

Review & Update of World Bank's
Environmental & Social Safeguard Policies
Phase 3 Consultation Meetings

Abuja, Nigeria
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**Commercial Agriculture Development Project (CADP)
Case Study**

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Environmental & Social Safeguard Policies
Phase 3 Consultation Meetings

**“Road Testing” the proposed ESF--Project Case Studies:
what changes, what does not?**

- 1. What are the new requirements if any?**
- 2. What requirements are dropped, if any?**
- 3. Change in effort or expertise required?**
- 4. Added Value?**

CADP Overview

Project Objectives: strengthen the management and facilitate value addition in targeted value chains under Nigeria's Agriculture Transformation Agenda (ATA).

Project Description:

Component 1- Value Chain Organization and Management: establishment of marketing corporations; technology, mechanization, storage and processing facilities for small and medium sized commercial farmers; and value chain management, coordination, capacity building and training to improve job opportunities for youth and women.

Component 2- Facilitation of Value Addition in Targeted Value Chains: support for primary processing, markets, farm access roads, technical studies for the rehabilitation of irrigation facilities and aggregation centers.

Component 3- Project Management, Monitoring & Evaluation, Strategic Communication and Studies: establishment of results-based monitoring and evaluation system; impact evaluation and beneficiary assessment; monitoring implementation of safeguard documents; technical assistance and training to develop capacity; and studies to document ATA impact.

CADP Activities



Aquaculture: Fingerling Production and Hatchery Development, Fish Feed Production Technology, Fish Smoking, Drying, Packaging, Branding and Quality Control.

Rice: Seed Multiplication/Production, Processing, De-stoning Technology, Milling Technology, Parboiling Technology, Packaging and Branding.

Dairy: Artificial Inseminations, Milking Technology, Milking Processing, Packaging, Branding and Quality Control.

Tree Fruit: Seedling Multiplication/Production, Processing, Juice Production and Packaging, Quality Control and Branding.

Oil Palm: Seed Multiplication/Production, Processing, Palm and Kernel Oil Extraction, Processing, Packaging, Branding and Quality Control.

Cocoa: Seed Multiplication/Production, Processing, Cocoa Bean Drying Technology

Poultry: Hatchery Technology, Processing, Packaging, Branding and Quality Control, Cold Storage Chains.

Maize: Seed Multiplication/Production, Processing, Flash Drying Technology, Quality Control, Packaging and Branding

CADP Activities

Aquaculture Value Chain (Lagos State)



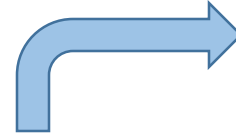
Cow Fattening (Kano)



Poultry Farm (Lagos State)



From Safeguards to E&S Standards



SAFEGUARDS POLICY	CADP
4.01 ENVIRONMENTAL ASSESSMENT	✓
4.04 NATURAL HABITATS	
4.36 FORESTS	
4.09 PEST MANAGEMENT	✓
4.11 PHYSICAL CULTURAL RESOURCES	
4.37 SAFETY OF DAMS	
7.50 PROJECTS ON INTERNATIONAL WATERWAYS	
7.60 PROJECTS IN DISPUTED AREAS	
4.12 INVOLUNTARY RESETTLEMENT	✓
4.10 INDIGENOUS PEOPLES	

ESS STANDARD	Specific Applicability to CADP
ESS1: Assessment and Management of ESS Risks and Impacts	✓
ESS2: Labor and working conditions	✓
ESS3: Resource Efficiency and Pollution Prevention	✓
ESS4: Community Health and Safety	✓
ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	✓
ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	✓
ESS7: Indigenous Peoples	
ESS8: Cultural Heritage	
ESS9: Financial Intermediaries	
ESS10: Information Disclosure and Stakeholder Engagement	✓

CATEGORY B



**SUBSTANTIAL
(MODERATE?)
RISK**

Implementation of Safeguard Policies (actual)

OP 4.01:

- An Environmental and Social Management Framework (ESMF) was prepared prior to appraisal, as the specific project locations had not yet been identified.
- EA Category B at appraisal, as no significant adverse long-term impacts were anticipated or identified in the ESMF.
- E&S risks and impacts identified in ESMF were related to: road rehabilitation, agribusiness, agricultural development and commercialization, land preparation/clearing, and cumulative impacts.
- Safeguard instruments prepared for sub-projects during implementation: (i) Environmental and Social Management Plan (ESMP) for Maize Production; (ii) ESMP for Fruit Juice Production and Packaging; (iii) ESMP for Improved Poultry; (iv) Environmental and Social Impact Assessment (ESIA) for Araga Farm Settlement, Poka/Epe; (v) ESIA for Araga Farm Settlement, Iba; (vi) ESIA for Ikorodu Fish Farm Estate; (vii) ESIA for Rice Processing Centre; and (viii) ESMP for Oil Palm Extraction Technology.
- Project restructuring anticipated no additional E&S risks and impacts beyond what was identified in the ESMF.

