

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

Additional Financing

Report No.: PIDISDSA22004

Date Prepared/Updated: 20-Sep-2017

I. BASIC INFORMATION

A. Basic Project Data

Country:	Uruguay	Project ID:	P163444
		Parent Project ID (if any):	P124181
Project Name:	AF- Sustainable Management of Natural Resources and Climate Change (P163444)		
Parent Project Name:	Sustainable Management of Natural Resources and Climate Change (P124181)		
Region:	LATIN AMERICA AND CARIBBEAN		
Estimated Appraisal Date:	26-Sep-2017	Estimated Board Date:	29-Nov-2017
Practice Area (Lead):	Agriculture	Financing Instrument:	Investment Project Financing
Borrower(s)	ORIENTAL REPUBLIC OF URUGUAY		
Implementing Agency	Ministry of Livestock, Agriculture and Fisheries (MGAP)		
Financing (in USD Million)			
Financing Source			Amount
Borrower			5.20
International Bank for Reconstruction and Development			42.00
Financing Gap			0.00
Total Project Cost			47.20
Environmental Category:			
Appraisal Review Decision (from Decision Note):	The review did authorize the team to appraise and negotiate		
Other Decision:			
Is this a Repeater project?	No		

B. Introduction and Context

Country Context

Since 2015, Uruguay's economy has continued to demonstrate resilience in the face of the recessions in its large neighbors, Argentina and Brazil. The economic slowdown bottomed out in 2016, and the economy is now on an incipient recovery path. In 2017, exports have rebounded thanks to stronger external demand.

Risks to growth are both external and domestic, but tempered by Uruguay's strong liquidity buffers and flexible exchange rate. A slower than expected recovery in Argentina and Brazil, and weak growth in China, would weigh on Uruguay's economy, while a tightening in global financial conditions could raise the cost of financing. Furthermore, given limited space for countercyclical policies, slower than expected growth in 2017 would accentuate the trade-off between the authorities' announced fiscal consolidation plans and avoiding an overly pro-cyclical stance that would exacerbate the slowdown. Nonetheless, Uruguay's strong liquidity buffers, high level of gross reserves, flexible exchange rate regime and contingent support from the World Bank will help the economy weather such shocks.

Sectoral and Institutional Context

Uruguay's economic growth is dependent on agriculture. Over the past years, the agro-food sector has been contributing a relatively constant 11% to the national GDP while growing about 8% annually in nominal terms. This sustained real annual growth is mainly the consequence of Uruguay's increasingly competitive market position for dairy and meat products, for soy and citrus fruit, along with a favorable international commodity price environment. But the significant contribution of agriculture to national growth also poses inherent risk due to the sector's pronounced dependency on the currently high but potentially volatile international commodity prices, as well as the increasingly volatile weather. Because of the high impact that these factors have on Uruguay's overall economic performance (e.g., the 2008/09 drought resulted in direct losses of over US\$340 million, the equivalent of 2% of GDP; and estimated indirect losses of up about US\$ 1 billion), public policy responses to predict, manage, and mitigate these risks are essential.

Uruguay's external trade is highly dependent on agriculture. Agro-food and agro-forestry exports account for about 73% of the value of Uruguay's overall exports. The country maintains this strong trade position due to growing world market demand for food and fiber, but also (perhaps predominantly) because of its focus on positioning its exports on the international market for quality products. To continue this positioning, Uruguay will have to continue its targeted investments in quality and safety certification, traceability of food products, and standardization to penetrate demanding high-value consumer markets in the Americas, Europe and Asia, and diversify market access.

Uruguay is socio-economically dependent on agriculture, and the official 11% share in employment understates the role that the agro-food sector plays as a source of personal income (at about US\$ 9,500, the value added per worker is higher than for some of the new EU member states), informal income buffer, and cultural identity. 83% of all registered agricultural enterprises are family farmers ('productores familiares'), often with limited capital endowment and thus limited resilience to external income shocks. 'Desarrollo Inclusivo' with public policies specifically targeted to family farming and lower income groups is therefore a core principle of Uruguay's agricultural and rural development policy.

