing	Borrower(s) Department of Economic Affairs, Ministry of Finance, Government of India	Implementing Agency Department of Rural Development, Government of Jharkhand	

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**Financing (in USD Million)**

Financing Source	Amount
Borrower	43.00
International Bank for Reconstruction and Development	100.00
<b>Total Project Cost</b>	<b>143.00</b>

Environmental Assessment Category  
B-Partial Assessment

Concept Review Decision  
Track I-The review did authorize the preparation to continue

Other Decision (as needed)

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**B. Introduction and Context**

Country Context

Despite a track record of strong economic growth, poverty alleviation and improved human development indicators, India still has 21.9 percent (263 million) population living in poverty; 80 percent reside in rural areas. Low-income states account for 62 percent of the country’s poor and a poverty rate nearly twice that of other states. Agriculture and allied sectors account for 17 percent of the national gross domestic product and is a major source of livelihood for more than half of India’s population. The key challenge is to ensure strong comprehensive growth with social inclusion because inequalities across social groups (such as scheduled castes, scheduled tribes) and women cause them to lag behind the general population.



The Government of India (GoI) is implementing the Deen Dayal Antyodaya Yojana – National Rural Livelihoods Mission (NRLM) for creating strong community institutions and their federations as a foundational strategy for poverty reduction. GoI is also emphasizing strategic shifts in the agriculture sector – from food grains to high-value crops; from a focus on productivity to climate resiliency; from production to value addition in post-harvest segments – to accelerate inclusive growth. India is: (i) promoting diversification into fruits and vegetables (through the national Mission for Integrated Development of Horticulture); (ii) supporting the creation of producer organizations (PO) as economic units at the farm level and their linkages with marketing and trade (through the Small Farmers Agribusiness Consortium (SFAC)); (iii) promoting efficient water management on farms and improving water use efficiency (through the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)); and (iv) advocating resiliency against the adverse effects of climate change (through its Intended Nationally Determined Contributions).

### Sectoral and Institutional Context

Jharkhand was carved out from Bihar in 2000 and has a population of 33 million. With the largest share of the country’s mineral resources (40 percent), the gross state domestic product (GSDP) was 8.8 percent during the first four years in the 12th Five Year Plan (2012–2017) indicating an impressive performance of the state economy. Despite this Jharkhand ranks second in rural poverty in India. In 2011–12, the incidence of poverty in rural Jharkhand was 40.8 percent, about 15 percent higher than the national average (25 percent). With 27 percent of households belonging to scheduled tribes (STs), poverty among STs is higher at 50 percent. Jharkhand also ranks significantly lower in most human development indicators (e.g. maternal mortality, literacy rate, enrollment in higher education, institutional births, and gender empowerment) compared to all-India figures highlighting the critical development deficits in the state. Jharkhand faces a unique situation of having Left Wing Extremist (LWE) groups in forested areas (often in areas with mining interests), which complicates development as the threat of violence and extortion can hinder both public and private investments in affected areas.

The contribution of agriculture and allied sectors to Jharkhand’s GSDP stabilized at 16.2 percent during the 12th Five Year Plan period with an average annual growth of 8 percent between 2004–05 and 2015–16. However, compared to other low-income states, Jharkhand has seen negative job growth after 2005. There are even fewer job opportunities for women who have withdrawn from the labor force in large numbers. While non-farm employment is increasing (led by construction), half the labor force is still on the farm. The agriculture sector is characterized by a large proportion of small and marginal producers (84 percent) practicing rain-fed, single-cropped subsistence farming, growing rain-fed paddy in the lowlands and midlands; and oilseeds and pulses in the uplands. Average land holding per farmer is 1.17 hectares with nearly 35 percent as fallow land. Jharkhand has 26 lakh hectares as net sown area and only 3 lakh hectares is irrigated land under major and medium irrigation schemes. Given sufficient annual rainfall of about 1200–1400 mm and large irrigation potential, Government of Jharkhand’s (GoJ) focus has shifted to developing minor irrigations schemes after several major and medium irrigation schemes ran into difficulties under the new Land Acquisition Act 2013. Small livestock including fisheries activities particularly in catchment farm ponds, tanks and reservoirs are an important means for direct income and employment to rural households. Non-timber forest produce (NTFP) contributes to substantial incomes of forest dwellers who are mostly disadvantaged and landless communities comprising tribals and ‘particularly vulnerable tribal groups’.

