

Document of
The World Bank

FOR OFFICIAL USE ONLY

Report No: PAD1101

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

IN THE AMOUNT OF SDR 11.9 MILLION
(US\$18 MILLION EQUIVALENT)

TO THE

REPUBLIC OF CHAD

FOR AN

EMERGENCY FOOD AND LIVESTOCK CRISIS RESPONSE PROJECT

September 30, 2014

Agriculture Global Practice
Country Department, AFCW3
Africa Region

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

CURRENCY EQUIVALENTS

(Exchange Rate Effective August 31, 2014)

Currency Unit	=	CFA franc
CFA francs 0.0021	=	US\$ 1
US\$ 1.5300	=	SDR 1

FISCAL YEAR

January 1 – December 31

ABBREVIATIONS AND ACRONYMS

CAR	Central African Republic
CAS	Country Assistance Strategy
CQS	Selection based on Consultants' Qualifications
EA	Environmental Assessment
EAPSP	Emergency Agriculture Production Support Project
ECCAS	Economic Community of Central African Countries
EFSA	Emergency Food Security Assessment
EMP	Environmental Management Plan
EOI	Expression of Interest
ESIA	Environmental and Social Impact Assessment
ESMA	Environmental and Social Mitigation Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Mitigation Plan
ESSAF	Environmental and Social Screening and Assessment Framework
FAO	United Nations Food and Agriculture Organization
FM	Financial Management
GDP	Gross domestic product
GPN	General Procurement Notice
ha	Hectare
ICB	International Competitive Bidding
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IDPs	Internally Displaced People
IFRs	Interim Financial Reports
IPP	Indigenous Peoples Plan
IOM	International Office of Migration
LCS	Least-Cost Selection
M&E	Monitoring and evaluation
MAE	Ministry of Agriculture and Environment
MLH	Ministry of Livestock and Hydraulics
MWSAS	Ministry of Women, Social Action, and Solidarity

NCB	National Competitive Bidding
NGOs	Non-Governmental Organizations
PAMFIP	Plan d’Action pour la Modernisation et la Gestion des Finances Publiques (Public Financial Management Reform Action Plan)
PDO	Project Development Objective
PIM	Project Implementation Manual
PIU	Project Implementation Unit
PPMP	Pest and Pesticide Management Plan
PPE	Personal Protective Equipment
RAP	Resettlement Action Plan
SSS	Single Source Selection
t	Metric ton
TSF	Targeted Supplementary Feeding
UN	United Nations
UNDB	United Nations Development Business
UNICEF	United Nations Children’s Fund
WFP	World Food Programme

Regional Vice President:	Makhtar Diop
Country Director:	Paul Noumba Um
Sr. Global Practice Director:	Juergen Voegle
Practice Manager:	Martien Van Nieuwkoop
Task Team Leader:	Nicaise B. Ehoue

REPUBLIC OF CHAD
EMERGENCY FOOD AND LIVESTOCK CRISIS RESPONSE PROJECT

CONTENTS

	Page
I. STRATEGIC CONTEXT	1
A. Country Context.....	1
B. Situations of Urgent Need of Assistance or Capacity Constraints	1
C. Sectoral and Institutional Context.....	4
D. Higher-Level Objectives to which the Project Contributes	5
II. PROJECT DEVELOPMENT OBJECTIVES	6
A. PDO.....	6
B. Project Beneficiaries	6
C. PDO-level Results Indicators.....	7
III. PROJECT DESCRIPTION	7
A. Project Components	7
B. Project Financing	10
C. Lessons Learned and Reflected in the Project Design.....	10
IV. IMPLEMENTATION	11
A. Institutional and Implementation Arrangements	11
B. Results Monitoring and Evaluation	12
C. Sustainability.....	13
V. KEY RISKS AND MITIGATION MEASURES	15
A. Risk Ratings Summary Table	15
B. Overall Risk Rating Explanation	15
VI. APPRAISAL SUMMARY	16
A. Economic and Financial Analysis.....	16
B. Technical.....	17
C. Financial Management.....	17
D. Procurement	18
E. Social and Environmental (including Safeguards)	18

Annex 1: Results Framework and Monitoring	22
Annex 2: Detailed Project Description.....	24
Annex 3: Implementation Arrangements	31
Annex 4: Operational Risk Assessment Framework (ORAF).....	44
Annex 5: Implementation Support Plan	47
Annex 6: Environmental and Social Screening and Assessment Framework.....	48
Annex 7: Map IBRD 33385	68

PAD DATA SHEET*Chad**Emergency Food and Livestock Crisis Response Project (P151215)***PROJECT APPRAISAL DOCUMENT***AFRICA*

Report No.: PAD1101

Basic Information			
Project ID P151215	EA Category B - Partial Assessment	Team Leader Bleoue Nicaise Ehoue	
Lending Instrument Investment Project Financing	Fragile and/or Capacity Constraints [X]		
	Financial Intermediaries []		
	Series of Projects []		
Project Implementation Start Date 14-Oct-2014	Project Implementation End Date 30-Apr-2017		
Expected Effectiveness Date 15-Dec-2014	Expected Closing Date 30-Apr-2017		
Joint IFC No			
Practice Manager/Manager Martien Van Nieuwkoop	Senior Global Practice Director Juergen Voegeler	Country Director Paul Nouumba Um	Regional Vice President Makhtar Diop
Borrower: Republic of Chad			
Responsible Agency: Ministry of Agriculture and Environment			
Contact: Telephone No.:	Hissene Souleymane Nourene BP: 2579, N'Djamena, Tchad 235 22 52 74 98 235 66 24 82 03 235 99 41 19 76	Title: Email:	Coordinateur National, Projet PAPAT soulhis69@hotmail.com
Project Financing Data(in USD Million)			
<input type="checkbox"/> Loan <input type="checkbox"/> Credit	<input checked="" type="checkbox"/> IDA Grant <input type="checkbox"/> Grant	<input type="checkbox"/> Guarantee <input type="checkbox"/> Other	
Total Project Cost: Financing Gap:	18.00 0.00	Total Bank Financing:	18.00

Financing Source	Amount
BORROWER/RECIPIENT	0.00
IDA Grant	18.00
Total	18.00

Expected Disbursements (in USD Million)											
Fiscal Year	2015	2016	2017								
Annual	9.00	6.00	3.00								
Cumulative	9.00	15.00	18.00								

Institutional Data

Practice Area / Cross Cutting Solution Area

Agriculture

Cross Cutting Areas

- [] Climate Change
- [X] Fragile, Conflict & Violence
- [] Gender
- [] Jobs
- [] Public Private Partnership

Sectors / Climate Change

Sector (Maximum 5 and total % must equal 100)

Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Agriculture, fishing, and forestry	Crops	40		
Agriculture, fishing, and forestry	Animal production	40		
Agriculture, fishing, and forestry	Agricultural extension and research	20		
Total	100			

I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.

Themes

Theme (Maximum 5 and total % must equal 100)

Major theme	Theme	%
Rural development	Other rural development	100
Total		100

Proposed Development Objective(s)				
The project development objective is to improve the availability of and access to food and livestock productive capacity for targeted beneficiaries affected by the conflict in the Central African Republic on the Recipient's territory.				
Components				
Component Name	Cost (USD Millions)			
Targeted Food Assistance	7.00			
Agricultural Production and Livestock Stabilization	11.00			
Compliance				
Policy				
Does the project depart from the CAS in content or in other significant respects?	Yes []	No [X]		
Does the project require any waivers of Bank policies?	Yes []	No [X]		
Have these been approved by Bank management?	Yes []	No []		
Is approval for any policy waiver sought from the Board?	Yes []	No [X]		
Does the project meet the Regional criteria for readiness for implementation?	Yes [X]	No []		
Safeguard Policies Triggered by the Project				
Environmental Assessment OP/BP 4.01	Yes	No		
Natural Habitats OP/BP 4.04		X		
Forests OP/BP 4.36		X		
Pest Management OP 4.09	X			
Physical Cultural Resources OP/BP 4.11		X		
Indigenous Peoples OP/BP 4.10		X		
Involuntary Resettlement OP/BP 4.12		X		
Safety of Dams OP/BP 4.37		X		
Projects on International Waterways OP/BP 7.50		X		
Projects in Disputed Areas OP/BP 7.60		X		

Legal Covenants			
Name	Recurrent	Due Date	Frequency
Preparation of Project Implementation Manual		15-Jan-2015	

Description of Covenant

The Recipient shall, not later than one (1) month after the Effective Date, prepare an implementation manual for the Project, in form and substance acceptable to the Association, containing detailed administrative, procurement, financial management and monitoring and evaluation procedures, and coordination and oversight arrangements for the Project.

Name	Recurrent	Due Date	Frequency
Service Agreements with WFP and FAO		15-Jan-2015	

Description of Covenant

The Recipient shall, not later than one (1) month after the Effective Date, enter into Service Agreements with each of WFP and FAO, whose form and substance shall be satisfactory to the Association.

Conditions		
Source Of Fund	Name	Type

Description of Condition

Team Composition

Bank Staff			
Name	Title	Specialization	Unit
Maya Abi Karam	Senior Counsel	Senior Counsel	LEGAM
Lynn R. Brown	Consultant	Consultant	GSURR
Myriam Mireille Veronique Chaudron	Livestock Specialist	Livestock Specialist	GFADR
Aissatou Diallo	Senior Finance Officer	Senior Finance Officer	CTRLA
Faly Diallo	Financial Officer	Financial Officer	CTRLA
Edmond Badge Dingamhoudou	Communications Officer	Communications Officer	AFREC
Ningayo Charles Donang	Senior Procurement Specialist	Senior Procurement Specialist	GGODR
Bleoue Nicaise Ehoue	Senior Agriculture Economist	Team Lead	GFADR
Marie-Claudine Fundi	Language Program Assistant	Language Program Assistant	GFADR
Salam Hailou	Program Assistant	Program Assistant	GFADR
Elizabeth Hassan	E T Consultant	E T Consultant	LEGAM
Jane C. Hopkins	Senior Agriculture Economist	Senior Agriculture Economist	GFADR
Remi Kini	Senior Environmental	Senior Environmental	GFADR

	Economist	Economist	
Jean Charles Amon Kra	Senior Financial Management Specialist	Senior Financial Management Specialist	GGODR
Lucienne M. M'Baipor	Senior Social Development Specialist	Senior Social Development Specialist	GSURR
Emeran Serge M. Menang Evouna	Senior Environmental Specialist	Senior Environmental Specialist	GENDR
Celestin Adjalous Niamien	Senior Financial Management Specialist	Senior Financial Management Specialist	GGODR
Juvenal Nzambimana	Senior Operations Officer	Senior Operations Officer	GFADR
Moussa Fode Sidibe	Program Assistant	Program Assistant	AFCW3
Samuel Taffesse	Senior Operations Officer	Senior Operations Officer	GFADR
Paulette C.E. Aida Thioune Zoua	Program Assistant	Program Assistant	AFMTD

Non Bank Staff

Name	Title	City

Locations

Country	First Administrative Division	Location	Planned	Actual	Comments
Chad	Salamat	Salamat Region	X		
Chad	Moyen-Chari	Moyen-Chari Region	X		
Chad	Logone Oriental	Logone Oriental Region	X		

I. STRATEGIC CONTEXT

A. Country Context

1. Chad is a large, land-locked country with a population of 12.5 million. It ranks 184th out of 187 countries in the Human Development Index¹ and 73rd out of 78 countries in the Global Hunger Index.² The population is highly vulnerable to shocks and exposed to crises and disasters. Chad's rural areas have 78 percent of the national population; 80 percent of rural people support themselves through subsistence farming and livestock activities.

2. Chad's location in an unstable geopolitical neighborhood makes it vulnerable to the effects of crises erupting across its borders. Since independence in 1960, Chad has suffered from instability and conflict arising from tensions between religious and ethnic factions, further fuelled by interference from neighboring states. The severe humanitarian crises in neighboring Sudan and Central African Republic (CAR) have driven hundreds of thousands of refugees across the border into Chad, compounding the internal displacement of native Chadians and further draining the country's fiscal and economic resources. Conflicts in Darfur beginning in 2003 and the 2012 military coup in CAR have sent 450,000 refugees to eastern and southern Chad, heightening pressure on the limited resources of an already highly vulnerable local population.

3. Petroleum exploration has profoundly altered the structure of production and exports in the Chadian economy. Until 2004, the agricultural sector, including subsistence and commercial agriculture, livestock, hunting, fishing, and forestry, accounted for about 40 percent of gross domestic product (GDP). Since 2004, agricultural GDP has broadly accounted for about 25 percent of national GDP. Between 2003 and 2012, the agricultural sector, mainly cotton, accounted for 45 percent of non-oil export earnings. Given that oil resources are limited and that the vast majority of the population derives its food and income from agriculture, the sector remains critical for broad-based growth, poverty alleviation, and sustainable economic development in Chad.

B. Situations of Urgent Need of Assistance or Capacity Constraints

4. The conflict in CAR that started at the end of September 2013 reached unprecedented levels of violence and human rights abuses. Violence based on religion and nationality in Bangui and other parts of CAR prompted the Government of Chad to join with the local International Office of Migration (IOM) to organize the evacuation of 105,887³ people to Chad. As instability in CAR continues and appears increasingly likely to spread northward toward the border with Chad, more people are expected to enter Chad to escape the violence and abuses in the affected areas.

¹ *The Rise of the South: Human Progress in a Diverse World. Human Development Report 2013.* New York: United Nations Development Programme, 2013.

² *The Challenge of Hunger: Building Resilience to Achieve Food and Nutrition Security. Global Hunger Index 2013.* Washington DC, Bonn, and Dublin: International Food Policy Research Institute, Concern Worldwide, and Welthungerhilfe, 2013.