There have been no recent changes in the institutional context of the agricultural sector, but the legal framework has been reinforced by the approval in late 2016 of the revised irrigation law. This revision aims at promoting and making more efficient the collective management of irrigation schemes (e. g., by providing fiscal incentives to Water Users Associations and allowing the interruption of irrigation services provision in case of default of payment).

C. Proposed Development Objective(s)

Original Project Development Objective(s) - Parent

The development objective of the project is to support Uruguay's efforts to promote farmer adoption of improved environmentally sustainable agricultural and livestock practices that are climate smart.

Proposed Project Development Objective(s) - Additional Financing

The development objective of the project is to support Uruguay's efforts to promote farmer adoption of climate smart agricultural and livestock practices, and improved natural resource management practices in project areas.

Key Results

The proposed additional financing (AF) would help finance the costs associated with scaling up successful activities under the original loan, while simultaneously promoting and piloting innovative activities, including those originating from the technical assistances "Water for Uruguay" and "Uruguay Green Growth. In particular, the AF proposes to: (i) invest in an expansion of outreach of subprojects (for family farmers, ranchers and dairy farmers), including a geographic expansion of impacts in Santa Lucia river basin (reduction of effluent from dairy production); (ii) include new activities to enhance the resilience of family farms, specifically related to water management and irrigation and grasslands management; (iii) increase the outreach capacity and interoperability of the National Agricultural Information and Decision Support System (SNIA); and (iv) invest in capacity building, research capacity and associated infrastructure related to soil.

The AF is expected to expand the land area under sustainable landscape management practices from 2.9 million hectares, representing 20 percent of total arable land in Uruguay (current situation with the original loan) to 3.6 million hectares, representing 28 percent of total arable land in Uruguay (target with the AF). The AF is expected to benefit at least an additional 2,500 family farmers, complementing the roughly 5,000 farmers benefited by the original loan, with individual and/or collective subprojects and knowledge dissemination under the two loans projected to reach about 55 percent of all farmers in Uruguay.

The targeted beneficiaries of the AF are 300 farmers engaged in dairy production in the Santa Lucia river basin; 1,000 cattle ranchers practicing improved grasslands management; 500 farmers to be benefitted by small-scale irrigation subprojects; and 700 ranchers with improved access to water for cattle. The AF will also have direct and indirect impacts on the agriculture sector nationwide, generated by the use of the National Agricultural Information and Decision Support System (SNIA) and by the positive impacts of the enforcement of the Soil Management Plan Management policy.

D. Project Description

The Additional Financing (AF) of the Sustainable Management of Natural Resources and Climate Change Project (P124181, IBRD-8099-UY) seeks to scale up project approaches that have demonstrated proof of concept and have directly contributed to the achievement of the government's strategic vision for the sector. The AF would expand its interventions by, among others: (i) promoting agro-environmental measures and investments to reduce and control effluents load from the dairy production in the whole Santa Lucia River Basin, while the support provided by the original loan only covered a pilot area; (ii) financing technologies that enhance the resilience of family farming to climate variability and changes, by increasing the access to irrigation, and water and soil management in general, at individual and collective levels; and (iii) strengthening the capacity of the Ministry of

Agriculture in the implementation and monitoring of the Soil Management and Conservation Program, specifically through the use of online tools and satellite imagery. The AF would also strengthen SNIA and make it accessible to farmers nationwide, while the SNIA in the original loan targeted policy makers and technical staff both in public and private sectors.