OP 4.09:

- Triggered due identification in ESMF of potential pesticide use resulting from agricultural activities.
- A Pest Management Plan (PMP) was prepared prior to appraisal.

OP 4.12:

- Triggered Component 2 includes rehabilitation and/or construction of rural access roads that might result in land acquisition, particularly with regard to potential realignment, borrow pits and construction camps.
- Resettlement Policy Framework (RPF) was prepared prior to appraisal because specific sites where land acquisition may occur had not been identified.

ESS1: Assessment and Management of E&S Risks and Impacts

Requirements/Approaches	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
Use of Borrower's E&S Framework	Not done.	Borrower may request, WB approve in whole or in part.	
E&S Assessment	ESMF and sub-project ESIAs & ESMP are integrated E&S assessment instruments (including vulnerable groups, community health & safety & community benefits) including direct, indirect & cumulative impacts.	Instruments to include assessment of climate change impacts (ESS1), OHS & labor/supply chain (ESS2), GHG emissions & resource use (ESS3), ecosystem services (ESS 4/6), & biodiversity values, primary suppliers & animal welfare (ESS6).	
E&S Commitment Plan	ESMF & RPF prepared prior to appraisal include commitments to screen sub-projects and prepare appropriate instruments. Component 3 includes TA for capacity building, training and monitoring.	Time-bound ESCP covering life of project, emphasis on monitoring and adaptive management.	
Project Monitoring & Reporting	Monitoring, documentation & reporting part of Component 3. Bank supervision notes system requires strengthening.	ESCP with broader range of monitoring & explicit reporting elements, as well as provisions for adaptive management based on monitoring results. Annual E&S reporting to the Bank.	
Stakeholder Engagement & Information Disclosure	Public consultations and disclosure on instruments (ESMF, PMP, RPF, ESIAs, ESMPs).	Preparation and implementation of Stakeholder Engagement Plan, as well as regular public disclosure.	8

ESS2: Labor and Working Conditions

Requirements	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
Working Conditions & Management of Worker Relationships	No explicit requirements beyond routine OHS requirements in contracts	Requirement to implement procedures relating terms of employment for project workers (direct, contract, supply chain & community labor)	
Protecting the Work Force	No explicit requirement.	Requirements relating to inclusion of non-discrimination & child/forced labor in procedures.	
Grievance Mechanism	No explicit requirement for workers.	GRM for all aspects of project & separate GRM for workers.	
Occupational Health & Safety (OHS)	OHS included in ESMF, ESIA's & ESMPs (e.g. accidents, disease, health & safety in processing industries)	Requirement to apply WBG EHS Guidelines, including job hazard analysis.	
Contracted Workers	General OHS provisions in contracts.	Requirements apply to contractors & subcontractors, with monitoring responsibility.	
Workers in Community Labor	No requirement.	Not applicable (project not CDD or work fare)	
Primary Supply Workers	No requirement.	Required to assess risk of harmful child labor/forced labor & life-threatening injuries for primary supply workers in value chains, remedy (depending on level of control/influence) & monitor. Where remedy is not possible, required to change primary suppliers.	

ESS3: Resource Efficiency and Pollution Prevention and Management

Requirements/Approaches	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
Resource Efficiency	No explicit requirement.	Quantify resource use (water, energy) & explicit water use reduction requirements for high water demand. Explicit consideration of opportunities to enhance energy efficiency.	
Pollution Prevention & Management	Emissions to air, water, soil and hazardous materials (pesticides) included in ESMF, ESIA's & ESMPs.	Quantify GHG emissions from fertilizer use and impacts to soil carbon, if emissions are "significant".	

ESS4: Community Health and Safety

Requirements/Approaches	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
Community Health & Safety	ESMF, ESIAAs & ESMPs address: air emissions (dust, exhaust), noise, health & communicable disease, hazardous materials, & natural services (ecosystem services).	Required to assess & mitigate traffic & road safety risks/impacts; implement quality management system for safety of services to communities (e.g. SPS for agricultural products); prepare emergency preparedness & response plan, & assess and mitigate ecosystem services impacts, particularly those affected by climate change (e.g. water use & non-timber forest products).	
Security Personnel	No requirement	Not applicable in this project.	