³ As of July 8, 2014.

5. Two major groups of people are evacuated: people of Chadian nationality or descent (returnees) and non-Chadians (refugees). Both groups are in straits, having fled with few or no belongings.⁴ Many have lost relatives, homes, and livelihoods and have no family ties in Chad. About 93 percent report that they would not return to CAR even if the conflict were to end immediately.

6. The challenge facing Chad is to integrate these returnees and refugees in the least disruptive manner. Approximately 105,800 returnees/refugees and 250,400 cattle are being relocated in a number of sites.⁵ This complex operation must take into account the views and interests of the host population. The local population, which expects support from the donor community and government, has welcomed the returnees and refugees and will continue to play a key role in resettling the new arrivals. Yet the resilience of refugees, returnees, and host communities alike could weaken if the increased population in relocation sites reduces food security (especially if food becomes less available and accessible in the lean season before the harvest) and nutrition (especially if the special nutritional needs of very young children are not met).

7. Such problems could deplete the good will of host communities as the crisis across the border continues. Insecurity in CAR is expected to increase the number of returnees and refugees in Chad by 150,000 people (42 percent) by December 2014. As noted, most are likely to stay for an extended period. Food prices could soar in areas that routinely suffer from severe drought, food insecurity, and malnutrition and now face the added challenge of hosting a new and vulnerable population. The World Food Programme (WFP) reports high rates of acute malnutrition among returnee children aged 6–23 months, based on mid-upper arm circumference. Given the food insecurity in CAR⁶ and preliminary assessments in Chad, immediate food assistance and nutrition interventions are required to prevent stunting and the consequent loss of human capital in these children.

8. Another recent assessment, this one undertaken by non-governmental organizations (NGOs) and the Food and Agriculture Organization (FAO), finds an unusual concentration of pastoralists and their herds along the Chad-CAR border. In only a few months, cattle numbers expanded from 1.6 to 1.8 million—a 16 percent increase. The growing concentration of livestock has a tremendous impact on the natural resource base in these fragile areas and could spark conflict among the local communities in the absence of vigorous, immediate action. Animal diseases could proliferate and decimate the national livestock sector, as most animals have not been vaccinated for years.⁷

⁴ Discussions (FAO source) with newly arrived people in southern Chad showed that 76 percent had depleted their productive assets (money, animals) and that other assets had been looted, lost, or left in CAR.

⁵ Bitoye (Monts de Lam), Goré (Nya-Pendé) Yamodo (Nya-Pendé), Goundey (Lac Iro), Boum Kebir (Lac Iro), Bebopen (Mandoul Occidental), Bouna (Barh Sara), Bekoumou (Barh Sara), Dembo (Barh Sara), Sido (Grande Sido), and Djeké-Djeké (Grande Sido).

⁶ The highest levels of food insecurity, reaching 50 percent with 15 percent being severely food insecure, were found among the internally displaced population in Bangui. As a result, it is likely that most returnees were already food insecure before their departure from CAR.

⁷ About 86 percent of returnee/refugee herders reported that their herds had not been vaccinated for years.

9. The Government of Chad conducted its own assessment of this situation and developed a “Global Emergency Response Plan for the Returnees/Refugees,” dated April 18, 2014. To support all aspects of that response, the government appealed to the international community to raise US\$53 million (Table 1). So far, donors have disbursed⁸ US\$14 million out of US\$22 million in commitments. The government has already contracted three NGOs using its own budgetary resources, amounting to US\$2.5 million, to supply returnees’ emergency basic needs.

Table 1: Government of Chad’s Global Response Plan

Category of assistance	Amount (US\$ 000s)	Percentage
Food assistance	18,000	33.6
Access to basic health services	4,000	7.5
Access to water and sanitation	5,000	9.3
Social and security protection of returnees	3,100	5.8
Shelter kits	10,000	18.7
Seed and inputs	6,000	11.2
Animal feed and veterinary needs	7,500	14.0
Total	53,610	100

10. The World Bank restructured the Emergency Agriculture Production Support Project (EAPSP)⁹ (P126576) on June 24, 2014 to reallocate US\$3.5 million in support of the government’s effort to restore the livelihoods of returnees and refugees and mitigate the spread of animal diseases. The additional Bank commitment of US\$18 million through this proposed emergency project will go a long way toward meeting the government’s request by bringing the Bank commitment to US\$21.5 million equivalent. This funding represents more than 40 percent of the government’s request and almost 100 percent of the resources committed by all donors. The Bank will use its convening power to seek additional partners to support the government’s Response Plan.

11. The proposed emergency project will finance the provision of food to affected communities and at the same time reinforce their capacity to produce food and raise livestock in a context of heightened pressure on natural resources and fragile ecosystems. More specifically, the project will support access to food through a WFP program to provide vouchers to affected communities, enabling them to buy food in the local marketplace; in the lean season, when food becomes scarce, the WFP will switch from vouchers to direct food transfers. It will also provide specialized foods to very young children to improve their nutritional status. At the same time, the proposed project will restore and maintain the crop and livestock production capacity of affected populations.

12. The proposed approach of providing targeted food assistance supports important productive development outcomes. For example, it: (i) reduces or prevents mental retardation and poor school performance; (ii) enhances children’s growth and development; (iii) reduces

⁸ Covering food assistance, access to health, water and sanitation, social protection, shelters, animal health, and social protection.

⁹ Projet d’Appui à la Production Agricole au Tchad (PAPAT).

adverse pregnancy outcomes; and (iv) safeguards productive capital by helping to prevent distress sales of livestock, which will be key to restoring the livelihoods of the affected population. The proposed project therefore complies with the Bank's instructions on the financing of food expenditures.

C. Sectoral and Institutional Context

13. The agricultural sector grew on average by 2 percent per year between 2007 and 2011. This average masks large fluctuations—a decrease of 14 percent in 2011 (largely owing to drought) and an increase of 27 percent in 2010. During that period the livestock, forestry, and fishing subsectors were relatively stable, growing on average by 1.9 percent annually. Aside from climate, additional factors have affected agricultural performance, such as the lack of productive infrastructure, low use of modern agricultural inputs, poor coordination in the agricultural sector, and the limited capacity within sectoral ministries and public institutions (the effects of which are compounded by institutional instability).

14. Despite that shaky performance, the Chadian agricultural sector has significant potential to increase production, create employment, and help to reduce poverty. Chad has the young, active workforce required for agricultural development; half of its workforce is under 25 years of age. In addition, about 30 percent of the national territory (39 million hectares) consists of potentially cultivable land. Presently less than 10 percent of that area is under cultivation (3 million hectares, two-thirds of which is in the Sahel region and one-third in the Sudan region).

15. Chad's significant water resources are also under-used. The country has 5.6 million hectares of potentially irrigable land, including 335,000 hectares that require only modest investments in infrastructure to become productive. This resource, coupled with the country's agro-ecological diversity, creates huge potential for crop diversification.

16. The livestock subsector contributes significantly to the Chadian economy, although its contribution to export revenues is suboptimal owing to the enormous uncontrolled migration of herds to markets in Nigeria each year. The dominant herding practices in Chad, affecting 80 percent of livestock, are transhumance and extensive herding. Cattle herding is the primary agricultural activity in the Sahel and a secondary activity in the Sudanian zone, although the relatively greater availability of food, agricultural by-products, and agro-industrial operations in the Sudanian zone attract many herders from the north. In some instances, the herders' coexistence with the agro-pastoralists poses land management problems and can be a source of conflict.

17. Food security is volatile in Chad because agricultural production systems rely largely on rainfall rather than irrigation. Numbers of food-insecure individuals more than triple when droughts deplete harvests and food prices soar. In southern Chad, where most of the refugees and returnees are being settled, agriculture is dominated by small-scale farmers producing a moderate, locally marketed surplus. Cross-border trade with Cameroon and CAR is also important. While local trade with CAR has been significantly curbed by the conflict, markets in the areas where vouchers are being implemented continue to be well stocked and no unusual price movements have been observed in the past few months since voucher transfers became operational. A January 2014 market assessment indicated that food production surpluses were

about 30 percent above the five-year average and that traders had higher stocks than in previous years.

D. Higher-Level Objectives to which the Project Contributes

18. Food insecurity is a primary manifestation of extreme poverty. The lack of food exhausts human capital, including the capacity to pursue a livelihood. The proposed emergency project will contribute to the Bank's goal of ending extreme poverty by supporting improvements in household food security among specific target groups in extreme poverty—refugees, returnees, and other vulnerable groups—while recognizing the specific nutritional needs of women and children. It will protect human capital and promote livelihoods by providing food assistance, fostering agricultural production, and stabilizing the livestock sector. The project will also improve capacity at the local level among the seed producers, traders, local NGOs, and government agencies participating in this operation.

19. The proposed project constitutes a rapid response to the effects of the conflict in CAR, building on the experience outlined in the *World Development Report 2011: Conflict, Security, and Development*.¹⁰ In particular, the project leverages key United Nations (UN) capacities to sustain human capital by preventing the conditions of returnees, refugees, and their host families from deteriorating and creating new setbacks in their prospects for development.

20. The Government of Chad assigns high priority to agriculture in its National Development Plan. The government's National Food Security Program for 2011–15 aims “to help overcome hunger and combat food insecurity at the national level by 2015 through the sustained increase in productivity and output levels, combined with measures to ensure the access of populations to food in both quantitative and qualitative terms, while maintaining the natural resource base and achieving the MDGs [Millennium Development Goals] in 2015.” The proposed emergency project directly contributes to and complements the National Food Security Program.

21. The proposed project also clearly reflects the priorities identified for support in the National Development Plan (2013-2015) (Programme National de Developpement) (2013-2015), the National Food Security Program (2014) (Programme National de Securite Alimentaire (2014) and the Bank's Interim Strategy Note for 2010–12,¹¹ which complements the ongoing EAPSP (P126576) and the Regional Pastoralism Support Project (P147674) under preparation.

22. The African Development Bank (AfDB), the Islamic Development Bank, the Agence Française de Développement (AFD), and the European Commission are all implementing projects in the agricultural sector, mainly in livestock development. The proposed project will benefit from, and complement, the efforts of these development partners, and arrangements will be made to ensure synergies.

¹⁰ Washington, DC: World Bank, 2011.

¹¹ Note that this Interim Strategy Note is still operational. A Country Partnership Framework is being prepared; the Systematic Country Diagnostic exercise began in September 2014.

II. PROJECT DEVELOPMENT OBJECTIVES

A. PDO

23. The project development objective (PDO) is to improve the availability of and access to food and livestock productive capacity for targeted beneficiaries affected by the conflict in the Central African Republic on the Recipient's territory. The PDO will be achieved through: (i) targeted food assistance through a World Food Program (WFP) program that will support the Recipient in improving food security of refugees and returnees through the provision of Vouchers and the distribution of specialized and staple foods ("Food Package"), and the carrying out of supplemental feeding programs in selected areas of the Recipient's territory; (ii) provision of agricultural production inputs to restore (displaced population) and increase (host population) food production capacity; and (iii) provision of vaccines and feed to stabilize the livestock production capacity of affected populations in a context of increased pressures on the natural resource base.

B. Project Beneficiaries

24. The main beneficiaries of the proposed project will be the refugees, returnees, and host families who are most affected by the CAR crisis and vulnerable to under-nutrition. These target groups will be assisted through: (i) food assistance for about 31,200 people over 12 months, including human capital protection (that is, protection from the permanent developmental effects of substandard nutrition) for about 2,520 small children (aged 6–23 months); (ii) food production for about 15,000 households (76,500 people), including about 7,500 households headed by women and 20 groups of seed producers; (iii) livestock support activities for about 1,800 households; (iv) conflict prevention activities in which about 1,000 people will participate; and (v) capacity building for 75 (primarily decentralized) staff of the Ministry of Agriculture and the Environment and the Ministry of Livestock and Hydraulics. Annex 2 provides details on the target beneficiaries and areas. More details will be provided in the Project Implementation Manuel (PIM).

25. To avoid exacerbating tensions by favoring one group or area over another, the prospective beneficiaries are being identified with care. Table 2 lists the categories of potential beneficiaries. Beneficiaries will be selected based on information from key agencies such as IOM and the National Welcoming Center for Reinsertion and Reintegration, as well as the extensive knowledge of local NGO partners.¹² At the community level, the community's socioeconomic profile (with special consideration given to the proportion of female-headed households and households with an agricultural production background), coping strategies, food stocks, food consumption patterns, and proportion of households hosting displaced persons will be taken into account. Regular consultations with affected populations and a communication campaign with local religious and community leaders will be held to inform communities about the food distribution system, mechanisms for preventing conflicts, and other aspects of the project.

¹² Secours Catholique pour le Développement (SECADEV—Caritas France), Croix Rouge (Red Cross), and the Association pour le Développement Economique et Sociale (ADES—Economic and Social Development Association)

26. For food assistance (under Component A) and support to agricultural production (under Component B), the targeted areas are Moyen Chari, Mandoul, Logone Oriental, and Salamat, where the bulk of the refugees and returnees are located. For certain livestock stabilization activities under Component B (vaccinations and feed), parts of Logone Occidental, Mayo Kebbi, Chari Baguirmi, Hajar Lamis, Bahr El Gazel, Guéra, Batha, and Sila are also targeted, because they are important transit and gathering areas for pastoral and agro-pastoral populations.