In addition to the scale-up of successful activities, the AF proposes to incorporate new activities to pilot the potential of new climate-smart investments. A call for proposals related to grasslands management will incorporate international best practices on grazing and water / shade management for livestock, including forestation, to increase livestock production efficiency and reduce GHG emissions. In addition, investments in the SNIA will take national-level information and make it accessible and useful for family farmers, using a variety of technologies, including SMS, special trainings and online courses. Additional studies examining the efficacy of watershed approaches, including tailored nutrient modeling in the Santa Lucia river basin, will provide a baseline and direction for future investments. The framework of the four components will remain the same as for the original loan, but the AF will expand investments to scale up activities and include additional innovation:

Component Name:

Component 1: Agricultural Information and Decision Support System (including USD 5.2 million from IBRD for the AF)

Comments (optional)

Under Component 1, the AF will expand investments to include: (i) the integration, with full interoperability, all of the distinct information modules of the Ministry of Livestock, Agriculture and Fisheries (MGAP), such as the existing traceability system for livestock - SNIG (Sistema Nacional de Información Ganadera), the Soil Information System (Sistema de Información de Suelos de Uruguay - SISU), which is currently under construction, the Soil Management Plan System, currently under construction, among others; and (ii) enhancing communication about the services provided by the SNIA, establish a management system for the sustainability of the system, and ensure coherence with Uruguayan initiative of Electronic Government.

Component Name:

Component 2: On Farm Investments for Climate Smart Agriculture and Livestock Management (including USD 24.8 million from IBRD for the AF)

Comments (optional)

Under Component 2, investments under the AF would scale-up successfully piloted activities under the original loan aimed at: (i) reducing diffused pollution load from dairy production in Santa Lucia Watershed by financing investments (such as storage for effluent) and promoting good practices of effluent management; and (ii) increasing access to water for livestock and crops (irrigation) to enhance resilience, through support to individual farmers and to Water Users organizations by expanding the successful experience of the EAAPs (Estrategias Asociativas de Agua para la Producción). In addition, the AF would undertake a new activity to promote the establishment of integrated systems, combining grazing areas with rapid-growing trees to create shade for animals.

Component Name:

Component 3: Capacity Building and Training (including USD 7.0 million from IBRD for the AF)

Comments (optional)

Under Component 3, the AF proposes to add new support to the USCC (Unidad de Sostenibilidad y Cambios Climáticos) within the OPYPA (Oficina de Programación y Política Agropecuaria) to: (i) expand the original loan's successful experiences of Soil Management Plans (SMP), including the geo-referenced module for the management and monitoring of the SMPs, that that AF would integrate into the SNIA; (ii) complement the inventory of soils at national level and include the database (maps and analysis) to the SNIA; (iii) strengthen the Soil Laboratory (rehabilitation); and

(iv) create capacities, through training and purchase of equipment, in the use of advanced modeling technology as a continuation of activities implemented through the TA for Green Growth.

Component Name:

Component 4: Project Management, Monitoring and Evaluation (including USD 5.1 million from IBRD for the AF)

Comments (optional)

Total IBRD = USD 42.0 million

Total Government counterpart = USD 5.2 million

Grand total AF= USD 47.2 million

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

The AF, similar to the original loan, will span the entire country, as proposals for potential sub-projects could be received from all rural areas of the country. The original loan, was implemented with emphasis in the northern and north/central regions of the country, based on the geographical distribution of the main production systems, and the relative levels of climatic vulnerability.

The experience gained with the current project and the previous project (PPR, Proyecto Producción Responsable) as well as the gentle undulations of the landscape clearly indicate the unlikely risks to the investments per se, and the health and safety of people involved in project implementation or other stakeholders. The improvement in the management of natural resources (soil, water and vegetation) is expected to benefit 2.9 million ha with the original loan and the AF (20% of total arable land in Uruguay) by promoting of sustainable landscape management practices (subprojects) and supporting the GoU in the enforcement on the policy of Soil Management Plan (SMP). This public policy requests from the farmers to prepare a multiyear cropping plans that guarantee a sustainable agronomic crop rotation and soil protection. The SMP are elaborated by independent experts, approved by the public sector (Ministry of Agriculture) and monitor thanks to modern tools (combination of remote monitoring with on field visits). The positive impacts of the project and the public policies have been captured and evaluated on the MTR and the ISRs, and reflected in the satisfactory level in the environmental safeguard ratings. Safeguards rating have been Satisfactory for the last 3 years. The largest investment to be proposed in this AF, the EAAPs will include risk management plans to address potential consequences of failures when small water storage assets are planned to be built. No conservation areas except for the wetlands of the Santa Lucia river basin are found in the project area, no key biodiversity area have been identified in the area and no record of scientifically-important area have been highlighted. The wetlands of the Santa Lucia river basin and the riparian forests (no other forests) will benefit from the reduction of pollution from up-stream dairy farms. There are no identified physical cultural resources in the project area, even contemporary structures with cultural significance, which could be affected by project activities. During the calling for proposals, the rules of operations will clearly specify conditions for considerations, avoiding any potential damage or affection to natural habitats and forests, areas of importance for biodiversity conservation and clear steps will be specified in case of chance findings.