Jharkhand has a comparative advantage in several agriculture and allied areas that present opportunities to rural households. It has made rapid progress and gained dominant status in non-paddy crops particularly horticulture with around 4.27 lakh hectares under vegetables and fruits, and an all-India ranking with several fresh vegetable growing hubs around medium-to-large townships. Vegetables are being supplied for domestic consumption even to markets



outside the state. Fishery (capture fishery and aquaculture) is the fastest growing sub-sector with a high growth rate of 17.23 percent over the past 11 years. This impressive performance is despite limitations such as recurrent droughts and dependence on seasonal water bodies. Among the NTFP, Jharkhand has a nationally dominant position in lac and tussar contributing to 30 percent and 70 percent of national production; several successful value chain models are recognized as having potential for expansion in the state. There is also emerging small private enterprise activity in the agro-based and food processing sectors located in secure enclaves and near transportation routes. The lack of non-forest and non-tribal land for setting up industries and general resistance to large industries is a major barrier for private sector investment in the state.

Since 2012, the World Bank has been engaged in Jharkhand through its support to the NRLM through the National Rural Livelihoods Project (NRLP). The NRLP functions in 20 districts (of a total of 24 districts) covering 4.5 lakh subsistence-focused rural households where it has organized more than 31,000 women self-help groups (SHGs) and provided financial and technical assistance to improve their organizational capacity and utility of their productive assets. The program has a strong focus on inclusive targeting of the poor, particularly women and lower caste households, strong community empowerment and financial inclusion. For every US\$100 invested through NRLP in communities, SHGs have leveraged US\$65 through internal savings and bank credit<sup>1</sup>. GoJ has approached the World Bank for the proposed lending operation to accelerate rural growth by helping the rural households' transition from a subsistence-based economy to a diversified and market-led rural economy. The additionality of the proposed project over NRLP is to create a transformative change in the incomes of rural producers by leveraging the comparative advantage of the state and by bringing a systematic approach to diversification, high-productivity production systems, increased linkage to higher-order markets and rural entrepreneurship. Further, the proposed project will tap opportunities to influence the broader policy/enabling environment in the state to facilitate strategic shifts in the sector.

Several constraints are reducing the pace at which Jharkhand can capitalize on the above sectoral opportunities (para 5) and facilitate a transition of rural households to higher growth and incomes. These include: (i) *lack of access to irrigation* (a critical limiting factor). In Jharkhand, only 12 percent of the total area under crops is irrigated, which is far below the national average of 47 percent. It faced drought in 2015 with 126 blocks suffering 40 percent crop losses and soil moisture stress due to poor monsoons; (ii) *lack of production volumes and economies of scale* that cause rural producers to trade their commodities through intermediaries or in 'small rural un-organized markets' as they cannot reach out to larger markets or private sector; (iii) *lack of access to improved inputs and technical knowhow* at farm level that is necessary for production diversification and processing; (iv) *lack of primary-level aggregation and processing of produce*; and (v) *lack of start-up financial incentives* from formal financial institutions to producer collectives for market-based operations.

GoJ has supportive state policies in the rural development, agriculture and allied sectors and its commitment is reflected in the adoption of national policies on SHG development, finalization of the draft agriculture policy and a food processing industry policy, and achieving an amendment to the Agricultural Produce Marketing Committee Act, among others. The state has 'water governance' at the village level, which encourages community participation and management of micro-irrigation projects. GoJ has issued a blanket "no objection certificate" for the use of the state government's water bodies for fisheries. For the drought period 2015–16, GoJ is providing seeds with 75 percent subsidy, implementing agriculture<sup>2</sup> insurance and piloting the 'single window system' in 100 blocks of 24 districts. A number of legal provisions<sup>3</sup> give tribals executive powers and protection from resource alienation.