Table 2: Beneficiary category by type of project intervention

Beneficiary category	Immediate and short-term food security measures		Livelihood stabilization measures				
	Nutritional packets for children	Food vouchers or food transfers	Crop production activities (seed, fertilizer, small equipment)	Livestock activities			Conflict prevention measures
				Vaccines	Feed	Restocking	
Refugees	x	x		x	x		x
Returnees	x	x	x	x	x	x	x
Local ("host") population			x	x	x		x

27. Since the project's activities will not lead to land acquisition or restrict access to livelihood sources, they will not trigger OP. 4.12. The Government of Chad has already allocated land in the refugee and returnee camp areas. This land is free of title and claims and has no squatters or encroachers on or near it. To deal with potential conflicts that may occur during the project implementation phase, government authorities and the two implementing agencies will use the Grievance Redress Mechanism that is used in the EAPSP (P126576).

C. PDO-level Results Indicators

28. The following indicators will be used to measure the PDO-level results of the project:

- (i) Number of agricultural input packages distributed to beneficiaries in target areas.
- (ii) Number of livestock (cattle) vaccinated.
- (iii) Number of direct beneficiaries of food vouchers or direct food transfers.
- (iv) Total number of direct project beneficiaries (of which % female).

III. PROJECT DESCRIPTION

A. Project Components

29. **Component A: Targeted Food Assistance (US\$7 million IDA).** Component A seeks to improve food security for the affected communities and help them establish livelihoods by preventing them from having to sell their limited productive assets. This component will enable WFP to scale up its safety net operation for vulnerable households in Chad to cover 31,200 refugees/returnees for 12 months. Surveys find that most people—the host population as well as

refugees and returnees—obtain most of their food from the local markets, which indicates that food insecurity is mainly a problem of gaining access to food rather than a problem of food scarcity. Accordingly, for eight months of the year WFP will provide vouchers to purchase a local standard food basket (currently valued at about US\$0.30 per day). Beneficiaries with vouchers and registration cards will go to shops or distribution areas set up by local traders, where they can redeem the vouchers and collect commodities of their choosing, corresponding to the voucher value.¹³ This approach permits a more diversified diet that includes fresh foods; at the same time, it supports local producers and supply chains. In the remaining four months of the year (the lean season), WFP will provide direct food transfers consisting of staples, legumes, oil, salt, and sugar. The main rationale for switching to direct food transfers is to smooth out the effects of price increases.¹⁴

30. Children aged 6–23 months, whose nutritional status on arrival in Chad is often precarious, will receive specialized foods (47 grams per day of ready-to-use Plumpy'Doz) for four months to stabilize their nutritional status. About 8 percent of the population is in the 6- to 23-month target age group for this Blanket Supplementary Feeding.

31. Lists of individuals who will receive food assistance will be drawn up using information from agencies that handle the formal resettlement of refugees (for example, IOM), site visits by WFP staff, and government counterparts that are establishing four resettlement sites (which also include informal returnees and refugees).¹⁵ Based on the lists of registered beneficiaries, vouchers will be delivered every month at designated distribution sites by NGO partners with the necessary expertise, contracted by WFP. They will check the beneficiaries' photo registration cards¹⁶ against the list of beneficiaries. To limit the possibility of unauthorized reproduction and redemption, each voucher has a specific security code and hologram.

32. WFP will use its extensive experience in managing these processes to work with government counterparts and establish agreements with a national bank, financial institutions, storekeepers, and traders to implement the voucher/food delivery system. Under its current emergency operation, WFP assists about 75,000 displaced individuals, including the 31,200 included under the proposed project. WFP intends to extend this operation through the end of 2014, when a related WFP program (a Protracted Relief and Recovery Operation) will assume responsibility for assisting these individuals. World Bank funding will represent about 42 percent of the operation's needs for 12 months.

33. **Component B: Agricultural Production and Livestock Stabilization (US\$11 million IDA).** Component B aims to restore and maintain crop and livestock production capacity among the affected populations in a context where pressure on the natural resource base is increasing rapidly. Under this component, the proposed project will finance the purchase and distribution of

¹³ They may choose among 14 food items that have been selected based on local eating habits and healthy diets.

¹⁴ When food prices rise during the lean season, the value of the vouchers declines, so people cannot obtain as much food with the vouchers as before. Another drawback of using vouchers in the lean season is that they could trigger food price inflation, which would be detrimental to host populations and voucher recipients alike. For those reasons, the project will switch to direct food transfers during the four-month lean season.

¹⁵ Informal refugees have not been profiled by the government.

¹⁶ Many refugees and returnees lose their national identification cards in their flight from CAR, so beneficiaries will receive registration cards with their photos.

agricultural inputs, the acquisition of animal medicines and vaccines, the purchase of animal feed and additional livestock, and operational expenses. The activities will be implemented through three subcomponents: (i) support for agricultural production activities; (ii) support for livestock stabilization; and (iii) conflict prevention activities.

34. ***Subcomponent B.1: Support for agricultural production (US\$5.4 million).*** This subcomponent will provide technology packages (improved seed, fertilizer, and tools) to approximately 15,000 affected households to restore (displaced population) and increase (host population) their food production capacity. It will also finance the construction and/or rehabilitation of small communal storage facilities and training activities for farmers and agricultural technicians. Expected outputs include the production of 4,500 tons of fruits and vegetables, 3,500 tons of millet, 3,000 tons of sorghum, 2,600 tons of groundnuts, and 3,750 tons of rice. In addition, through support to 20 producer groups focusing on seed multiplication and planting materials, the project will produce 18 tons of millet seed, 20 tons of sorghum seed, 64 tons of rice seed, and 300,000 cassava cuttings for the cropping seasons after the proposed project ends. These activities could be expanded under the current EAPSP, which supports community organizations' efforts to produce selected crops and livestock in selected areas of Chad that overlap with the area covered by the proposed project.

35. ***Subcomponent B.2: Support for livestock stabilization (US\$5.0 million).*** The objective of Subcomponent B.2 is to restore and maintain the productive capacity of the affected populations' livestock activities. This subcomponent will support: (i) a vaccination campaign for 1,500,000 animals; (ii) a targeted animal feeding program benefitting 1,500 households in areas where the grazing capacity has been exceeded; and (iii) a restocking program for 1,000 displaced households. Activities under this subcomponent could be expanded by the Regional Sahel Pastoralism Support Project,¹⁷ which is intended to enhance the resilience of pastoralists' livelihoods in drought-prone areas of selected countries.

36. ***Subcomponent B.3: Support for conflict mitigation (US\$0.6 million).*** This subcomponent will help to mitigate conflicts among users of natural resources, help to reduce the pressure on limited grazing areas, and prevent overuse of an already fragile ecosystem. Activities will include: (i) the participatory identification and mark-up of 250 kilometers of transhumance corridors; (ii) the organization and facilitation of forums for peaceful coexistence (20 sessions), which will include about 1,000 participants (transhumant herders, sedentary groups, refugees, and returnees, community leaders, NGOs, and technical services); and (iii) the establishment of committees of elders and implementation of a monitoring and evaluation (M&E) system and the follow-up. This subcomponent will be implemented by FAO through NGOs and decentralized units of the Ministry of Livestock and Hydraulics. The decentralized institutions and local governments will also play an important role in supporting the implementation of this subcomponent.

¹⁷ Projet Régional d'Appui au Pastoralisme au Sahel, which aims to: (i) enhance production services for animal health; (ii) enhance production services for natural resource management; (iii) improve livestock subsector's competitiveness and market access; and (iv) strengthen the security of the assets, rights, and lifestyles of pastoral people, and provide access to basic social services and political inclusion.

B. Project Financing

37. The lending instrument is an Investment Project Financing to be provided on standard IDA Grant terms in the amount of US\$18 million equivalent, to be implemented over two-and-a-half years (Table 3).

Table 3: Project cost and financing

Project component	Project cost (US\$ million)	IDA financing	% financing
Component A: Targeted Food Assistance	7.0	IDA	100
Component B: Agricultural Production and Livestock Stabilization	11.0	IDA	100
Total costs	18.0	IDA	100
Total financing required	18.0	IDA	100

C. Lessons Learned and Reflected in the Project Design

38. Experience and results from the EAPSP, as well as the Bank's experience under the Global Food Crisis Program, are reflected in the proposed project's design. Three major lessons informed the design:

- ***Short-term crisis response projects are necessary but can be especially challenging to implement in fragile states.*** It is imperative over the long term for governments to lay a foundation for development. Yet governments will still need to respond to crises when they occur by implementing emergency programs featuring simple designs and targeting mechanisms, with the assistance of the donor community. The proposed project has a simple design based on approaches that worked in similar circumstances.
- ***Despite the Bank's efforts to respond to crises when they occur, tangible results will not be achieved unless governments improve the institutional and administrative context and are able to reach affected groups promptly.*** In this particular case, the Government of Chad has responded to the crisis using its own resources while in parallel seeking the donor community's support.
- ***Good results frameworks and sound M&E arrangements are essential for emergency operations.*** It is important to work with client countries and development partners to identify practical mechanisms (including indicators) for monitoring nutritional and welfare outcomes and impacts of programs to mitigate food crises, and to work with them to implement those mechanisms and report the results. The proposed project will establish a robust M&E system that takes advantage of established periodic data collection and reports by WFP and FAO to monitor project implementation.

IV. IMPLEMENTATION

A. Institutional and Implementation Arrangements

39. The project will be under the responsibility of the Ministry of Planning and International Cooperation.

40. Responsibility for overall coordination, M&E, and consolidated reporting will be handled by the Project Implementation Unit (PIU) of the EAPSP.

41. Owing to the government's limited capacity to respond rapidly to an emergency of this kind,¹⁸ implementation of the proposed project will be contracted to WFP and FAO. This alternative is the best choice, given the strong complementarities between the UN agencies and the World Bank owing to their respective mandates, capacities, and comparative advantages. Both WFP and FAO have delivered services successfully in environments with challenges similar to those seen here. WFP will provide services for activities related to reducing the impact of food and nutrition insecurity (Component A), and FAO will focus on activities related to supporting agricultural production and livestock stabilization (Component B). The costs of FAO's and WFP's interventions will be in line with the costs agreed upon in similar arrangements in CAR and Mali.¹⁹

42. **Component A: Targeted Food Assistance.** WFP will ensure the coordination, programming, planning, data collection for M&E, day-to-day technical supervision, and reporting of all activities under this component. Component A will be implemented in collaboration with the Ministry of Health and Social Development Services and its decentralized services (where decentralized capacity is functional), as well as with UN agencies and NGOs. Nutrition interventions will be implemented jointly with the Ministry of Health, UNICEF, and NGOs and coordinated with UNICEF through a joint nutrition strategy. Nutrition NGOs will organize screenings upon arrival in the transit sites for children aged 6–23 months and ensure their referral to appropriate treatment facilities.

43. National and international NGOs will be contracted through bilateral and tripartite agreements with WFP to carry out the activities. NGOs will be chosen based on their operational presence in southern Chad and knowledge of the intervention areas. Potential partners include the World Lutheran Federation, OXFAM, Catholic Relief Services, the Chadian Red Cross, and Centre de Support en Santé International.²⁰ WFP will promote collaboration between local and international NGOs to enhance the complementarity of experience and resources and strengthen national capacities.

44. WFP will cooperate with government counterparts and establish agreements with private sector operators for voucher activities. Monthly voucher distribution to selected beneficiaries

¹⁸ Note that another emergency operation, the ongoing EAPSP, took two years to procure seed and animal feed because of the government's cumbersome procurement process. The government decided to empanel a special commission to accelerate procurement, but its formation is at standstill.

¹⁹ The Central African Republic Emergency Food Crisis Response and Agriculture Re-Launch Project (P149512) and the Mali Reconstruction and Economic Recovery Project (P14442).

²⁰ International Health Support Center.

will be implemented by NGOs possessing the required technical expertise. Value-based paper vouchers will allow beneficiaries to purchase a range of 14 food commodities from local participating retailers. Retailers will redeem the vouchers for cash through the participating microfinance institutions and banks. In the lean season, food will be distributed directly to beneficiaries every month at distribution points.

45. WFP's regional offices in Goré, Maro, and Haraze provide an extended field presence, bringing the organization closer to operations supporting beneficiaries in southern Chad. The presence of WFP staff in the areas of intervention will be reinforced under the proposed project.

46. ***Component B: Agricultural Production and Livestock Stabilization.*** FAO will ensure the coordination, programming, planning, data collection for M&E, day-to-day technical supervision, and reporting of all activities under Component B. To implement these activities, FAO will recruit a small team consisting of a technical coordinator, two agronomists (to be based in regional offices), one livestock specialist, and one fiduciary specialist. FAO will partner with national and international NGOs to carry out project activities. The NGOs will: (i) facilitate the exchange of information for targeting population groups; (ii) provide logistical support for distributing inputs; (iii) participate in organizing training for beneficiaries; and (iv) work closely with the local communities and their leaders to put the conflict resolution mechanism into place. The central and decentralized services of the Ministry of Agriculture and Environment and the Ministry of Livestock and Hydraulics will provide support to producers and herders in the implementation of these activities through memoranda of understanding with FAO.

47. As discussed, the target areas for the proposed project have already been identified. The prospective beneficiaries in those areas will be identified at the community level, based on each community's socioeconomic profile (with special consideration given to the proportion of female-headed households, and households with an agricultural production background), coping strategies, food stock availability, food consumption patterns, and households hosting displaced persons. Regular consultations with affected populations and a communication campaign with local religious and community leaders will be held to inform communities about the food distribution system, mechanisms for resolving conflicts, and other aspects of the project.

B. Results Monitoring and Evaluation

48. As indicated in the discussion of lessons learned, emergency operations require a robust and functioning M&E system. In this instance, FAO and WFP will be responsible for collecting the necessary M&E data. The set of indicators have been agreed during appraisal and the procedures for data collection will be detailed in the PIM.

