



Integrated Safeguards Data Sheet Restructuring Stage

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I. BASIC INFORMATION

1. BASIC PROJECT DATA

Project ID P106685	Project Name AR Socio-Economic Inclusion In Rural Areas
Task Team Leader(s) Tomas Ricardo Rosada Villamar	Country Argentina
Approval Date 11-Jun-2015	Environmental Category Partial Assessment (B)
Managing Unit GFA04	Is this a Repeater project?

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	76.50
Total Financing	76.50
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	52.50
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Non-World Bank Group Financing

Counterpart Funding	24.00
Borrower/Recipient	16.60
Local Communities	7.40

2. PROJECT INFORMATION



Current Project Development Objective

To increase the socio-economic inclusion of rural poor (small producers, indigenous people, and rural workers) by: (a) strengthening their organizational, planning and management capacity to achieve poverty-reduction goals; (b) improving their access to community infrastructure and services; and (c) piloting a new model for developing sustainable access to markets.

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3. PROJECT DESCRIPTION

The “Argentina: Socio-Economic Inclusion in Rural Areas Project” comprises the following four components:

- Component 1 finances the provision of technical support to communities and organizations of small producers, indigenous peoples, and rural workers, to improve their organizational, planning, and management capacity. In addition, it also includes the preparation of studies, strategies and planning instruments for local development.
- Component 2 finances demand-driven rural investment subprojects that aim to improve the living conditions of the targeted poor rural communities. Subprojects include small-scale investments such as rehabilitating rural community infrastructures, improving agricultural production on farm, and providing household water and sanitation systems.
- Component 3 finances the pilot of productive alliances, through subprojects carried out by producer groups.
- Component 4 finances all project management activities, including administration, monitoring and evaluation, and environmental and social management.

The Project’s main target group consists of rural population groups with high levels of poverty and/or vulnerability to poverty, which include small family producers, rural workers, and indigenous peoples.

The lending instrument is an Investment Project Financing of US\$52.5 million over a five-year period.

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4. PROJECT LOCATION AND SALIENT PHYSICAL CHARACTERISTICS RELEVANT TO THE SAFEGUARD ANALYSIS (IF KNOWN)



Consistent with the CPS, the Project area includes regions characterized by both high levels of rural poverty and strong concentration of smallholder producers and/or indigenous peoples. Accordingly, the initial area of intervention will comprise the regions of North-East Argentina (Noreste Argentino, NEA) and North-West Argentina (Noroeste Argentino, NOA). With the restructuring, Component 3 will be expanded to all participating provinces in the Project. The implementation experience has shown that there is both demand and capacity for productive alliances in provinces beyond NEA, representing an opportunity to consolidate the productive alliances model in the rest of the country. For Components 1 and 2, Project resources are allocated to participating provinces based on their relative distribution of small producers and indigenous communities. Within each Participating Province, Project resources are allocated in priority to micro-regions that demonstrate above-average presence (both in relative and absolute value) of target beneficiaries. The criteria for allocation of resources by provinces and areas are spelled out in the Operational Manual.

5. ENVIRONMENTAL AND SOCIAL SAFEGUARDS SPECIALISTS ON THE TEAM

Claudio Luis Daniele, Environmental Specialist
 German Nicolas Freire, Social Specialist
 Eleonora Beatriz Camalli, Social Specialist

6. SAFEGUARD POLICIES TRIGGERED

Safeguard Policies	Triggered	Explanation
Environmental Assessment (OP) (BP 4.01)	Yes	The Project aims to have an overall highly positive socio-economic impact and increase the socio-economic inclusion of rural poor by improving the efficiency of agricultural productivity. The inclusion of medium-scale rural investments under Component 2 and physical interventions under Component 3 could have negative, yet small-scale and localized impacts on the environment. Subproject investments include rehabilitation of existing roads; irrigation systems; water systems; rural electricity supply; and other small-scale infrastructure, land use change and improving agricultural production (with an increased pressure over natural resources). Because these subprojects involve mostly medium or small-scale activities, the incremental environmental impacts are expected to be limited, site-specific and reversible, and the mitigation measures rather straightforward to design and implement. Since the type, scale and localization of specific subprojects was unknown at appraisal, the General Directorate of Sectoral and Social Programs and Projects (DIPROSE) of the Government Secretariat of Agroindustry prepared



an Environmental and Social Management Framework (ESMF), detailing the environmental screening process and a negative list that excludes any sensitive environmental sites from being financed by the Project. Cumulative impacts are not expected to be significant.