Regarding the specific activity within the Santa Lucia river basin, the activity was originated by algal blooms occurred in March 2013, and the resulting eutrophication in the Paso Severino reservoir, which affected the taste and odor of water supplied by the Uruguayan State Water Utility (OSE) to 70 percent of the country's population. The original project supported the public policy (Action Plan agreed between the Ministries in charge of Environment and Agriculture) aiming at reducing the load of diffuse pollution from dairy production). The original loan intervened only in a pilot area within the river basin, while the AF will seek a geographic expansion of impacts in that basin through a specific call for proposal targeted to that river basin and focused on the reduction of effluents from dairy

production (storage, treatment and better management of effluent).

F. Environmental and Social Safeguards Specialists

Angel Alberto Yanosky, Environmental Safeguards Specialist

Lilian Pedersen, Social Safeguards Specialist

II. IMPLEMENTATION

The proposed AF will be implemented under the same arrangements as the original loan. The project will continue being implemented by the MGAP through the Project Implementation Unit (PIU), which has previous experience acquired after successful implementation of previous Bank-financed programs as well as a number of operations financed by other multilateral development organizations. The PIU is properly staffed with specialized professionals. In order to implement Component 2, the AF will build capacity of field-level staff to support the implementation of on-farm investments. There is no specific need to strengthen capacities within the PIU for other components. During the last two years of the original loan implementation, the safeguards performance has been rated as Satisfactory. During project implementation, safeguards have been addressed twice a year in every mission, one of them at least with field visits to selected sub-projects. All findings and recommendations have been clearly specified in the mission’s Aide Memoires and the EPTs. In these EPTs there is a record of environmental aspects and considerations, compliance and performance risks, demonstrating the PIU capacity to manage environmental aspects in this type of projects.

III. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>No significant changes are anticipated from the original loan regarding environmental impacts. The ESMF was updated to reflect the expected impacts of the activities included in the AF. The primary potential negative environmental and social impacts are essentially related to the civil works of the small-scale irrigation subprojects (called EAAPs). Given the nature of this project, its predecessor and the proposed activities for the AF, no significant cumulative impacts are anticipated. Nevertheless, an environmental cumulative impact assessment will be prepared during the first semester of project implementation to understand distribution, concentration and possible impact of water capture and storage in the landscape.</p> <p>Potential negative impacts could include: typical construction work impacts such as dust, noise, waste generation, etc. for all three components. Land-use changes in native grasslands and forestation for shelter and</p>

		shade are not considered relevant as no new native areas will be intervened, and tree covering will be minimal in close relationship to water access points.
Natural Habitats OP/BP 4.04	Yes	This project will not support activities that can lead to the loss or degradation of natural habitats. Through improved and better production techniques, grasslands are expected to be maintained and biodiversity to be benefited. The Natural Protected Areas system(SNAP) will be contacted to ensure no biodiversity-important areas are involved in project areas intervened. No conservation areas except for the wetlands of the Santa Lucia river basin are found in the project area, no key biodiversity areas have been identified in the project area, and no record of scientifically-important area have been highlighted. The wetlands of the Santa Lucia river basin and the riparian forests (no other forests) will benefit from the reduction of pollution from up-stream dairy farms. For the call of proposals (sub-projects) standards for preparation, review, and approval of sub-projects will follow guidelines that are consistent with the principles of the Bank policy on Natural Habitats in terms of criteria regarding protection and sustainable management of critical and natural habitats and endangered or threatened species.
Forests OP/BP 4.36	No	The project will not involve significant conversion or degradation of critical forest. A new activity is included under Component 2 to promote the establishment of integrated systems, combining grazing areas with rapid-growing trees to provide shade and shelter for livestock in order to increase their welfare and productivity. However, this activity will not finance plantations for commercial harvesting; nor at industrial-scale, neither conducted by small-scale landholders. Project activities will take place in preexisting grazing areas, and no clearing of trees, nor native grasslands, will be undertaken under this project. These trees will be located close to water access points to provide shade, for a more efficient water consumption and, consequently, a higher weight gain.
Pest Management OP 4.09	Yes	Through a letter submitted to the Bank in