49. Both WFP and FAO will submit quarterly progress reports to the Project Coordinator. Those reports will be consolidated for semi-annual reporting to the World Bank and the Government. They will also be the basis for the Bank's supervision missions, which will take place at least twice each year. In addition, the Bank mission will conduct site visits along with the project coordination team to gain a first-hand understanding of the status of the project's activities. WFP, FAO and the World Bank will conduct a joint M&E assessment and develop an action plan to address any gaps in the M&E effort. Other institutions (such as local NGOs and government technical departments) participating in implementing specific aspects of the project

will also provide progress reports. The frequency and the content of such reports, the list of indicators on which they should report, and the procedures for data collection will be specified in the memoranda of understanding signed between these entities and FAO/WFP.

50. Food security, market, and nutrition indicators are being monitored by partner NGOs through an Action against Hunger/ACF International initiative.

51. The services of a consultant or consulting firm will be hired to conduct an independent evaluation at the end of the project. The evaluation will assess some key elements of food security, conflict management, and livelihoods to complement the data from the results framework. The evaluation will also provide input for preparing the project implementation completion and results report and help to draw lessons that can inform the design of future interventions.

C. Sustainability

52. It is important to emphasize that the proposed project focuses on addressing the urgent needs of the target population in the present emergency rather than on achieving a lasting developmental impact. Yet although the project's activities will span a relatively brief period, they are consistent with the government's longer-term programs for agriculture, livestock, and community health and could potentially contribute to longer-term goals. For example, by improving food security now, the project will reinforce the resilience of returnees and refugees, preparing them to weather future food supply and price shocks and respond to economic opportunities in the communities where they will be integrated. By enhancing food security (and thus nutrition and health) for the most affected and vulnerable groups—including pregnant and lactating women and children aged 6–23 months—the project also helps to protect and sustain human capital for the future. The basic inputs and training provided to beneficiaries will build their capacity for agricultural production, and the improved grain storage capacity in the target communities will safeguard the harvest. The vaccination campaign and animal feed will improve animal health beyond the life of this emergency operation. Finally, by fostering positive relations between sedentary communities and pastoralists, the project may pave the way for better development of the agricultural and livestock sectors over the medium and longer term.

53. Interventions under the proposed project complement those of ongoing emergency operations funded by IDA (notably the EAPSP), WFP, UNHCR,²¹ UNICEF, and interventions by international NGOs such as CARE and Doctors Without Borders. The activities supported under this proposed project align very well with those of the EAPSP, which has the potential for a follow-on project that could help the outcomes of the proposed project. Returnees, refugees, and host communities will also benefit from the IDA-funded Regional Sahel Pastoralism Support Project (under preparation) and other interventions supported by the European Union and AFD. For example, the regional livestock project is expected to contribute the sustainability of the livestock subsector by continuing the vaccination campaign and other activities to be initiated under the proposed project. These linkages with long-term development initiatives help to build a foundation for sustaining the proposed project's achievements.

²¹ Office of the United Nations High Commissioner for Refugees, also known as the UN Refugee Agency.

V. KEY RISKS AND MITIGATION MEASURES

A. Risk Ratings Summary Table

Table 4: Summary of risk ratings

Risk category	Rating
Stakeholder risk	High
Implementing agency risk	High
- Capacity	Moderate
- Governance	High
Project risk	High
- Design	High
- Social and environmental	High
- Program and donor	High
- Delivery monitoring and sustainability	High
- Other (climate change)	High
Overall implementation risk	High

B. Overall Risk Rating Explanation

54. The proposed project could face major internal risks. For example, coordination at the local level could be lacking, traders may be unwilling or ineffective at redeeming vouchers on demand, agricultural inputs may be used for unintended purposes, conflicts may emanate from competition for natural resources, and beneficiaries may not be targeted effectively. The major external risks are drought and an increased influx of refugees beyond the carrying capacity of the localities where the project will operate.

55. Potential risks are summarized in the Operational Risk Assessment Framework (Annex 4). The overall implementation risk is assessed as **high**, although the government is strongly committed to supporting the insertion and reintegration of the returnees/refugees and supporting the communities that host them. The government has developed a comprehensive emergency response and is moving to elaborate a medium- and long-term response. Working at the local level in Chad is challenging, however. Such operations involve significant risk owing to weak institutional capacity, cumbersome procedures, poor governance, and the potential for corruption. To mitigate such risks, the proposed project will be implemented by two UN agencies (FAO and WFP) contracted as service providers. The United Nations Development Groups–World Bank Post-Crisis Operational Annex and the Bank’s Procurement and Consultants Guidelines detail the principles and collaboration mechanisms that come into play when the UN is in the best position to provide critical services to the member country under projects supported by IDA.

VI. APPRAISAL SUMMARY

A. Economic and Financial Analysis

56. **Project's development impact.** The proposed project responds to a crisis. By definition it supports individuals affected now and in the very near term. It is not designed as a long-term response, and is not expected to yield a sustained developmental impact. That said, the project is expected to improve the conditions for returnees, refugees, and host families in the target areas. The implementation arrangements, which rely on WFP and FAO, are the most cost-effective means of ensuring the rapid response that has been requested. The alternative—to create the capacity and then implement the project—is not feasible or practical for a project of such short duration. Each of the aforementioned organizations will receive 7 percent of the respective contract value to cover administrative overhead charges, which is deemed reasonable. The project's efficiency will be judged by the cost effectiveness with which the project's activities are carried out.

57. Specifically, the proposed operation is expected to: (i) improve the livelihoods of returnees, refugees, and host families most affected by the crisis and protect those most vulnerable to malnutrition; (ii) increase agricultural production and food security for returnees, refugees, and host families; and (iii) improve livestock health through supplemental feeding and control diseases that would otherwise decimate the Chadian livestock subsector. Through these activities, the project will build beneficiaries' assets and thereby improve their resilience when crises arise. Institutional capacity building through partnerships with government technical departments and local NGOs is another benefit of the project.

58. The project's activities could also yield direct and indirect benefits in the short to medium term. For example, the use of vouchers is likely to expand markets for the commodities produced by small-scale producers, enhance the local economy, and open opportunities for returnees and refugees to participate. These externalities of the project are positive, yet it is important to emphasize that the project's efficacy will be judged by its ability to provide and improve access to food and agricultural inputs for the targeted beneficiaries.

59. **Rationale for the financing.** Chad is located in an unstable geopolitical neighborhood, where it is vulnerable to the effects of crises erupting across its borders. Conflicts in Darfur since 2003 and the 2012 military coup in CAR have already brought some 450,000 refugees to eastern and southern Chad, putting pressure on the limited resources of an already highly vulnerable local population. This emergency operation is an appropriate instrument for assisting those affected by the crisis, especially the most vulnerable. It will also contribute to initial efforts to address refugee issues in Chad.

60. **Value added by the Bank's support.** Chad is a fragile country. The crisis in CAR has the potential to destabilize Chad or at the very least erode security in the region. The influx of refugees and returnees increases food insecurity and creates competition for resources, which could provoke conflict. In dealing with a crisis of this magnitude, the Bank's sectoral knowledge and experience in fragile countries, coupled with its financial resources and convening power, are important assets.

B. Technical

61. Access to certified seed, fertilizer, equipment, and agricultural services will help to restore and maintain livelihoods in the areas affected by the crisis and enable returnees, refugees, and host communities to become less dependent on food distribution. Agricultural production in Chad remains essentially at the subsistence level, with limited marketable surplus. In this context, the challenge is first to ensure the short-term distribution of these agricultural goods and services to generate a supply response. A critical assumption is that the proposed project will be able to restore the production capacity and improve food security of the beneficiary farmers and at the same time prevent malnutrition among the most vulnerable and affected groups, especially young children. The project will use a voucher system already implemented by WFP.

62. A 2009 study reports that households rely on markets to meet 87 percent of their food consumption needs. A more recent market assessment (March 2014) finds a similar pattern among newly arrived returnees and refugees from CAR.²² These findings point to a lack of purchasing power as the main constraint to adequate and diversified food intake. The market assessment indicates that the local food economy is robust and well integrated. WFP's use of vouchers enhances markets for small-scale Chadian farmers as well as CAR returnees engaged in agricultural activities. This strategy will further enhance market integration and provide new opportunities for returnees, refugees, and the host population to contribute to and participate in the local economy.

C. Financial Management

63. The PIU for the EAPSP is endowed with a financial management system that meets the Bank's financial management requirements. For the proposed project, the EAPSP will enter into service agreements for supplies and technical assistance with WFP and FAO. Despite these arrangements, the financial management residual risk rating for the proposed project is deemed **substantial**, mainly because of the inherent risk (at the country, entity, and project levels). The agreements for supplies and technical assistance will contain detailed provisions on payment methods, reporting, and transparency arrangements.

64. The EAPSP will use its existing financial management platform for the proposed project and will be in charge of: (i) consolidating the Interim Financial Reports (IFRs) for the project, submitted by WFP and FAO; (ii) submitting to the Bank applications for withdrawal of proceeds; and (iii) preparing annual financial statements. WFP and FAO will handle the financial management aspects of each project component for which they are responsible, using their own procedures set out in their Financial Regulations and Rules. They will maintain separate ledger accounts for recording the transactions relating to the project in accordance with International Public Sector Accounting Standards, which are in use in both institutions. WFP and FAO will be required to submit unaudited IFRs adhering to an agreed format and content (including financial and physical progress) on a quarterly basis.

²² "Etude des marchés des céréales en relation avec la sécurité alimentaire, les programmes de transferts monétaires et les achats locaux," World Food Programme, March 2014.

65. No Designated Account will be opened for this project. A Blanket Commitment will be set up for WFP and FAO for the full amount to be transferred to each UN agency as an Advance. The Grant will finance 100 percent of eligible expenditures of the project, inclusive of taxes.

66. On August 22, 2014, the Financial Management Operation Review Committee approved the Request for Elimination of Audit Requirements for the proposed emergency project, coordinated by the EAPSP, as part of project preparation. Alternative mechanisms (detailed in the request) will be put in place to support the elimination of the Bank's audit requirements, however. First, at least two field-based visits will be conducted during the first 12 months of the project implementation period. The supervision intensity will be adjusted over time, taking into account the project's financial management performance and financial management risk level. Second, the Government of Chad will have the entire responsibility to ensure during the project implementation period that goods and services are delivered effectively to the beneficiaries. Where deemed appropriate, however—for example, if the UN agencies' systems or periodic reports have showed some weaknesses or deficiencies—the Bank team may request the government to institute arrangements to physically inspect works, goods, and services delivered by WFP and FAO.

D. Procurement

67. **Guidelines.** Procurement for the proposed project will be carried out in accordance with the World Bank "Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers," dated January, 2011, and "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credit and Grants by World Bank Borrowers," dated January, 2011, and the provisions stipulated in the Legal Agreement. Contract awards will also be published in UNDB, in accordance with the Bank's Procurement Guidelines (paragraph 2.60) and Consultants Guidelines (paragraph 2.31). Project activities will also be implemented following "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants," dated October 15, 2006 and revised in January 2011. As an emergency operation, this project is entitled to the specificity and the flexibility described in paragraph 11 of OP 10.00 on Investment Project Financing.

68. **Procurement Plan.** A Simplified Procurement Plan was reviewed, discussed and agreed upon by the Borrower and the project team during negotiations. It will be available in the project's database, and a summary will be disclosed on the Bank's external website once the proposed project is approved by the Board. The Procurement Plan will be updated in agreement with the Project Team annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

E. Social and Environmental (including Safeguards)

69. From an environmental and social safeguards standpoint, the project is a **Category B**. The environmental and social impacts will be local and limited, as the project's activities will focus on targeted refugees' and returnees' camps. Specific mitigation measures will be designed. The proposed interventions will include: (i) supplying food; (ii) supplying seed, animal feed, and

vaccines; and (iii) rehabilitating storages facilities. An Environmental and Social Screening and Assessment Framework (ESSAF) have been prepared, and appropriate elements will be incorporated into the PIM. In addition, an Environmental and Social Management Framework (ESMF) has been prepared, consulted upon, and disclosed before appraisal.

70. The objective of the ESSAF and the ESMF is to ensure that activities under the proposed emergency operations will: (i) minimize environmental and social degradation as a result of either individual subprojects or their cumulative effects; (ii) protect and preserve human health; (iii) enhance positive environmental and social outcomes; and (iv) prevent or adequately compensate any loss of livelihood caused by the project. The ESSAF is consistent with World Bank operational policies and procedures and provides general policies, guidelines, codes of practice, and procedures to be taken into consideration and integrated as needed into the implementation of the project. The ESSAF has been developed to ensure compliance with the World Bank's safeguards policies during the project's implementation. In particular, the ESSAF will assist WFP, FAO, and other agencies involved in implementation to screen project-supported activities for their likely social and environmental impacts.

71. The potential negative impacts of the project are: (i) soil erosion; (ii) surface water and groundwater pollution risks due to the increased use of pesticides; (iii) loss of vegetation following the installation of storage facilities; and (iv) risks of conflicts over access to land between refugees, returnees, and host communities. The emphasis in the ESSAF is on developing simple guidelines for activities by: (i) identifying environmental and social risks and (ii) providing relevant mitigation measures.