<sup>1</sup> Jharkhand Economic Survey 2015-16.

<sup>2</sup> National Agriculture Insurance Scheme.

<sup>3</sup> These include the Chotanagpur Tenancy Act 1908 (CNTA), the Santhal Pargana Tenancy Act 1949 (SPTA), the Land Acquisition Act 1894 (LAA), the Scheduled Area Regulation 1969 (SAR), etc. The other important act is PESA (1996) that gives powers to the Panchayat and the Gram Sabha to



Jharkhand is at a comparative advantage to catapult into a higher growth trajectory in rural areas provided the benefits of sectoral growth and opportunities associated with economic diversification, irrigation expansion and private sector investments flow to a much larger and wider base of rural producers, including marginalized groups. This will require overcoming the constraints described above through strategic investments in small-scale infrastructure, and marketing and transfer of technical knowhow to rural producers. Apart from this, creating producer organizations for economies of scale to enable market linkages and increasing negotiation power vis-à-vis the market is vital. The state's thrust on agricultural diversification, irrigation and financial inclusion; availability of scalable models in several of the sub-sectors within the state; and the presence of well-mobilized communities linked to formal financial institutions provide the foundation to enable rural households to transition to a higher equilibrium in the rural economy.

#### Relationship to CPF

The proposed World Bank support to this project is consistent with the Country Partnership Strategy (CPS) for India (2013–2017) and aligned with two pillars – transformation and inclusion. Under *transformation*, the key thrust will be on strengthening institutions of the poor and aggregation of producers to leverage economies of scale. The project will support agriculture, NTFP and livestock productivity through technology transfer in production and improved post-harvest and market operations, and also explore financing modalities to support entrepreneurship (CPS outcome 2.4). The project will also focus on skill development and creating jobs for the rural youth. Under *inclusion*, the project will focus on strategies to engage women and marginalized (particularly tribal) groups to address social and gender disparities.

The project is aligned with the 12th Five Year Plan approach for 'faster, sustainable and more inclusive growth', and growth target of 8.2 percent. The overall strategy is to raise incomes of the poor at a transformative scale through innovative approaches in farm and non-farm sectors. The project supports GoI's 'finance plus' approach to foster higher order impacts, such as: (i) leveraging major government schemes (on gender, climate-resilient agriculture, livelihoods, etc.) together on one synergistic platform; (ii) harnessing information communication and technology (ICT) applications for improving service delivery in a sustainable manner; and (iii) supporting innovations in public-private-community partnerships (PPCPs).

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prevent alienation of tribal land.



### C. Proposed Development Objective(s)

The proposed PDO is increased diversification in production and improved access to markets and jobs in select farm/non-farm sectors for targeted beneficiaries in Jharkhand. The primary project beneficiaries are going to be rural households in NRLP districts, including women and men from scheduled caste and scheduled tribes, small holder and landless households.

#### Key Results (From PCN)

The key project indicators are:

- increase in cultivated area of non-paddy crops for targeted households;
- increase in targeted households diversified into new farm/non-farm economic activities;
- increase in number of beneficiaries placed in jobs (including self-employment and entrepreneurship);
- increase in share of marketed output through new marketing channels<sup>4</sup> for targeted households; and
- number of project beneficiaries, including number of female, schedule caste and schedule tribes beneficiaries.

### D. Concept Description

*Project approach.* The proposed project builds on the existing organizational and social capital developed in NRLP districts focusing on both SHG and non-SHG households. This arrangement will be leveraged to develop producer groups and producer organizations (as economic units) in a select number of sectoral clusters. As a fundamental design element, the project will identify rural households that have actual/potential *marketable surplus* in developing the clusters (particularly horticulture) in order to ensure marketability of produce. Inclusion of marginalized groups in cluster settings will be addressed through a variety of pathways that will be built into the project (see pt. b below). Project interventions will be based on the following key principles.