		<p>October 2013, the GoU requested triggering the Pest Management Safeguard Policy OP4.09. The project will not promote pesticide use, but promote its control and monitoring.</p> <p>The management of integrated productive systems, combining cattle grazing with plantations of rapid-growing trees might involve the use of new methods of pest management (e.g. new agrochemicals).</p> <p>The main rationale for the activation of OP4.09 is (i) to allow the project to finance activities in support of Uruguay's efforts to improve its Integrated Pest Management (IPM) systems, mainly through support to technical assistance, consulting services, and knowledge management and (ii) to respond to recent reforms in the national legal framework for pest management.</p> <p>The Borrower has included the above activities in the ESMF and incorporated the Pest Management Document into the ESMF as an annex.</p>
Physical Cultural Resources OP/BP 4.11	No	No large infrastructure works will be financed by the project. Some small works will be required for sub-projects. The Operational Manual will specify the institution(s) to be contacted in case there is a chance finding of any physical cultural resources in the project area, even contemporary structures with cultural significance.
Indigenous Peoples OP/BP 4.10	No	This safeguard will not be triggered. Although indigenous people in Uruguay make up only about 2% of the total population (2011 census), in recent years, there has been a resurgence of several IP groups seeking recognition from the State. The Borrower conducted a thorough Social Assessment, which confirmed that Indigenous People (IP) are not present in project areas and/or affected by the project.
Involuntary Resettlement OP/BP 4.12	Yes	The Additional Financing will trigger OP 4.12 - Involuntary Resettlement, to cover the potential impacts of the collective irrigation subprojects (EAAPs) that could potentially generate issues of land loss (due to the construction of small water storage infrastructure) and/or right of way (for water

		<p>conveyance or electric line transmission).</p> <p>As subprojects design and locations have yet to be defined, a Resettlement Policy Framework (RPF) has been prepared in order to outline general implementation procedures, mitigation measures and monitoring procedures for Resettlement under the project, including the procedures for preparation and implementation of resettlement action plans, when applicable.</p> <p>RPF include a Grievance Redress to resolve the issues that may arise during the implementation of the project.</p>
Safety of Dams OP/BP 4.37	No	<p>Given the small scale of the irrigation investments, the project is not expected to trigger safeguard Policy OP/BP 4.37 (Safety of Dams). No dams will be constructed or rehabilitated under this project. The targeted irrigation subprojects are not located downstream from large or medium dams. Therefore, there is no risk to be affected by potential dam failures.</p> <p>Only small water storage assets will be built, for some subprojects, using the gentle undulated landscape and taking advantage of structures which will be rain fed. This safeguard is therefore not triggered.</p>
Projects on International Waterways OP/BP 7.50	Yes	<p>The project triggers OP 7.50 and has requested to be exempt from riparian notification. The rationale for the exception is as follows: The Project falls within the exceptions provided in paragraph 7(c) of OP 7.50, which states that “any project that relates to a tributary of an international waterway where the tributary runs exclusively in one state and the state is the lowest downstream riparian, unless there is concern that the project could cause appreciable harm to other states.”</p> <p>The demand for individual investments and collective subprojects is expected to come from tributaries “that run exclusively in one state”, as required under the exception in Paragraph 7 of OP 7.50 (cf. para 4.), located on the southern part of the country. These</p>

		<p>tributaries have direct run-offs/outflows into the Rio de la Plata around Montevideo where the river has a width of over 60 miles between Montevideo and the Argentinian coast, close to the limit with the open sea. These tributaries have outflows within the 7 nautical miles of Uruguayan exclusive jurisdiction, at a location close to open sea where Uruguay is the lowest downstream riparian, as required under the exception in Paragraph 7 of OP 7.50 (cf. para 4.).</p> <p>On July 21st, the exemption was granted by the Acting Regional Vice President.</p>
Projects in Disputed Areas OP/BP 7.60	No	There are no areas in dispute in the territory proposed for project interventions. This safeguard is therefore not triggered.