72. Two safeguards policies are triggered—OP/BP 4.01 (Environmental Assessment) and OP/BP 4.09 (Pest Management) (Table 5):

- ***OP/BP 4.01 is triggered*** because the project will support the intensification and diversification of agricultural production as well as activities to address livestock health (a vaccination campaign and feed) and restocking. It will also support the construction and/or rehabilitation of small-scale storage infrastructure. These activities may have environmental impacts that need to be managed appropriately. The project will also support activities that will have a positive impact on the environment. The ESMF addresses proposed impacts and includes mitigation measures; the ESSAF contains sample terms of reference for Environmental Assessments that may be needed for Project-supported activities, as well as screening guidelines to be used by implementing agencies (WFP and FAO). Based on the outcomes of the screening process, Environmental and Social Management Plans (ESMPs) will be prepared as necessary.
- ***OP/BP 4.09 is triggered*** because the project will support the scaling up and/or intensification of agricultural and livestock production activities. Project beneficiaries are likely to adopt integrated pest management practices that may involve an increased use of chemical pesticides, which could have negative environmental and health impacts. The Recipient will address OP 4.09 requirements by updating the existing Pest and Pesticide Management Plan (PPMP) developed for the ongoing IDA-funded EAPSP (P126576). The revised PPMP will include a number of actions

that will reduce farming communities' exposure to pesticides used in agricultural and livestock production systems.

73. OP/BP 4.12 (Involuntary Resettlement) is not triggered because the project's activities will not lead to any land acquisition that would result in involuntary resettlement or restrictions of access to resources or livelihoods. The government and local authorities have already started to allocate land in the areas surrounding refugee and returnee camps. The land being allocated is free of title and claims, and no squatters or encroachers are on or near it.

Table 5: Safeguards policies triggered by the proposed project

Safeguards policies triggered		
Environmental Assessment (OP/BP 4.01)	[x] Yes	[] No
Natural Habitats (OP/BP 4.04)	[] Yes	[x] No
Forests (OP/BP 4.36)	[] Yes	[x] No
Pest Management (OP 4.09)	[x] Yes	[] No
Physical Cultural Resources (OP/BP 4.11)	[] Yes	[x] No
Indigenous Peoples (OP/BP 4.10)	[] Yes	[x] No
Involuntary Resettlement (OP/BP 4.12)	[] Yes	[x] No
Safety of Dams (OP/BP 4.37)	[] Yes	[x] No
Projects on International Waterways (OP/BP 7.50)	[] Yes	[x] No
Projects in Disputed Areas (OP/BP 7.60)	[] Yes	[x] No

74. ***Land availability and land allocation.*** A study by the United Nations Development Programme—“Project for the Development of the National Strategy and Action Plan for the Conservation of Biodiversity in Chad” (prepared in 1999 and updated in 2014)—shows that 20 million hectares are available in Chad, including the project area. Projections of cropped area under differing scenarios for production techniques, food requirements, and population growth show that only 25 percent of Chad’s arable land will be used for cultivation in 2013 and there is no competition with protected areas or other wildlife reserves. This finding lends support to the conclusion that land is available in the project area.

75. With regard to land allocation, FAO and WFP have made people aware of the necessity to accommodate the refugees and returnees and, above all, to supply them with unoccupied land to provide food for their families, restore their livelihoods, and forestall famine in the region. Land has been made available by the various local authorities in resettlement areas for refugees/returnees from CAR.

76. ***Grievance redress mechanism.*** Given the large number of refugees and returnees, the host population could experience increased pressure on community infrastructure, food, and other resources, which could give rise to conflicts at any time. To minimize the risks of conflict, the proposed project will build on the conflict management mechanism that the government (specifically, the Ministry of the Interior and Public Security) established upon the arrival of refugees and returnees from CAR. The Mediation Committee for Conflict among Farmers, Farmer-herders, and Herders will continue to work with the host communities, refugees, and

returnees to address any conflicts that may arise over project benefits. More training will be provided to this committee and to local authorities to help them accomplish their tasks.

77. Detailed descriptions of project-supported activities and their exact locations will be made available to facilitate M&E of project implementation. In addition, the ESSAF is providing a framework for establishing guidelines and codes of practice for preventing and mitigating potential environmental and social impacts and for establishing safeguards procedures.

78. The proposed project does not require any exceptions to the World Bank's environmental and social safeguards policies. The project's Integrated Safeguards Data Sheet was disclosed at the InfoShop. The relevant safeguards instrument have been prepared and disclosed by the government in local newspapers and by the World Bank in the InfoShop.

Annex 1: Results Framework and Monitoring

Republic of Chad: Emergency Food and Livestock Crisis Response Project (P151215)

Project Development Objective

The project development objective is to improve the availability of and access to food and livestock productive capacity for targeted beneficiaries affected by the conflict in the Central African Republic on the Recipient's territory.

These results are at		Project Level								
Project Development Objective Indicators										
Indicator name	Core	Unit of measure	Baseline	Cumulative Target Values				Frequency	Data source/ methodology	Responsibility for data collection
				YR1	YR2	YR3	End target			
Number of agricultural input packages distributed to beneficiaries in the target areas	<input type="checkbox"/>	Tons	0.00	5,000	10,000	15,000	15,000	Quarterly	M&E and surveys	FAO, NGOs, MAE, EAPSP
Number of direct beneficiaries of vouchers or direct food transfers	<input type="checkbox"/>	Number	0.00	31,200	-	-	31,200	Quarterly	M&E and surveys	WFP, NGOs, MWSAS
Number of livestock (cattle) vaccinated	<input type="checkbox"/>	Number	0.00	300,000	900,000	1,500,000	1,500,000	Quarterly	M&E and surveys	WFP, NGOs, MLH
Total number of direct project beneficiaries (of which percentage female)	<input type="checkbox"/>	Number	0.00 0.00	61,700 (50)	95,200 (50)	116,200 (50)	116,200 (50)	Quarterly	M&E and surveys	WFP, FAO, NGOs, EAPSP, MWSAS

Intermediate Results Indicators										
Indicator name	Core	Unit of measure	Baseline	Cumulative target values				Frequency	Data source/methodology	Responsibility for data collection
				YR1	YR2	YR3	End target			
Direct food transfers	<input type="checkbox"/>	Metric ton	0.00	6,492			6,492	Quarterly	M&E system	WFP, NGOs
Blanket supplementary feeding	<input type="checkbox"/>	Metric ton	0.00	14			14	Quarterly	M&E system	WFP, NGOS, MWSAS
Households receiving breeding stock	<input type="checkbox"/>	Number	0.00	200	600	1,000	1,000	Quarterly	M&E system, Surveys	FAO, NGOs, MLH, EAPSP
Animal feed distributed	<input type="checkbox"/>	Metric ton		700	1,700	2,700	2,700	Quarterly	M&E system, Surveys	FAO, NGOs, MLH, EAPSP
People trained (of which number decentralized)	<input type="checkbox"/>	Number	0.00	40 (30)	75 (60)	75 (60)	75 (60)	Quarterly	M&E system	FAO, NGOs, EAPSP
People participating in training sessions on conflict resolution	<input type="checkbox"/>	Number	0.00	500	1,000		1,000	Quarterly	M&E system	FAO, NGOs, EAPSP

Annex 2: Detailed Project Description

Republic of Chad: Emergency Food and Livestock Crisis Response Project

1. This emergency operation is designed to address three issues of concern: (i) the deteriorating food and nutrition security of refugees and returnees; (ii) the risk of livestock diseases, including epidemics; and (iii) increased pressure on a fragile ecosystem and potential conflicts arising from that pressure. The proposed emergency project aims to provide support for the immediate needs of the affected populations and assist in restoring their livelihood capacity through: (i) the provision of food vouchers or direct food transfers for returnee and refugee households, complemented by the direct transfer of specialized foods for the most food-insecure and nutritionally vulnerable people; (ii) the provision of seed and inputs to kick-start agricultural activities for returnee farmers with access to land and for households in host communities; (iii) a livestock stabilization intervention consisting of the provision of vaccines, supplemental feed, and breeding stock; and (iv) an awareness-building and information campaign to address the potential for conflict due to increased pressure on the natural resource base.

A. Project Development Objective

2. The project development objective is to improve the availability of and access to food and livestock productive capacity for targeted beneficiaries affected by the conflict in the Central African Republic on the Recipient's territory. This objective will be achieved through: (i) targeted food assistance; (ii) support for crop and livestock production activities; and (iii) support for conflict prevention activities.

B. Beneficiaries

3. The project's main beneficiaries will be the refugees, returnees, and host families most affected by the CAR crisis and vulnerable to under-nutrition, who are expected to benefit from: (i) food assistance provided to about 31,200 people over 12 months, including human capital protection for about 2,520 small children (aged 6–23 months); (ii) food production for about 15,000 households (76,500 people), including about 7,500 households headed by women and 20 seed production groups; (iii) livestock support activities for 1,800 households; (iv) conflict-prevention activities for 1,000 people; and (v) capacity building for 75 (primarily decentralized) staff of the Ministry of Agriculture and the Environment and the Ministry of Livestock and Hydraulics. More details will be provided in the PIM.

4. To avoid exacerbating tensions in the country by favoring one group or area over another, beneficiaries are being identified with care. Beneficiaries will be identified at the community level based on each community's socioeconomic profile (with special consideration given to the proportion of female-headed households and households with experience in agricultural production), coping strategies, food stock availability, food consumption patterns and households hosting displaced persons. Regular consultations with affected populations and a communication campaign with local religious and community leaders will be held to inform communities about the food distribution system, mechanisms for resolving conflicts, and other aspects of the project.

5. Beneficiaries will include refugees, returnees, and local (“host”) populations in the areas where the displaced populations are being resettled. For activities designed to provide targeted food assistance (under Component A) and support to agricultural production (under Component B), the targeted areas are Moyen Chari, Mandoul, Logone Oriental, and Salamat, where the bulk of the refugees and returnees are located. For certain livestock stabilization activities under component B (vaccinations and feed), parts of Logone Occidental, Mayo Kebbi, Chari Baguirmi, Hajar Lamis, Bahr El Gazel, Guéra, Batha, and Sila are also targeted, given their importance as transit and gathering areas for pastoral and agro-pastoral populations. Table A2.1 provides an overview of type of project intervention by category of beneficiary.

6. Since project activities will not lead to land acquisition or restrict access to livelihood sources, OP. 4.12 will not be triggered. The government has already started to allocate land in the areas where refugee and returnee camps are located. To deal with potential conflicts that may occur during the project implementation phase, government authorities and the two implementing agencies will use the Grievance Redress mechanism that is in place for the EAPSP (P126576).

Table A2.1: Beneficiary category by type of project intervention

Beneficiary category	Immediate and short-term food security measures		Livelihood stabilization measures				
	Nutritional packets for children	Food vouchers or food transfers	Crop production activities (seed, fertilizer, small equipment)	Livestock activities			Conflict prevention measures
				Vaccines	Feed	Restocking	
Refugees	x	x		x	x		x
Returnees	x	x	x	x	x	x	x
Local (“host”) population			x	x	x		x

C. Project Components

Component A: Targeted Food Assistance (US\$7 million IDA)

7. Under this component, WFP provides a safety net to 31,200 refugees/returnees who receive support for 12 months following their return. Safety nets are notoriously difficult to initiate in crisis situations, and given its current operations in Chad, WFP is well placed to scale up an existing safety net that provides both vouchers (for people to purchase food) and direct food transfers (consisting of basic food items as well as specialized foods for children). Targeted food assistance will improve the food security of refugees and returnees and help them reestablish livelihoods by preventing them from having to sell their remaining productive assets. Vouchers will be provided for eight months of the year; in the other four months (the lean season), beneficiaries will receive direct transfers of food. The vouchers cover the cost of a local standard food basket (currently about US\$0.30 per day).

8. Lists of individuals who will receive food assistance will be drawn up based on data on refugees and returnees provided by agencies such as IOM, which facilitate the movement of people from CAR to Chad. Informal returnees are identified locally and verified by WFP staff as

the Government of Chad assists with their resettlement in four designated areas. WFP gives priority to women as the designated recipients of vouchers or direct food transfers. For direct food transfers, a local food management committee is established; WFP requires 50 percent of its members to be women.

9. Vouchers will be distributed monthly at designated distribution sites, where the contracted NGO partners will check registration cards against the local beneficiary lists. Many refugees and returnees have lost their national identification cards in their flight from CAR, so beneficiaries of the food assistance component of the project will receive registration cards with their photos. To limit the possibility of unauthorized reproduction and redemption, each voucher will also have a specific security code and a 3D printed hologram. Beneficiaries with vouchers and registration cards will enter shops or distribution areas set up by local traders, where they can redeem the vouchers and collect commodities of their choosing, corresponding to the voucher value. The voucher allows purchase of staple foods, legumes, oil, canned fish, tomatoes, and onions (14 items altogether). This approach gives individuals some flexibility in their food choices, including the ability to obtain fresh foods. It also supports local markets and traders and strengthens supply chains.

10. Each partner NGO will reconcile its monthly distribution of vouchers against those redeemed by the traders and compensates the traders accordingly. The NGOs will receive advanced funds, sufficient to cover one month's distribution only, to pay the traders. Once those funds are exhausted, an NGO must submit a verified, reconciled account of the use of those funds to receive a further advance to handle the next month's voucher distribution.

11. Because agriculture is a highly seasonal occupation, and because everyone—the refugees, returnees, and host population—depends highly on local markets to buy food, voucher provision in the lean season has the potential to trigger food price inflation, which would reduce the purchasing power of all of these groups. For that reason, direct food transfers will be provided monthly during the lean season (which lasts three to four months) at distribution sites. Food items will include basic staples, oil, sugar, and salt. Every effort is made to ensure the safety of beneficiaries, especially women recipients, at the distribution sites.