- a. Mobilize and aggregate rural producers into producer organizations (POs) with potential for diversification and/or intensification of their current production systems (emphasizing horticulture, fisheries, small livestock and NTFP); Exercise selectivity in choice and number of actual/potential agribusiness clusters.
- b. Mainstreaming participation of women and men from scheduled caste (SC)/ST, small holder and landless households through (i) community-based targeting (ii) inclusion in PO membership and leadership and resource persons (iii) targeting in fishery, forestry and small livestock clusters (iv) access to agriculture technology dissemination and irrigation investments; and (iv) skill development, jobs and entrepreneurship interventions.
- c. Strengthen the competitive advantage of target rural producers by promotion and transfer of resilient production techniques (including access to improved technical provision and extension services from line agencies) for specific commodities; and enhanced opportunities for value addition through effective marketing.

<sup>4</sup> New marketing channels will include – direct purchase arrangements, sale through POs, distant markets, contract farming, online trading etc. Indicator covers proportion of total production accessing new marketing channels supported by the project.



- d. Improve access to financing to sustain and increase progress through: leveraging the lending power of SHGs; developing appropriate financial products and delivery systems; and providing access to financing from mainstream banks/government/private sector.
- e. Establish partnerships with the private sector and rural entrepreneurs for effective forward and backward linkages with producers.
- f. Support skill development and financing modalities to facilitate jobs and entrepreneurship for rural individuals with a focus on the value chain segments as well as the emerging growth clusters in the state where there is a growing demand for skills and jobs.
- g. Support a policy/enabling environment to catalyze a transformative change in the above areas.

*Geography and scale.* The project will be implemented in select blocks in 15 districts covered by the NRLP in Jharkhand. The exact geographies will be identified on the basis of sectoral clusters identified based on growth potential in selected commodities. Growth potential will be assessed based on: (i) access to water resources or irrigation potential, (ii) financial leveraging of potential for SHGs/village organizations (VOs), (iii) access to markets and associated growth clusters, and (iv) existing and potential production of specific commodities and potential for marketable surplus and upscaling, etc. The selection criteria that will guide the choice of the final sub-sectors and clusters would be further refined and developed during preparation.

### **Component 1: Diversified and Resilient Production (US\$69 million)**

The objective of this component is to promote sustainable production through *productivity enhancement, diversification, building resilience into production systems* including crop, efficient horticulture, small livestock (including fisheries), and NTFP and *creating improved skills and capacities* across all the sub-sectors. The component will finance farm/non-farm sector inputs and innovative technologies, training on package of practices, pilots and demonstrations for farmers, while supplementary financing will be leveraged through a number of alternative channels such as convergence with government programs, SHG/VO micro-financing and from formal financial institutions. The following paragraphs describe the interventions in this component under key heads.

*Promotion and capacity building of producer organizations* from the targeted rural households that can transition from subsistence to market-led production system. The focus will be on technical assistance to build viable and sustainable PO institutions by enhancing capacities in areas such as business and governance functions, access to finance, small infrastructure management, production enhancement and marketing, and helping them to develop viable business plans. The project will extend suitable support to existing POs. This component will support resource agencies, thematic experts and Community Resource Professionals (CRPs) in different sub-sectors to provide technical and capacity building support to producer organizations.

*Community-based irrigation for productivity enhancement.* The project will earmark investments for community-based minor irrigation infrastructure creation and management (such as lift irrigation, community ponds, check dams, tube-wells) through water-user groups to benefit the above producer organizations but also for wider outreach. Additionally, the project will adopt a strategy to tactically converge with minor irrigation programs of the Department of Rural Development that are creating private on-farm small water ponds under the Mahatma Gandhi National Rural Employment Guarantee Act, lift irrigation schemes, and low-cost drip irrigation. It was tentatively agreed with the GoJ that funds from governmental schemes would be earmarked and ring fenced for the proposed project. The project will establish synergies with the watersheds component of the PMKSY program being implemented in the state and promote convergence/collaboration with the Gram Panchayats to ensure access to rights/benefits and broader



citizens/community support for the sake of institutional sustainability.