During Project restructuring, the ESMF has been updated to reflect potential impacts associated with the medium scale investments to complement the original ESMF focused on small-scale investments, and it includes new guidelines to mitigate and compensate environmental and social impacts of the specific subprojects, including waste management, safety and risk control measures for workers and adjacent communities, environmental protection measures to prevent negative impacts on soil, air, flora, fauna, water sources, and landscape, among others. According to the provincial/local regulation, the inclusion of medium scale works must be accompanied by the applicable procedures of Environmental Assessment for obtaining the corresponding environmental license. The Project does not finance any subproject considered as a Category A under the World Bank definition.

Performance Standards for Private Sector Activities OP/BP 4.03

No

N/A

Natural Habitats (OP) (BP 4.04)

Yes

Most Project activities are implemented in areas already under agricultural production. However, the potential impacts on critical natural habitats are explored as part of the subproject screening process. Subprojects could be located in areas close to critical natural habitats or protected areas, but subprojects that imply significant degradation or conversion of natural habitats are not eligible for Project finance. Subprojects within national or provincial protected areas are neither eligible for funding. Areas with other conservation statuses (Ramsar sites, Birdlife IBAS, Biosphere Reserves, etc.) are also considered ineligible unless the proposed investments are compatible with the criteria established in the ESMF.

Forests (OP) (BP 4.36)

Yes

Most Project activities are implemented in areas already under agricultural production. The Project screening mechanism identifies subprojects with potential impacts on forests or their management.



		<p>Subprojects impacting forests or involving establishment of plantations require a deeper environmental analysis and adequate mitigation measures.</p>
Pest Management (OP 4.09)	Yes	<p>Integrated pest management is part of subproject activities under Components 2 and 3. Any procurement of pesticides needs to comply with the requirements of OP 4.09 that specifies the type of pesticides ineligible for World Bank financing. Guidelines that define the restriction or prohibition of the use of agrochemicals are included in the ESMF. In addition, the ESMF requires the preparation of Integrated Pest Management Plans and includes respective guidelines.</p>
Physical Cultural Resources (OP) (BP 4.11)	Yes	<p>The Project does not finance any subproject with potential negative impacts on physical cultural resources. However, particularly because of interventions in indigenous peoples' areas, chance finds of cultural artifacts can appear during implementation. To handle such findings, Argentina has a well-developed legislative and normative framework that will be applied in such cases. DIPROSE also has proven experience and appropriate procedures to address chance finds in line with these procedures and rules. The ESMF includes screening criteria to evaluate potential impacts on cultural resources and provides guidance and procedures for managing chance finds.</p>
Indigenous Peoples (OP) (BP 4.10)	Yes	<p>The policy is triggered because indigenous peoples are present in many of the targeted provinces and a specific part of the Project is expected to benefit IP communities. For this reason, and given that the exact location of subprojects is not known before implementation, DIPROSE prepared an Indigenous Peoples Planning Framework (IPPF), including a Social Assessment, which is part of the ESMF. Based on the principle of free, prior, and informed consultation, a first draft of the Project preparation documents (including Project objectives, approach, activities, mechanisms and the draft IPPF) were made available and presented to organizations representative of IPs, namely: the Indigenous Participative Council ("Consejo de Participación Indígena") and the Meeting of Indigenous People Territorial Organizations ("Encuentro de las Organizaciones Territoriales de Pueblos</p>



Originarios, ENOTPO”). Both organizations reviewed the documents in order to provide their advice and inform about their level of support. ENOTPO and the National Family Producers Forum (“Foro Nacional de Agricultura Familiar, FONAF”) reviewed and commented on the Project documents revised for the restructuring and provided their broad support to the Project. During Project restructuring, the IPPF has been updated to reflect potential impacts associated with the medium scale investments and different consultation processes for the related works as required in OP 4.10. Actions agreed upon with indigenous peoples’ representatives during Project preparation and included in the original IPPF did not undergo any changes in this restructuring.