12. The timing of the switch between food vouchers and direct transfers will be based on food price monitoring data, which is collected weekly or biweekly in many local markets, as well as the local knowledge of WFP staff. For example, prices normally dip in August/September as traders release their stocks to prepare for the coming harvest. Traders' failure to release stocks at that time indicates an anticipated poor harvest. The decision to procure food must be made at least four to six months in advance of distribution to allow time for procurement, so decision making in this regard is an art supported by local knowledge and early trends in food prices and market behavior.

13. In addition to the vouchers and direct food transfers, which target all household members, specialized food assistance will be provided to children aged 6–23 months for four months to prevent seasonal spikes in malnutrition. This activity is planned for the initial 12 months of displacement only, as experience with camp-based populations in this area shows that over time nutritional status tends to stabilize at acceptable levels (defined in terms of the rate of Global

Acute Malnutrition). About 8 percent of the population is in the target age group (6–23 months) for Blanket Supplementary Feeding and will receive 47 grams of ready-to-use supplementary food (Plumpy'Doz). Table A2.2 summarizes information on the duration of the feeding program and numbers of beneficiaries.

Table A2.2: Period of assistance and numbers of beneficiaries

	January-December 2015
Days in period	243
Targeted population (no.)	31,200
Children aged 6–23 months (no.)	2,520

14. WFP will work with government counterparts and establish agreements with the national bank, financial institutions, and traders for voucher activities. Voucher distribution will be implemented by NGO partners with the required technical expertise. To date WFP has been implementing voucher distribution in the area with NGO partners, and it has encountered no issues of leakage or abuse. WFP assists about 75,000 displaced individuals under its current emergency operation, which it intends to extend through the end of 2014. After that, those beneficiaries will be moved to a longer-term program—covering 2015 and 2016—supporting relief and resilience across the country. The World Bank financing will cover one year of WFP operations for refugee and returnees, initially under an Emergency Operation approved by the WFP Executive Board and subsequently under a Protracted Relief and Recovery Operation. World Bank financing is substantive in that it represents about 50 percent of the WFP beneficiaries under the program for one year.

15. WFP actively monitors its operations at the household and market levels. It operates a food price monitoring system to ensure that the distribution of vouchers does not cause food price inflation. It uses the Food Consumption Score, a measure of both consumption and diet diversity, and the Coping Strategies Index, a composite index measuring elements of household coping strategies such as sales of assets, to ensure that its programs meet their objectives, and it adjusts the approach where necessary.

Component B: Agricultural Production and Livestock Stabilization (US\$11 million IDA)

16. This component aims at restoring and maintaining the crop and livestock production capacity of affected populations in a context of increased pressure on the natural resource base. The activities will be implemented through three subcomponents: (i) support for agricultural production activities; (ii) support for livestock stabilization; and (iii) conflict prevention activities.

17. *Subcomponent B.1: Support for agricultural production (US\$5.4 million).* This subcomponent will provide technology packages (improved seed, fertilizer, and tools) to approximately 15,000 affected households to restore (displaced population) and increase (host population) their food production capacity. It will also finance the construction and/or rehabilitation of small communal storage facilities and training for farmers and agricultural technicians.

18. Table A2.3 shows the number of refugee and returnee households in the targeted regions who are integrated into host communities and the total number of host community households. The activities of this subcomponent will reach all of the refugee and returnee households and approximately one-third of the host community households in the target villages where refugees and returnees have been integrated into the local community.

Table A2.3: Number of refugee, returnee, and host community households targeted under the project, by region

Region	Site of returnee camp	Name of village where refugee/returnee households are integrated in host communities	Number of refugee/returnee households in host community	Number of host households
Logone Oriental	Danamadja	Danamadja	600	3,000
		Lapia		
		Kana		
		Ramadji		
		Sandana		
		Kotibeye		
		Bessey		
	Ancien sites de Doba (Kobiteye)	Nangkasse	315	1,235
		Beraba	500	
		Bedogo II	212	
		Ferick Koubou	105	
		Mainani	103	
Subtotal:			1,835	4,235
Moyen Chari	Doyaba	Maiba	86	430
		Kemdere	387	1,938
		Mainibian	258	1,292
		Doyaba village	375	1,305
	Maingama	Maigama	431	2,153
	Sido	Sido	1,005	5,024
Subtotal:			2,542	12,710
Mandoul	Moissala	Moissala	1,252	2,350
Subtotal:			1,252	2,350
Salamat	Am Timan	Am Timan (and alentours)	1,415	5,650
Subtotal:			1,415	5,650
TOTAL			7,044	24,945

19. The majority of cereal and legume crops are cultivated during the rainy season (April–October). During the dry season (November–March), fruit and vegetable crops are grown in garden plots in small, low-lying areas (*bas-fonds*). The activities of this subcomponent will begin during the 2014–15 dry season with support to 5,000 households for fruit and vegetable production. At the start of the rainy season, 5,000 households will receive “seed kits” consisting of 12.5 kilograms of millet seed, 12.5 kilograms of sorghum seed, and 40 kilograms of groundnut for the cultivation of 2 hectares per household. Another 2,500 households cultivating in floodplain production areas will each receive 40 kilograms of improved rice seed for the cultivation of 1,250 hectares of rice (0.5 hectares per household). In upland areas, 2,500 households cultivating will receive cassava cuttings (1 each) for the cultivation of 625 hectares (0.125 hectares per household). Table A2.4 summarizes the crop production activities, number of beneficiaries, seed inputs, and expected output.

Table A2.4: Number of beneficiaries, inputs, and expected outputs for crop production activities

Number of beneficiary households	Crop production activity	Total quantity of improved seed and planting material distributed	Total area cultivated (ha)	Total expected production (t) from two dry seasons and one rainy season
5,000	Vegetables and fruits	7.5 tons	7,125	4,500
5,000	Millet	62.5 tons	10,000	3,500
	Sorghum	62.5 tons		3,000
	Groundnut	200 tons		2,600
2,500	Rice	100 tons	1,250	3,750
2,500	Cassava	2,500 cuttings	625	12,500

20. Seed for dry-season garden production will be purchased by FAO in international markets. Seed for the rainy season crops—coarse grains, groundnuts, rice, and cassava—will be purchased in both regional and local markets. To ensure that planting material is locally available in sufficient quantities, the project will also support a seed multiplication network consisting of 20 groups trained under previous FAO projects. These seed production groups will receive basic seed from regional research stations (240 kilograms of millet, 300 kilograms of sorghum; 1,920 kilograms of rice, and 30,000 cassava cuttings) and produce R1 seed (18 tons of millet, 20 tons of sorghum, 64 tons of rice) and 300,000 cassava cuttings. Arrangements will be made to ensure that the planting materials conform to quality standards, that the varieties distributed are adapted to the agro-ecological zones where they will be grown, and that they are validated by the authorities of the Ministry of Agriculture and Environment.

21. Criteria for selecting beneficiary households will be detailed in the PIM and include: (i) access to land and (ii) a history of agricultural activities. Access to land has been facilitated by village leaders in all of the host communities to allow the refugees/returnees to produce their own food. A rapid assessment carried out by FAO revealed that at least 50 percent of the returnees/refugees were farmers in CAR and are willing to resume agricultural activities if given the opportunity.

22. *Subcomponent B.2: Support for livestock stabilization (US\$5.0 million).* The objective of this subcomponent is to restore and maintain the productive capacity of livestock activities undertaken by the affected populations. Subcomponent activities will include: (i) a campaign to vaccinate 1500,000 animals; (ii) a targeted animal feeding program benefitting 1,500 households in areas where the grazing capacity has been exceeded; and (iii) a restocking program for 1,000 displaced households.

23. The subcomponent will finance (i) the purchase of vaccines (Pastovac, Symptovac, Anthravac, Perivac), animal feed (cotton cake and wheat bran), veterinary equipment, and animals; and (ii) the organization, implementation, and monitoring of the animal vaccination, feeding, and restocking activities.

24. Under the project 1,500,000 animals will be vaccinated and dewormed. With support provided under the recently restructured EAPSP (P126576), the vaccination campaign is expected to cover 100 percent of the animals in the targeted areas (4,000,000 animals). The exact breakdown of vaccination activities between cattle and small ruminants and the vaccination period (dry season versus rainy season) will be refined during the three first months of the project on the basis of field work and the movements of animals between southern and northern Chad. This activity will be implemented in coordination with the vaccination campaign already carried out by the government.

25. Under this subcomponent, 1,500 households will receive animal feed and 1,000 households will receive breeding stock to rebuild their herds. Criteria for selecting beneficiary households will be refined during the three first months of the project on the basis of field work. The distribution period will be defined according to movements of animals between southern and northern Chad. The type of feed selected will be based on its efficiency for animals, availability in the local market, and price, with the objective of maximizing cost-effectiveness.

26. *Subcomponent B.3: Support for conflict mitigation (US\$0.6 million).* This subcomponent will contribute to mitigating conflicts among users of natural resources, help to reduce the pressure on limited grazing areas, and prevent overuse of a fragile ecosystem. Activities will include (i) the participatory identification and mark-up of 250 kilometers of transhumance corridors, (ii) the organization and facilitation of forums aimed at promoting peaceful coexistence (20 sessions), which will include about 1,000 participants (transhumant herders, sedentary groups, refugees, returnees, community leaders, NGOs, and technical services); and (iii) the establishment of committees of elders and implementation of system for M&E and follow-up activities.

Annex 3: Implementation Arrangements
Republic of Chad: Emergency Food and Livestock Response Project

A. Overview of Institutional and Implementation Arrangements

1. The proposed Emergency Food and Livestock Crisis Response Project seeks to improve the availability of and access to food and livestock productive capacity for targeted beneficiaries affected by the conflict in the Central African Republic (CAR) on the Recipient's territory. The project has two components: (i) Component A: Targeted Food Assistance (US\$7 million IDA) and (ii) Component B: Agricultural Production and Livestock Stabilization (US\$11 million). The main beneficiaries are refugees and returnees who were displaced by the conflict in CAR beginning in late 2013 and have resettled in several locations in southern Chad. Host population households and communities will also benefit from some of the proposed project's interventions, as will children aged 6–23 months and female-headed households.
2. To ensure that the proposed emergency project is implemented efficiently and successfully, the Government of Chad will enter into contractual agreements with two specialized UN agencies—WFP and FAO—as service providers. WFP will implement activities related to Component A (food assistance), and FAO will implement activities related Component B (agriculture and livestock). Both agencies are already on the ground and have an extensive network of contacts with NGOs and local government agencies that will allow speedy delivery of services. WFP has an appropriate team in place, complemented by regional and central specialized technical assistance when required. To ensure good management and execution of Component B, FAO will create a management team that will include: (i) a Project Coordinator in N'Djamena office; (ii) two agronomists, one in each sub-office; (iii) a livestock specialist; and (iv) a fiduciary specialist.
3. The respective contracts to be signed between Chad and the agencies will include inter alia details of activities to be provided, technical and financial reporting requirements, reporting frequency, safeguards issues, and M&E during and at the end of project implementation.
4. The Government of Chad will be responsible for overall coordination and reporting to the World Bank. The existing coordination unit of EAPSP within the Ministry of Agriculture and Environment will be responsible for coordination and oversight of the proposed project's implementation.
5. Since the Government of Chad will contract with WFP and FAO as service providers to execute the project, a customized review of the financial arrangements of these suppliers was performed in accordance with World Bank guidance regarding financial management (FM) arrangements in UN organizations. The assessment concludes that the FM arrangements meet requirements under OP/BP 10.00 but that the overall FM residual risk rating is **substantial**, given the inherent risk at the country, entity, and project levels. The main findings of the review and aspects of the proposed FM arrangements are summarized in Box A3.1. The remainder of this annex incorporates the findings from the review and provides additional detail on the context (specifically, issues in public financial management at the national level); FM risks, mitigation

measures, and specific arrangements for the proposed project; and procurement arrangements and procedures.

Box A3.1: Summary of the financial management assessment for the Emergency Food and Livestock Crisis Response Project

Given the urgency of the problems addressed by the proposed project and the capacity issues faced by the Government of Chad, two UN agencies (WFP and FAO) will handle project activities under Components A and B. These agencies will follow their own implementation procedures set out in their Financial Regulations and Rules. The financial management arrangements for the proposed project, as described here and governed by the Financial Management Framework Agreement between the World Bank and the UN organizations, meet the World Bank's minimum requirements for financial management under OP/BP 10.00. The UN agencies will be considered, on an exceptional basis, as direct grant recipients, and therefore the request that the World Bank audit requirements be eliminated will be granted. In addition:

- Under the proposed arrangements, audit requirements will be met through the normal biennium audit function of the WFP and FAO external auditors.
- WFP and FAO will be required to submit unaudited Interim Financial Reports (IFRs) adhering to an agreed format and content (including financial and physical progress) on a quarterly basis.
- No Designated Account will be opened for this project. A Blanket Commitment will be set up for WFP and FAO for the full allocated amount to be transferred to each UN agency as an Advance.
- The Grant will finance 100 percent of eligible expenditures of the project, inclusive of taxes.
- During the negotiations, the Government of Chad agreed to use the existing PIU of the Emergency Agricultural Production Support Project (EAPSP) for reporting and disbursement requirements under the project by submitting: (i) the project's IFRs, provided by FAO and WFP; (ii) withdrawal applications to the Bank; and (iii) audit reports of the WFP and the FAO on request by the World Bank.
- On month after effectiveness, the Government of Chad will sign contracts with the UN agencies. Said contracts will include *inter alia* details of activities to be provided, technical and financial reporting requirements, disbursement arrangements, safeguards issues, M&E requirements, and financial audits. To ensure good management and execution of the project activities, the government will ensure that WFP and FAO have dedicated, appropriate implementation teams. The FAO team will include: (i) a project coordinator; (ii) two agronomists, (iii) a livestock specialist; and (iv) a fiduciary specialist.
- Following project effectiveness, the government will ensure that a manual of procedures is in place. The manual will provide details of arrangements and procedures for implementing the project, including: (i) procurement, financial management, and disbursement arrangements; (ii) institutional administration, coordination, and day-to-day execution of project activities, including the identification of beneficiaries; (iii) monitoring, evaluation, reporting, and communication arrangements for project activities; (iv) the main contents of the service agreements between WFP, FAO, and the Government of Chad; and (v) any other technical and organizational arrangements and procedures as required.