*Sub-sectoral production and diversification of technologies and practices.* This component will support the selection, dissemination and adoption of appropriate technologies and associated package of practices in the agriculture, horticulture, small livestock (including fisheries) and NTFP sectors. The component will also invest in building community capacity to adopt and scale up these technologies.

*Farm sector activities* will aim at diversification from paddy into high-value crops, improving fish productivity in small private water bodies and improving the production of small livestock through the adoption of technologies, seeds/breeds and strengthening of input, extension and service delivery systems and promotion of innovative pilots. The project will improve: communication, technical transfer, access between the Department of Agriculture and the farmers, and technical competence of CRPs and their ability to provide services to the farmers. The project may consider strategic investments for strengthening the Department's capability to provide extension services and inputs.

*Non-farm sector* will aim to enhance production and productivity of targeted NTFP commodities (e.g., sericulture/silk, bamboo, lac) through intensifying and scaling up existing viable practices; improving productivity through access to quality seeds; scientific management practices; developing CRPs and strengthening linkages with NGOs, research agencies and the Department of Forests for service provision.

## **Component 2: Value Addition, Market Access and Jobs (US\$60 million)**

The objective of this component is developing and strengthening forward and backward linkages to markets for rural producers in farm and non-farm sectors (namely agriculture, horticulture, fisheries, small livestock and NTFP). The component will primarily provide: financing for capacity building of the producer organizations in business planning; initial capital investment and working capital financing to producer organizations; small-scale infrastructure for value addition; delivery of market information/intelligence; and provision of skills and jobs through training and capacity building. The following paragraphs are applicable to both farm and non-farm sectors.

### ***Farm and non-farm sectors***

*Value addition and market linkages.* The project will provide technical and financial support to POs (mobilized in Component 1) for the preparation and implementation of the business plans. Financing to the producer organizations will be in the form of establishment costs, initial seed capital and working capital for the initial years. Small infrastructure development (e.g. integrated producer training centers and Common Service Centers to enable value addition) and initial administration costs of managing these facilities will be supported. The project will finance partnerships with existing market information and market intelligence providers to develop customized applications for producer organizations. ICT/Geographic Information System (GIS) applications for streamlining PO business functions and for delivering production and marketing information to producer organizations will be developed and supported, besides building capacities of the producer organizations through exposure visits to markets and trainings in marketing strategies.

*Private sector partnerships.* The project will provide data/information, technical assistance and facilitation support through the establishment of a PPCP cell in the Jharkhand State Livelihood Promotion Society (JSLPS). Liaison between the JSLPS, private sector, the Department of Industries and industry associations will be undertaken. The PPCP cell will facilitate partnerships and agreements with private sector companies, technology solution providers and social enterprises to develop forward and backward linkages with producer organizations and promote greater





innovation and entrepreneurship<sup>5</sup>. The cell will also provide technical and incubation support to emerging rural entrepreneurs and enterprises and assist with linkages to the formal financial institutions and the state's single window system.

*Skills, jobs and enterprise.* The project will take a sector-focused approach to promoting skills, jobs and entrepreneurs through: (i) skills development training and job placement in the production and post-harvest segments of the farm and non-farm commodity value chains; (ii) providing pre-and post-training support to enable unemployed individuals from rural households to access existing skills training schemes and achieve positive employment outcomes (iii) promoting rural micro-entrepreneurs in agriculture and allied sectors through coaching, skills development and facilitation. Convergence with existing flagship government schemes (e.g., skill training schemes of PMKVY, Deen Dayal Upadhyaya Grameen Kaushalya Yojana and the Bank-supported Tejaswini Project for adolescent girls) and partnerships with industry bodies to identify sectors with employment potential will be emphasized. *Leveraging the financial sector.* The project will support the development of Jharkhand's rural financial ecosystem such that it can better support financing of agriculture and enterprises. The project will support dialogue and engagement with the formal financial institutions (public and private-sector banks) for developing innovative financial products and leveraging financing for producer groups and producer organizations. This could include liaison, coordination and joint work with National Bank for Agriculture and Rural Development, SFAC and other mainstream banking institutions. Financial literacy for producers and capacity building needs on both demand and supply sides will be emphasized.