Involuntary Resettlement (OP) (BP 4.12) Yes

Although involuntary resettlement is not foreseen, it is possible that involuntary economic displacement and/or loss of assets may be generated during small infrastructure works, including the following: (i) rehabilitation of irrigation or water systems; (ii) rehabilitation of feeder roads; and (iii) small rural infrastructure. Given the demand-driven nature of Project activities, it would be difficult to anticipate the number of people that would be impacted by Project investments. For this reason, DIPROSE prepared a Resettlement Policy Framework (RPF) to minimize and mitigate any potential adverse social impacts resulting from Project investments. The RPF, which is part of the ESMF, provides the overarching framework by which potential resettlement issues are addressed if necessary. In cases in which resettlement issues would affect indigenous peoples, the RPF addresses them in a form consistent with the IPPF. During Project restructuring the RPF has been updated to reflect potential impacts associated with the medium scale investments and the corresponding mitigation and compensation measures.

Safety of Dams (OP) (BP 4.37) Yes

While the Project does not finance building of any large dam, it is possible that irrigation or water supply subprojects financed under Components 1 and 3 might depend on the storage and operation of an existing dam for their supply of water and may not function if the dam failed. The ESMF stipulates that financing of such subprojects requires a



preliminary specialized dam safety assessment, including a review and evaluation of the operation and maintenance procedures of the existing dam and the presentation of a written report including the applicable findings and recommendations for any remedial work or safety related measures.

Projects on International Waterways (OP) (BP 7.50) Yes

During Project restructuring the World Bank re-examined the applicability of OP 7.50 and determined that it becomes relevant for the Project. While OP 7.50 was not triggered during preparation, the medium scale infrastructure works may involve the expansion, rehabilitation and/or improvement of ongoing water conduction systems, which could, in turn, rely on bodies of water that discharge into the Plata River basin. However, water abstraction has been estimated to be negligible in relation to the discharge flows of the respective transboundary rivers. Thus, the exception to the notification requirement under paragraph 7 (a) of OP 7.50 was requested and got authorized by the Regional Vice President on May 3, 2019.

Projects in Disputed Areas (OP) (BP 7.60) No

The policy is not triggered because the Project is not implemented in areas known to involve disputed areas.

II. KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. SUMMARY OF KEY SAFEGUARD ISSUES

1. Describe any safeguard issues and impacts associated with the Restructured project. Identify and describe any potential large scale, significant and/or irreversible impacts.

While OP 7.50 was not triggered during preparation, in view of a forthcoming Level Two restructuring of the Project and inclusion of new specific activities, notably medium-scale infrastructure that would include water conduction systems, the Bank team has re-examined the applicability of said Policy and has determined that it would become relevant for the Project.

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

With the restructuring and inclusion of medium-scale infrastructure, particularly water conduction systems, OP 7.50 becomes applicable to this Project, as these may take and conduct water from tributary streams to the Uruguay and Paraná rivers, which are part of the Plata River basin. However, due to the size and location of the new medium-scale works and, also, due to the minimal water abstraction of potential future subprojects to be financed, it is the task team's determination that the incremental rate of abstraction into the above-mentioned international waterways or their tributaries is likely to be minimal. Their impact will be limited and localized. As such: (i) the proposed activities



are not likely to adversely affect the quantity or quality of the water flowing to downstream riparians; and (ii) the Project will not be affected by other riparians' possible water use. Therefore, the team has requested an exception to the notification of riparians.

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

PISEAR considers a variety of small to medium scale subproject investments in a diversity of environmental and social settings. Based on the ESMF, the corresponding environmental and social assessment identifies the applicable alternatives for each case to minimize adverse 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.

Concerning OP 7.50, no special measure has been put in place because the incremental rate of abstraction into the international waterways or their tributaries is likely to be minimal.