Despite the arrangements described here and the involvement of experienced UN agencies, the financial management residual risk rating for the proposed project is deemed **substantial**, mainly because of the inherent risk (at the country, project, and entity levels).

B. The Public Financial Management Environment in Chad

6. The recent Country Financial Accountability Assessment, considered as an essential tool by the Government of Chad, identified the following weaknesses in the public financial management environment in Chad: (i) the lack of a computerized accounting and budget execution system; (ii) the absence of unified tracking of public expenditures, (iii) weak capacity of the control bodies; and (iv) insufficiencies in the management of petroleum resources. The

weak control environment is likely to accentuate the risk of fraud and corruption in the country. The government is engaged in several public financial management reforms to reinforce systems and procedures based on priorities articulated under the framework of the Public Financial Management Reform Action Plan (Plan d’Action pour la Modernisation et la Gestion des Finances Publiques, PAMFIP). As reflected in the last Public Expenditure Review, despite progress in budget preparation, challenges remain due to the lack of a multi-annual forecast framework and a formal system for managing investment projects. In addition, the public expenditure process remains complex and the institutional capacity weak.

7. The Bank has decided to channel support for strengthening budget planning and implementation processes through a technical assistance project (“Public Sector Management Project”). The project’s objective is to enhance efficiency and transparency in the use of public resources, in support of the ongoing PAMFIP.

C. Financial Management Risk Assessment and Proposed Mitigation Measures for the Project

8. Potential *weaknesses* in the project’s FM system are related to the national context (given the issues of corruption and poor governance in Chad, raised in a very recent in-depth review and forensic reports) and to the complexity and emergency nature of the project itself, which involves many beneficiaries and stakeholders. On the other hand, potential *strengths* in the project’s FM system relate to the fact that all of the project’s activities (technical, financial, and procurement) will be managed by UN agencies with acceptable implementation experience and arrangements. Another strength is that the systems implemented by the UN agencies to ensure the delivery of goods and services to the intended beneficiaries will be supplemented by alternative mechanisms, such as the option for the government to conduct physical inspections of goods supplied; see the discussion on auditing arrangements later in this annex.

9. Table A3.1 summarizes the inherent and control risks for the project and the mitigation measures that will be undertaken. Table A3.2 summarizes the FM actions that are required to respond to the weaknesses and risks described here. The measures included in the action plan comply with the Bank’s minimum FM requirements under OP/BP 10.00.

Table A3.1: Inherent and control risks and proposed mitigation measures

Risk	Risk rating	Risk mitigation measures	Residual risk rating	Remark
Inherent risks	S		S	
Country Poor governance and inherent risk of fraud and corruption confirmed by the very recent in-depth review and the forensic reports on 3 projects. Risks remain in term of appropriate use of public expenditures and timeliness of annual financial statements and effectiveness of external audit..	H	Public financial management will be strengthened through the government’s Public Financial Management Reform Action Plan (PAMFIP). Bank support will be oriented to strengthening budget planning and implementation processes. The Bank-financed Public Sector Management Project targets enhanced efficiency and transparency in the use of public resources in support of PAMFIP.	H	
Entity Delayed project implementation	S	Contracts with WFP and FAO as	M	Before effectiveness

Risk	Risk rating	Risk mitigation measures	Residual risk rating	Remark
increases the risk that funds will be diverted because of inadequate capacity to handle activities in the urgent context of an emergency project.		suppliers for the project's implementation. Rely on an existing implementation unit to act as the coordinating entity for the suppliers (WFP and FAO).		
Project The urgent nature of the project and its involvement of three implementing entities and several ministries could lead to coordination and efficiency issues.	S	A procedures manual will be developed, describing implementation, fiduciary, coordination, and oversight arrangements for the project. A Steering Committee will be set up, including representatives of all of the ministries involved in the project, and will be responsible for overall oversight of the project.	S	
Control Risks	S		M	
Budgeting Delays in preparing budget revisions and risk of budget overruns (ref. 2011 audit report of FAO).	M	WFP and FAO budgeting arrangements will apply. However, the agreement with the suppliers will contain provisions for managing budget overruns (for example, requiring prior approval before implementation).	M	
Accounting	M	WFP and FAO accounting arrangements will apply.	M	
Staffing Adequate staffing at the level of each supplier (WFP and FAO).	M	WFP and FAO will have dedicated implementation teams for the project.	M	
Internal control Limited risk monitoring and control mechanisms threaten the reliable management and safeguarding of assets. The WPF 2012 external audit report highlighted internal control issues in relation to delayed reporting and inaccurate accounting for undistributed food stocks held by cooperating partners.	S	The procedures manual to be written will describe roles and responsibilities of the actors in the implementation process as well as the segregation of duties. Internal control practices will follow WFP and FAO internal control mechanisms. The format of IFRs to be submitted by suppliers will be determined, including the reporting format to be followed by cooperating partners (NGOs and others) involved in the logistics chain by the suppliers.	S	
The FAO 2011 audit report identified internal control issues related to delays in reporting for emergency and rehabilitation operations.		Agree with the two UN agencies on escalation procedures in case of delays.		
Funds flow Delays in submitting Direct Payment Requests to the Bank.	S	Rely on an existing PIU and ensure the finance officer submits the Direct Payment Requests (for WFP and FAO) to the Bank within a limited time (such as 5 working days). Two Blanket Commitments will be set up for each	M	Before effectiveness

Risk	Risk rating	Risk mitigation measures	Residual risk rating	Remark
		UN agency for the full amount of the respective contract signed with the government.		
Reporting Delays might occur in submission of acceptable IFRs and annual project financial statements, since it may be difficult to consolidate WFP and FAO quarterly financial reports and annual financial statements.	S	Agree on the format of the IFRs to be prepared by WFP and FAO and submitted to the Bank by the government team. IFRs will show financial and physical progress, including details on goods and services provided by WFP and FAO, and they will be reviewed by the Task Team.	M	By negotiation
Auditing Project audit reports might not be submitted to the government and World Bank, or the scope of the audit may not cover all aspects of the project.	S	Request elimination of the audit requirement, rely on WFP and FAO audit arrangements, ²³ and ensure that a special opinion is given for project activities (as feasible). Said audits must be submitted to the government. Option for the Bank to request its own external audit if necessary.	M	
Overall Risk	S		S	The overall residual risk is Substantial .

Note: H = high, S = substantial, M = modest, and L= low.

Table A3.2: Financial management action plan

Action	Due Date	Responsible entity
Rely on an existing Project Implementation Unit for the FM reporting and disbursement requirements under the project.	Completed by negotiations	Government
Sign contracts with the UN agencies. Said contracts will include inter alia details of activities to be provided, technical and financial reporting requirements, disbursement arrangements, safeguards issues, monitoring and evaluation requirements, and financial audit.	One month after effectiveness	Government
Elaborate a draft Project Implementation Manual including FM procedures	One month after effectiveness	Government

²³ WFP is audited by the Controller and Auditor General of India and FAO by the Philippines Auditor General. These institutions meet International Standards on Supreme Audit Institutions and are very experienced in the audit of international organizations.

D. Financial Management Arrangements

Budgeting

10. The budgeting process, from development to execution and control, will rely on WFP and FAO budgeting arrangements, which are deemed acceptable to the World Bank for the purposes of the proposed project.

Accounting, Internal Control, and Internal Auditing

11. The PIU for EAPSP will be responsible for consolidating accounting information submitted by WFP and FAO. Each supplier will maintain a separate account (International Public Sector Accounting Standards accrual basis or any other acceptable accounting standard) in its records—a complete, true, and faithful record of all of the advances from proceeds of the financing and of all the expenditures paid from such advances.

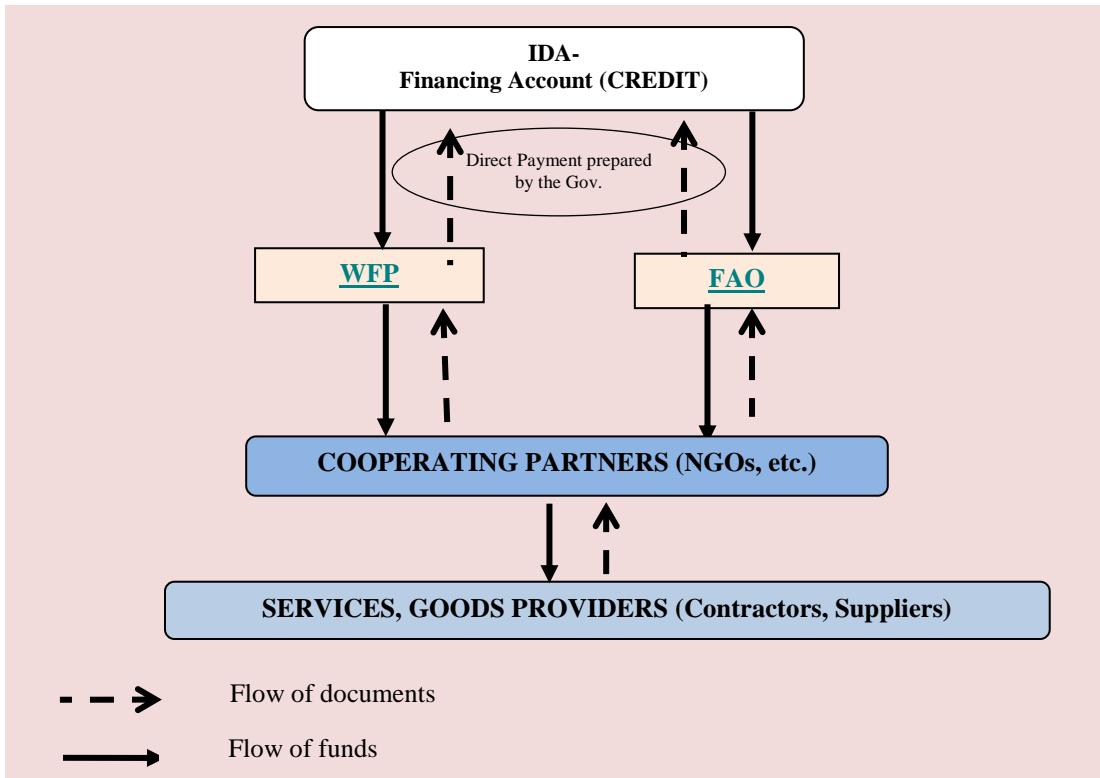
12. The project's internal control and internal audit arrangements will rely on the arrangements of the implementing entity identified by the government (in this case, the PIU for the EAPSP), complemented by WFP- and FAO-related procedures for the day-to-day management of project activities.

Funds Flow and Disbursements

13. Upon project effectiveness, applications for withdrawal of proceeds will be prepared by the government and submitted to IDA. The special World Bank disbursement procedures will be used to establish a Blanket Commitment to allow the amount to be advanced. Funds withdrawn from the IDA credit account will be deposited directly into the UN bank accounts provided by FAO and WFP for their respective project components.

14. The amount advanced will be documented through the quarterly unaudited IFRs as actual expenditures are incurred by the WFP and FAO. Figure A3.1 diagrams the flow of funds.

Figure A3.1: Funds flow



15. Table A3.3 shows the categories of expenditure and percentages to be financed out of the Grant proceeds.

Table A3.3: Categories of expenditure and financing (in US\$ and %) to be funded

Category	Amount of the financing allocated (US\$ millions)	Percentage of expenditures to be financed (inclusive of taxes)
(1) Goods, non-consulting services, consultants' services, vouchers, food packages, and training (under Component A of the project)	7.00	100%
(2) Goods, works, non-consulting services, technology packages, consultants' services, and training (under Component B of the project)	11.00	100%
Total amount	18.00	

Financial Reporting

16. The government will prepare a consolidated report based on the IFRs submitted by WFP and FAO using the agreed reporting format and content on a quarterly basis. The consolidated

report will include a statement of accounts showing the cash received, costs incurred (broken down by the main items), cash balance, and explanatory notes. The IFRs will show financial and physical progress and include the reconciliation of the undistributed items (foods, seed, and so on) in stock as well as a simplified report from the cooperating partners (NGOs, for example) involved in the operations. The consolidated report will be submitted to the Bank not later than 45 days after the end of the quarter and should be reviewed by the Task Team.

Auditing

17. Since no funds will be managed by the government, as 100 percent of such funds will be transferred directly to WFP and FAO, the Bank will rely on WFP and FAO external audit arrangements to fulfill the fiduciary requirement. A waiver of the audit requirements was requested and granted during project preparation. However, mechanisms will be put in place to mitigate the risks that funds will be used inappropriately. Such mechanisms will include at least two field-based visits during the first 12 months of the project implementation period. The supervision intensity will be adjusted over time, taking into account the project's FM performance and FM risk level. In addition, the government will be responsible for ensuring that required goods and services are delivered to the intended beneficiaries during implementation. Where deemed appropriate, however—for example, if UN agencies' systems or reports have shown some weaknesses or deficiencies—the Bank team may request the government to conduct some physical inspections of goods and services delivered by the UN agencies. Finally, the Bank FM team will have adequate access to the financial information, documents, and records for activities implemented by the WFP and FAO on behalf of the Government of Chad. For additional detail, see the Request for Elimination of Audit Requirements submitted to the Financial Management Operation Review Committee and approved on August 22, 2014.