ESS5: Land Acquisition, Restrictions on Land Use & Involuntary Resettlement

Requirements/Approaches	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
General	Preparation of RPF prior to appraisal	ESCP specifies preparation & implementation of sub-project RAPs prior to any land acquisition	
Displacement	RPF covers physical & economic; permanent and temporary displacement; livelihood impacts.	No change	
Collaboration with Other Responsible Agencies or Subnational Jurisdictions	RPF describes responsibilities of PIU, local authorities	ESCP may require more formal documentation of agreements and arrangements among parties involved in land acquisition	
Technical & Financial Assistance	RPF describes requirements for capacity strengthening	ESCP might specify time-bound assistance to strengthen Borrower capacity, with costs and monitoring provisions	

ESS6: Biodiversity Conservation & Sustainable Management of Living Natural Resources

Requirements/Approaches	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
General	ESMF identified potential impacts related to land clearing, vegetation loss, and loss of biodiversity.	Sub-project EAs to include assessment of biodiversity values, including modified habitat & ecosystem services. Impacts to natural habitat requires demonstration of “No Net Loss” of biodiversity values. A biodiversity management plan may be required (either prior to appraisal or in ESCP) that could specify an offset if no other way to demonstrate “No Net Loss”.	
Primary Suppliers	No requirement.	Due to risk of significant conversion or degradation of natural or critical habitats (i.e. palm oil sub-project), required to identify habitat type of the source area; ongoing review of primary suppliers; and limiting procurement to suppliers that can demonstrate that they are not contributing to significant conversion or degradation of natural or critical habitats (e.g. through certification schemes), and shift away from suppliers that cannot verify.	
Management of Living Natural Resources	No requirement	Not applicable to this project. Project focuses on small & medium sized producers, requirement only applicable to large-scale commercial.	



ESS7: Indigenous Peoples

Requirements	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
General	Not triggered	Not applicable	
Circumstances Requiring Free, Prior & Informed Consent (FPIC)			
Mitigation & Development Benefits			
Grievance Mechanism			
Indigenous Peoples & Broader Development Planning			

ESS8: Cultural Heritage

Requirements	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
General	Not applicable (no physical cultural heritage affected). Chance finds procedure.	EIA would consider potential for impact on intangible cultural heritage (unlikely to be an issue) Chance finds procedure.	
Stakeholder Consultation & Identification of Cultural Heritage	No requirement	Likely not applicable	
Legally Protected Cultural Heritage Areas			
Provisions for Specific Types of Cultural Heritage			
Commercialization of Cultural Heritage			

ESS9: Financial Intermediaries

Requirements	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
FI Environmental & Social Procedures	Not triggered 	Not applicable 	
Stakeholder Engagement			
Reporting to the Bank			

ESS10: Stakeholder Engagement and Information Disclosure

Requirements	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
Engagement during Project Preparation	Public consultations on Safeguards instruments (ESMF, RPF, PMP)	Preparation of Stakeholder Engagement Plan, covering life or project;	
Engagement during Project Implementation & External Reporting	Public consultation on sub-project instruments (ESIAs, ESMPs). Operation and disclosure of Grievance Mechanism in relation to land acquisition.	Implementation of SEP; Regular reporting to public and WB on implementation	
Grievance Mechanism	Relating to RPF/RAP only	Covering all aspects of project; separate GRM for workers	
Organizational Capacity & Commitment	Capacity building elements in Component 3.	ESCP to specify detailed, time-bound implementation and associated capacity building plan	

Operational Implications of Proposed Framework: CADP

Borrower: overall moderate incremental change in scope of work and resources; decreasing marginal costs as capacity increases
Bank: similar moderate incremental change

Environmental and Social Standard	Prospective Change in Effort/ Resources
ESS 1: Assessment and Management of Environmental and Social Risks and Impacts	Moderate to Substantial
ESS 2: Labor and Working Conditions	Moderate to Substantial
ESS 3: Resource Efficiency and Pollution Prevention and Management	Low
ESS 4: Community Health and Safety	Moderate
ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Low to None
ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Moderate to Substantial
ESS 7: Indigenous Peoples	None
ESS 8: Cultural Heritage	Low to None
ESS 9: Financial Intermediaries	None
ESS 10: Stakeholder Engagement and Information Disclosure	Moderate