### **Component 3: Project management support (US\$14 million)**

*Project management.* This component would facilitate overall coordination, implementation, financial management and monitoring (as well as learning) for the project at the state and district levels. It would include setting up and strengthening state- and district-level Project Coordination Units in JSLPS, providing office infrastructure and logistic support, and setting up monitoring and evaluation and Management Information System (MIS)/GIS. It will finance salaries and other benefits to staff and consultants engaged in project implementation, resource/support agencies and service providers, and other operational expenses.

*Technical assistance and knowledge management.* The project will look at developing an eco-system for research and innovation and attract national institutions (such as Indian Council of Agricultural Research institutions, Krishi Vigyan Kendra or Agriculture Knowledge Centers, agricultural universities, non-governmental organizations, and companies) and Centers of Excellence to Jharkhand) to bridge the knowledge and technology gaps in the project. In an effort to sustain improved capabilities beyond the project's life, this component will upgrade process facilitation skills within the JSLPS unit and PPCP cells through knowledge transfer activities; knowledge and policy products; ICT-mediated citizen engagement applications/processes, and sharing of field-based learning experiences during implementation.

<sup>5</sup> For example, the cell will (i) facilitate agreements between e-marketing platforms and GoJ for online marketing and trading of commodities of small producers, learning from the positive experiences of a number of Bank-supported projects in Bihar, Maharashtra and Orissa; and (ii) facilitate agreements with private companies to benefit small producers by setting up back end operations for inputs, extension and processing services, and accessing markets.



## SAFEGUARDS

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

While the project is planned to be implemented in select blocks in 15 NRLM districts, the exact locations are not known at this time. The land scape features of state with forests, uplands, low lands etc. is of importance to the project. The state comprises of the Chotanagpur Plateau, which forms a part of Deccan bio-geographic province. It is a hilly undulating plateau characterized by predominantly dense tropical forests to sub-tropical mixed forests and tribal settlements. The State has several districts and blocks that are prone to insurgency and violent incidences by the naxalites, making it difficult to travel freely. The State has about 28.5% of its total landmass under forest cover and has one tiger reserve, one elephant reserve and 10 Wild Life Sanctuaries. The forest is under constant pressure due to mining as Jharkhand is one of the leading producer of mineral wealth in the country. The total agricultural land in the state is 26 lakh ha. Most of the agriculture in state is rain fed and majority of the production is confined to kharif (single crop). Only about 12% of the area is supported by irrigation infrastructure. 40% of area is under mono cropping mostly paddy. Jharkhand is land locked and depends on rainfall for water requirement. Average precipitation is 1200-1600 mm per year. The major rivers in the state are Damodar, Brahmani, Koel, Kharkai and Suvarnarekha. The state mainly uses surface water for irrigation; ground water development stands at is 32% primarily for minor irrigation purposes. Jharkhand has a very diverse population. Scheduled Tribes, including Particularly Vulnerable Tribal Groups (PVGs) comprise 26 percent of the population and Scheduled Castes 12 percent. Other vulnerable groups in the project area include the landless, female-headed households, youth and people with disabilities.

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

Jharkhand State Livelihood Promotion Society (JSLPS) has been implementing the Bank-supported National Rural Livelihoods Project (NRLP), and has implemented good environmental management practices in livelihoods such as – System of Crop Intensification, efficient irrigation, and Community Managed Sustainable Agriculture. On the social safeguards side, the JSLPS has a solid background on social inclusion strategies, especially engaging with women and men from scheduled caste and scheduled tribe communities as well as forest dwellers, small producers and migrants. Under NRLP, JSLPS has demonstrated a strong track record on the inclusion of IPs in project activities, including in community leadership roles.