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

The Social Assessment of the Project was based on an assessment of PROINDER's experience, consultations with, and relevant documents about small producers, indigenous peoples, and rural workers. Based on the principle of free, prior, and informed consultation, a first draft of the Project preparation documents (including Project objectives, approach, activities, mechanisms and a draft of the Indigenous People Planning Framework, IPPF) were made available and presented to organizations representative of indigenous peoples, namely: the Indigenous Participative Council ("Consejo de Participación Indígena") and the Meeting of Indigenous People Territorial Organizations ("Encuentro de las Organizaciones Territoriales de Pueblos Originarios, ENOTPO"). Both organizations reviewed the documents to provide their advice and inform about their level of support. ENOTPO and the National Family Producers Forum ("Foro Nacional de Agricultura Familiar, FONAF") advised on the Project documents and expressed their broad support to the Project, as formally recorded in the minutes of the respective consultation meetings. These organizations were consulted again before the start of Project implementation to present the changes that were introduced following their previous participation and to receive new questions and comments. During these meetings the organizations again expressed their support to the Project.

During Project preparation, relevant social risks (equitable access to opportunities and benefits created by the Project) were taken into consideration with the effective participation of community and IP leaders throughout the decision-making process. During implementation, the Project has been addressing these issues, as planned, by systematically mainstreaming participatory methodologies in all Project activities to respond to the needs of beneficiaries. The ESMF defines the participatory mechanisms to be adopted.

The key stakeholders are identified for each investment subproject as a result of the corresponding social evaluation. The ESMF includes the consultation and dissemination instruments (PPI, PRI, etc.) that must be adapted and applied for each subproject to minimize adverse impacts as needed.

B. DISCLOSURE REQUIREMENTS



Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank

22-Mar-2019

Date of submission for disclosure

02-Apr-2019

For Category 'A' projects, date of distributing the Executive Summary of the EA to the Executive Directors

"In country" Disclosure

Country

Argentina

Date of Disclosure

01-Apr-2019

Comments

Resettlement Action Plan/Framework Policy Process

Date of receipt by the Bank

22-Mar-2019

Date of submission for disclosure

02-Apr-2019

"In country" Disclosure

Country

Argentina

Date of Disclosure

01-Apr-2019

Comments

Indigenous Peoples Development Plan/Framework

Date of receipt by the Bank

22-Mar-2019

Date of submission for disclosure

02-Apr-2019

"In country" Disclosure

Country

Argentina

Date of Disclosure

01-Apr-2019



Comments

Pest Management Plan

Was the document disclosed prior to appraisal?

Yes

Date of receipt by the Bank

22-Oct-2014

Date of submission for disclosure

23-Oct-2014

“In country” Disclosure

Country

Argentina

Date of Disclosure

23-Oct-2014

Comments

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
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?	No
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

OP 4.09 - Pest Management



Does the EA adequately address the pest management issues?	Yes
Is a separate PMP required?	No
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?	NA
OP/BP 4.11 - Physical Cultural Resources	
Does the EA include adequate measures related to cultural property?	Yes
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes
OP/BP 4.10 - Indigenous Peoples	
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?	NA
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes
OP/BP 4.36 - Forests	
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	
Does the project design include satisfactory measures to overcome these constraints?	
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	



OP/BP 4.37 - Safety of Dams

Have dam safety plans been prepared?	No
Have the TORs as well as composition for the independent Panel of Experts (POE) been reviewed and approved by the Bank?	No
Has an Emergency Preparedness Plan (EPP) been prepared and arrangements been made for public awareness and training?	No

OP 7.50 - Projects on International Waterways

Have the other riparians been notified of the project?	No
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
Has the RVP approved such an exception?	Yes

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?	Yes
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

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes
Have costs related to safeguard policy measures been included in the project cost?	Yes
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes



III. APPROVALS

Task Team Leader(s)	Tomas Ricardo Rosada Villamar Francisco Javier Obreque Arqueros	
Approved By		
Practice Manager/Manager	Garry Charlier	23-May-2019

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