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 proposed AF is expected to have minimal negative impacts on the environment. The AF will include activities similar to the original loan. Most project-financed interventions are expected to be investments at the farm level, with substantial positive impacts on the environment as a result of better natural resource management practices, especially as they relate to on-farm soil and water management. Special attention will be given to groundwater consumption by shade-and-shelter forestation; though the size of these plantations will be small and associated with water reservoirs.

Social impacts associated with collective irrigation subprojects have the potential to generate issues of temporary or permanent land loss, due to the construction of small water storage infrastructure, or electricity transmission lines. However, it is not expected that the AF will build many and/or large transmission lines as the transmission network is already dense in rural areas. In rare cases where it may be necessary, the project will include the construction of lines to provide energy to the infrastructure associated with irrigation systems (e.g. pivots-sprinkled irrigation) and these will follow the rural roads to limit impact on private properties. The potential electric lines will be triphasic and low tension to feed pivots, pumps and provide energy for lights to some storage facilities.

These impacts are expected to be relatively small, given the small scale of the infrastructure, and it is expected that the required preparation of safeguards instruments will fully mitigate any potentially negative impact. No dams will be constructed or rehabilitated under this project. Project interventions will not rely on the performance of existing dams as smallholder agriculture is generally rain fed. This safeguard is therefore not triggered. Safeguards instruments will fully mitigate any potentially negative impact.

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

Given that improved natural resource management is a key outcome of the project, long-term environmental impacts are expected to be largely positive. Similarly, given the project's emphasis on increased productivity and associated increased incomes, the project expects to have positive long-term social impacts.

In particular, the AF is expected to expand the land area under sustainable landscape management practices from 2.9 million hectares, representing 20 percent of total arable land in Uruguay (current situation with the original loan) to 3.6 million hectares, representing 28 percent of total arable land in Uruguay (target with the AF).

The monitoring of the project will especially analyze and systematize information on the scale and level of agglomeration of some investments, such as the plantations (which might have significant impacts on the landscape, biodiversity and groundwater), or irrigation infrastructure (which might put a significant pressure on some water sources). The follow-up and the promotion of some research oriented studies by different academic institutions of Uruguay (research institutes, universities, etc.) may permit to give light to unknown potential impacts and if any, implement the needed corrective measures.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

As the activities of Component 2 are demand-driven through open calls for proposals and no project alternatives were considered. However, during the design of the technical studies for the small-scale irrigation subprojects (EAAPs for Estrategias Asociativas de Agua para la Producción), alternatives will be considered to avoid or minimize the eventual negative social and environmental impacts.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

For the original loan, a comprehensive Environmental and Social Manual was developed as part of project preparation. A detailed assessment of environmental and social aspects was conducted, resulting in specific contributions towards a detailed Project Operations Manual (POM). These documents included environmental screening procedures, provisions to address exceptional cases that could involve unforeseen safeguard issues, a list of investments explicitly excluded from the project financing, training activities, and a M&E system that includes indicators and targets relevant to safeguards. The AF updated this previously conducted work, and incorporated all the relevant aspects related to the new activities included into the AF.

As part of the implementation of the original loan, the PIU staff, as well as the staff of MGAP's DGNR headquarters and Regional Offices, received training in Environmental Impact Assessment (EIA) methods and other safeguard-related matters, and therefore they are well qualified to manage the safeguards-related issues during the various phases of the sub-project cycle.