As part of project preparation, an Environmental and Social Assessment (ESA) will be carried out to understand the potential adverse and positive environmental and social impacts of proposed investments. Given that several small and physically spread investments are planned, an Environmental and Social Management Framework (ESMF) will be developed that will serve as a guiding tool for managing the environmental and social risks.

The required guidance and support will be provided by the Bank team on safeguards during project preparation and implementation. JSLPS' capacity would be strengthened under the project through the appointment of dedicated safeguards specialists in the project implementation structure. Given that JSLPS would be directly implementing and managing interventions in sectors such as agriculture, irrigation, fishery, livestock and NTFP, it would need continuous capacity building on environment and social safeguard mitigation measures, including on any relevant land related issues. Given disturbances due to LWE activities, free travel in some districts and blocks could pose a challenge and therefore alternate mechanisms for implementation support in certain areas may have to be looked at.



C. Environmental and Social Safeguards Specialists on the Team

Anupam Joshi, Varun Singh

D. Policies that might apply

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Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>This policy is triggered to assess the proposed investments (productivity enhancement in agriculture, fisheries, NTFP etc. and value chains) against any potential adverse impacts.</p> <p>The productivity enhancement interventions may promote use of hybrid varieties, increased use of chemical inputs or may put pressure on water sources for improved irrigation. Value chains around NTFP may put pressure on the forests if sustainable methods are not followed. The infrastructure interventions under the component 2 might have some negative impacts on the immediate environment. The activities at individual level are negligible but at the cumulative level this could lead to a much visible impact.</p> <p>These potential direct and indirect and/or long term impacts are envisaged to be moderate.</p> <p>These risks will need proper comprehensive management, both at the community level and at the project monitoring level. A comprehensive ESMF will be prepared to provide guidance for managing the risks in sustainable manner.</p>
Natural Habitats OP/BP 4.04	TBD	<p>Given that the project will support value chain development on Non Timber Forest Produce (NTFP), their extraction could increase and may even become unsustainable. Further, as the project activities include interventions like lift irrigation from natural and perennial streams there could be impact on the aquatic natural habitats and associated biodiversity. However, the proposed ESA will evaluate whether this policy is required to be triggered or not.</p>
Forests OP/BP 4.36	TBD	<p>The project is unlikely to influence existing forest management practices or introduce clear felling. However, the proposed ESA will evaluate whether this policy has is requires to be triggered or not.</p>
Pest Management OP 4.09	Yes	<p>This policy is triggered as the productivity</p>



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		enhancement interventions under the project might involve use of pesticides as well as promote use of other agro-chemicals. To enable proper management of pesticide, risk mitigation measures and best practices for pest management will be included in the ESMF.
Physical Cultural Resources OP/BP 4.11	No	No impact is foreseen on physical and cultural properties/resources. Therefore the policy is not triggered
Indigenous Peoples OP/BP 4.10	Yes	There is a high proportion of indigenous peoples in the project target area and therefore the policy is triggered. The project will prepare a Tribal Development Framework and Tribal Development Plan for the regions where the interventions have been identified by appraisal. The instruments will be reviewed, cleared and disclosed with translation.
Involuntary Resettlement OP/BP 4.12	No	No land acquisition and/or involuntary resettlement impacts are expected in the project. This will be included in the negative list. The policy is not triggered
Safety of Dams OP/BP 4.37	No	The project does not involve any large dams and therefore this policy is not triggered.
Projects on International Waterways OP/BP 7.50	TBD	Although much but not all of the state in within the greater Ganges basin, a relatively small fraction is within the catchment that drains to trans-boundary waterways as per OP7.50. During preparation, the team will make an assessment of whether the project interventions require the application of OP7.50.
Projects in Disputed Areas OP/BP 7.60	No	No disputed areas are involved; therefore this policy is not triggered.

**E. Safeguard Preparation Plan**

Tentative target date for preparing the Appraisal Stage PID/ISDS

Jan 31, 2017

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

The time frame for launching and completion of the safeguards related studies is August 1 2016 - January 31, 2017



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**APPROVAL**

Task Team Leader(s):	Priti Kumar, Grant Milne
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