For the AF, an update of social assessment was prepared, including internal consultations to

determine if Indigenous People (under OP 4.10) are present in project areas. The assessment aimed at determining if IP groups (currently in a process to be recognized by the Government of Uruguay) might be impacted by project activities. The updated social assessment also includes involuntary resettlement issues like land tenure, touching on issues of associated institutional and legal frameworks and the work of the Instituto Nacional de Colonizacion (National Colonization Institute), which is a key stakeholder in the case of collective irrigation sub projects (EAAPs).

A RPF was prepared to establish procedures for preparation and implementation of Resettlement Action plans or Plan of Actions, when applicable. The RPF includes requirements to assess impacts, proposing specific measures to compensate for the loss of assets and associated income, and puts in place grievance resolution mechanisms to resolve the issues that may arise during the implementation of the project.

To face new social challenges associated with involuntary resettlement issues, new staff are being incorporated to the PIU, focused on RPF implementation.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The key stakeholders of the AF (as well as the original loan) are family farmers and medium size farmers in Uruguay. During the AF preparation, extensive consultations were conducted and key stakeholders (including farmers, farmer organizations, service organization, service providers, NGOs, development roundtables, etc.) were presented with the main project features, including eligibility criteria, investments to be supported and restricted, and screening mechanisms. MGAP's Directorate of Rural Development (DGDR) helped to organize the consultations and leveraged the outreach of the original loan to access rural stakeholders. The feedback from these consultations was duly processed, incorporated into project design, and reflected in the Environmental and Social Framework and the Environmental Assessment.

Given the potential impact of collective irrigation subprojects and associated electrification, the updated social assessment clearly identifies specific stakeholders that may be impacted by these activities, per RPF requirements. The key stakeholders related to each of the following topics are:

- On electricity issues, UTE (Administracion Nacional de Usinas y Trasmisiones Eléctricas-Electric Transmission and Power Station National Administration).
- On community land tenure, the Instituto Nacional de Colonizacion (National Colonization Institute).
- On farmers' associations, Comision Nacional de Fomento Rural (National Committee of Rural Development).

The Borrower conducted a specific consultation with each key stakeholder, sending a copy of RPF and receiving their comments and suggestions. The RPF will be published in the PIU's website during a period of 7 days in order to register public opinions. The final RPF will include the outcome of the consultation processes.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	04-Sep-2017
Date of submission to InfoShop	14-Sep-2017
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Uruguay	18-Sep-2017
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	04-Sep-2017
Date of submission to InfoShop	26-Sep-2017
"In country" Disclosure	
Uruguay	26-Sep-2017
<i>Comments:</i>	
Pest Management Plan	
Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	04-Sep-2017
Date of submission to InfoShop	15-Sep-2017
"In country" Disclosure	
Uruguay	15-Sep-2017
<i>Comments:</i> The Pest Management Plan is annexed to the Environmental and Social Management Framework	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why::	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment						
Does the project require a stand-alone EA (including EMP) report?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>

OP/BP 4.04 - Natural Habitats						
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
OP 4.09 - Pest Management						
Does the EA adequately address the pest management issues?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Is a separate PMP required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
OP/BP 4.12 - Involuntary Resettlement						
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Is physical displacement/relocation expected?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	TBD	<input checked="" type="checkbox"/>
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	TBD	<input checked="" type="checkbox"/>
OP 7.50 - Projects on International Waterways						
Have the other riparians been notified of the project?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input 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"/>	NA	<input type="checkbox"/>
Has the RVP approved such an exception?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
The World Bank Policy on Disclosure of Information						
Have relevant safeguard policies documents	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>

been sent to the World Bank's Infoshop?						
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
All Safeguard Policies						
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Have costs related to safeguard policy measures been included in the project cost?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>

V. Contact point

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Borrower/Client/Recipient

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VI. For more information contact:

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VII. Approval

Task Team Leader(s):	Name: Remi Charles Andre Trier, Katie Kennedy Freeman	
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Practice Manager/Manager:	Name: Preeti S. Ahuja (PMGR)	Date: 20-Sep-2017
Country Director:	Name: Carole Megevand (CD)	Date: 22-Sep-2017