Financial Management Implementation Support Plan

18. The FM implementation support plan (Table A3.3) is consistent with the emergency aspect of the proposed operation. It involves a collaborative approach with the entire Task Team (including procurement, M&E, and others) and the WFP and FAO fiduciary teams. A review of the funds transferred will be part of the supervision arrangement. Based on the outcome of the FM risk assessment, discussed earlier, an implementation support plan is proposed to ensure that a satisfactory FM system is maintained throughout the project's life. The on-site supervision intensity will be based on risk—initially on the appraisal document risk rating and subsequently on the updated FM risk rating during implementation.

Table A3.3: Financial management implementation support plan

Financial management activity	Frequency
Desk reviews	
Interim Financial Reports review	Quarterly basis
Audit report review of the project	Annually
Review of other relevant information, such as interim internal control systems reports	Continuous as they become available
On site visits	
Review of overall operation of the financial management system	Semester
Monitoring of actions taken on issues highlighted in audit reports, auditors' management letters, internal audit, and other reports	As needed
Transaction reviews (if needed)	Through IFRs
Support for capacity building	
Financial management training sessions	Not applicable.

E. Procurement

19. Procurement for the proposed project will be carried out in accordance with the World Bank “Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers,” dated January 2011, and “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credit and Grants by World Bank Borrowers,” dated January 2011, and the provisions stipulated in the Legal Agreement. Procurement (goods and non-consulting services) or Consultant Selection methods, prequalification, estimated costs, prior review requirements, and timeframe will be agreed in the Procurement Plan. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation. As an emergency operation, this project is entitled to the specificity and the flexibility described in paragraph 12 of OP 10.00 on Investment Project Financing.

Advertising

20. A comprehensive General Procurement Notice (GPN) will be prepared by the Borrower and published in the United Nations Development Business online (UNDB online) prior to Board Approval, to announce major consulting assignments and any international competitive bidding (ICB). The GPN shall include all ICB for goods and non-consulting services contracts and all large consulting contracts (specifically, those estimated to cost US\$200,000 or more). In addition, a specific procurement notice is required for all works and goods to be procured under ICB in UNDB online. Requests for Expressions of Interest (EOIs) for consulting services expected to cost more than US\$200,000 shall be advertised in UNDB online. An EOI is required in the national gazette, a national newspaper, or an electronic portal of free access for all consulting firm services regardless of the contract amount. In the case of National Competitive Bidding (NCB), a specific procurement notice will be published in the national gazette, a national newspaper, or an electronic portal of free access. Contract awards will also be published

in UNDB, in accordance with the Bank's Procurement Guidelines (paragraph 2.60) and Consultants Guidelines (paragraph 2.31).

Procurement Environment

21. No special exceptions, permits, or licenses need to be specified in the Credit Agreement, since the Procurement Code dated December 5, 2003 allows World Bank procedures to take precedence over any contrary provisions in local regulations.

Procurement of Goods and Non-Consulting Services

22. Procurement of goods and non-consulting services under this project consists mainly of suppliers for food security, such as feeding, feeds, small-scale storage equipment, vouchers, agricultural equipment, vaccines, animal feed, seed for food production, and related services.

23. Given the circumstances and the emergency nature of this operation, these supplies are expected to be procured through contracts signed with UN agencies by the Borrower. These supplies will be procured, shipped, delivered, and related services provided in accordance with the terms of agreements with UN agencies and their respective regulations, rules, procedures, and administrative instructions for procurement and finance. There are no ICBs and NCBs under World Bank procurement guidelines on this operation. The following procurement methods will be used: Shopping, Direct Contracting, and Procurement from United Nations Agencies. Procurement of goods and non-consulting services, including those readily available off-the-shelf, maintenance of electronic office equipment, and other services such as printing, and editing, which cannot be grouped into bid packages of US\$100,000 or more, may be procured through prudent shopping in conformity with Clause 3.5 of the procurement guidelines.

24. Direct Contracting shall also be used in accordance with the provisions of paragraphs 3.7 of the Procurement Guidelines, with the World Bank's prior agreement.

Selection of Consultants

25. Consulting services will be used mainly for technical assistance for food security activities, including training. The consulting services will be procured with the most appropriate method among the following, which are allowed by Bank Guidelines and included in the approved Procurement Plan: Quality-and Cost-Based Selection, Quality-Based Selection, Selection under a Fixed Budget, Least-Cost Selection, Selection based on Consultants' Qualifications (CQS), Selection of UN Agencies, Selection of Individual Consultants, and Single Source Selection (SSS) for Firms and Individual Consultants. Selection based on CQS will be used for assignments that shall not exceed US\$300,000. Single Source Selection shall also be used in accordance with the provisions of paragraphs 3.8 and 3.9 of the Consultant Guidelines, with the World Bank's prior agreement. All terms of reference will be subject to World Bank Prior Review.

26. Assignments of Engineering Designs and Contract Supervision in excess of US\$200,000 and all other technical assistance assignments above US\$100,000 must be procured on the basis of international short-lists and in accordance with the provisions of paragraph 2.6 of the Consultants' Guidelines.

27. Consultants for services meeting the requirements of Section V of the Consultant Guidelines will be selected under the provisions for the Selection of Individual Consultants, through comparison of qualifications among candidates expressing interest in the assignment or approached directly.

Institutional Arrangements for Procurement and Capacity Assessment, Including Risk Mitigation Measures

28. The EAPSP will prepare and manage contracts signed with two UN agencies, namely WFP and FAO, and the Government of Chad. In the implementation of Components A and B of the proposed project, WFP and FAO procurement procedures will be applicable in place of the Bank Procurement and Consultant Guidelines.

Risks Identified and Proposed Mitigation Measures

29. The procurement risk rating is deemed **moderate**, given that the rules and regulations of the two qualified UN agencies that will manage activities under the two components of the project, WFP and FAO, are acceptable to the Bank.

Procurement Plan

30. A first draft of a Simplified Procurement Plan for project implementation, providing the basis for the procurement methods, has been developed. This Plan, covering the first 18 months of project implementation, was reviewed, discussed, and agreed upon by the Borrower and the project team at negotiations. It will be available in the project's database, and a summary will be disclosed on the Bank's external website once the project is approved by the Board. The Procurement Plan will be updated in agreement with the Project Team annually or as required to reflect the actual project implementation needs and improvement in institutional capacity.

Publication of Results and Debriefing

31. Publication of results of the bidding process is required for all ICBs, Limited International Biddings, and Direct Contracting. Publication should take place as soon as the no objection is received, except for Direct Contracting, which may be done on quarterly basis and in a simplified format. Publication of results for NCB and Shopping should follow the requirements of the procurement code of the Republic of Chad. The disclosure of results is also required for the selection of consultants. All consultants competing for an assignment should be informed of the results of the technical evaluation (number of points that each firm received) before the opening of the financial proposals, and at the end of the selection process, the results should be published. The publication of results in selection of consultants applies to all methods but may be done quarterly and in a simplified format for CQS and SSS. Results may be published through Client Connection. Losing bidders/consultants shall be debriefed on the reasons why they were not awarded the contract if they request explanation.

Fraud and Corruption

32. The procuring entities as well as Bidders, Suppliers, Contractors, and Services Providers shall observe the highest standard of ethics during the procurement and execution of contracts

financed under the program in accordance with paragraphs 1.16 of the Procurement Guidelines and paragraphs 1.23 of the Consultants Guidelines. The “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants,” dated October 15, 2006 and revised in January 2011, will apply to this project. The capacity assessment has recommended supervision missions to visit the field at least two times a year. If need be, a post review of procurement actions will be conducted on an annual basis.

Simplified Procurement Plan

33. Table A3.4 lists the main goods and non-consulting services to be procured under the proposed project.

34. *Prior review thresholds for goods and non-consultant services.* There is no International Competitive Bidding (ICB) or National Competitive Bidding (NCB) under World Bank guidelines for this operation. The following procurement methods will be used: Shopping, Direct Contracting, and Procurement from United Nations Agencies. All Direct Contracting will be subject to prior review by the World Bank.

35. *Prior review thresholds for consultant services.* Consultant services estimated to cost above US\$200,000 for firms and US\$100,000 for individuals per contract, and Single Source Selection of consultants (firms and individuals) will be subject to prior review by the World Bank. Similarly, all audit contracts will be subject to prior review, as will be the first contracts to be awarded in accordance with each method of selecting consulting firms and individual consultants, regardless of the contract amount. Short Lists of Consultants for Assignments of Engineering Designs and Contract Supervisions estimated to cost less than US\$200,000 and all other Consultancy Assignments with an estimated cost that does not exceed US\$100,000 per contract, may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

Table A3.4: Goods and non-consulting services contract packages to be procured

Ref. no.	Description	Estimated cost (US\$ millions)	Procurement method	Domestic preference (yes/no)	Review by World Bank (prior/post)	Comments/completion date
1	Suppliers contract for vouchers and food distribution; related services	7.0	Direct Contracting—UN Agency	No	Prior	March 2015
2	Suppliers contract for seeds, inputs, equipment, construction/ rehabilitation of small storage facilities, animal vaccines and feed, motorcycles, vehicle (4x4 double cabin); related services	10.94	Direct Contracting—UN Agency	No	Prior	March 2015

Procurement Risk Rating

The procurement risk rating is deemed **moderate**, given that the rules and regulations of the two qualified UN agencies that will manage activities under the two components of the project, WFP and FAO, are acceptable to the Bank. To ensure adequate implementation of the activities by these two UN agencies, however, it is required that a Technical Auditor be recruited to oversee the activities and report to the Bank team.

Annex 4: Operational Risk Assessment Framework (ORAF)
Republic of Chad: Emergency Food and Livestock Response Project (P151215)

Project Stakeholder Risks											
Stakeholder Risk	Rating	High									
Risk Description:	Risk Management:										
(i) Given its emergency nature, the project activities and strategy for meeting development objectives may not be well aligned with government's priorities in the context of food insecurity and emergency needs.	(i) Continuous consultations will be conducted during preparation with the borrower and other important stakeholders to identify concerns that could impede the project's implementation.										
(ii) Increased pressure on resources could create social conflict among returnees, refugees and host communities.	(ii) A conflict prevention mechanism will be supported under Subcomponent B3. Beneficiaries will be identified with the assistance of international and local NGOs and the local community.										
Implementing Agency (IA) Risks (including Fiduciary Risks)											
Capacity	Rating	Moderate									
Risk Description:	Risk Management:										
The operation will be conducted in a dynamic environment where the capacity and infrastructure for implementing such a specific project are limited.	FAO and WFP will be responsible for implementing the project with the support of decentralized staff of the Ministry of Agriculture and Environment, the Ministry of Livestock and Hydraulics and NGOs.										
	Resp: Both	Status: In Progress	Stage: Both	Recurrent <input checked="" type="checkbox"/>	Due Date:	Frequency CONTINUOUS					
Governance	Rating	High									
Risk Description:	Risk Management:										
Political interference and capture of investments by elites: Local leaders may not be fully on board with the project; local elites or political leaders may intervene to divert some investments from beneficiaries to their own interest.	Strong fiduciary, technical implementation and management oversight will be established. Communication and awareness campaigns will be carried out to facilitate access to information that all stakeholders need for effective decision-making. FAO, WFP and partners (international/national NGOs) will support governance oversight.										
	Resp: Client	Status: In Progress	Stage: Implementation	Recurrent <input checked="" type="checkbox"/>	Due Date:	Frequency CONTINUOUS					
	Risk Management:										
	In April 2010, Chad requested to be a candidate for EITI's membership. The World Bank is supporting the Government in this process.										
	Resp: Both	Status: In Progress	Stage: Both	Recurrent <input checked="" type="checkbox"/>	Due Date:	Frequency CONTINUOUS					
Project Risks											
Design	Rating	High									

Risk Description: Although the project's design is quite simple, it may not be sufficiently robust in the context of an uncontrolled influx of refugees/returnees if the conflict in CAR lingers.	Risk Management: The project's design reflects experiences with projects in neighboring countries such as CAR and Sudan and combines livelihood assistance with human capital protection, productive investment, animal health protection, training and organizational support.
Social and Environmental	Rating High
Risk Description: Compliance: Environmental: Limited compliance with environmental regulations due to the lack of environment management capacities among project stakeholders, including local institutions; possible negative climate change effects may make the implementation of the project difficult.	Risk Management: An ESSAF and ESMF have been prepared for the project. Safeguards instruments will be prepared and mitigation measures will be implemented. Environmental and Social Management Plans will be prepared as, and when, necessary during implementation. Social safeguard issues will be anticipated and addressed in the PIM. Particular attention will be paid to managing social conflict and environmental aspects during implementation support missions. A capacity building plan will be implemented at different levels.
Social conflict: Risk of social conflict between host communities and refugees /returnees	Resp: Client Status: In Progress Stage: Implementation Recurrent Due Date: Frequency
Program and Donor	Rating High
Risk Description: Coordination: Due to the political volatility in the neighboring countries, possible poor coordination / harmonization between development partners and technical partners (AFD, ADB, IFAD, UE, FAO, WFP) supporting the humanitarian and food security efforts in Chad.	Risk Management: The project has been designed as a stand-alone project with no co-financing from other partners. The World Bank will work with other donors to ensure coordination, complementarity, and synergy.
	Resp: Bank Status: In Progress Stage: Both Recurrent ✓ Due Date: Frequency CONTINUOUS
Delivery Monitoring and Sustainability	Rating High
Risk Description: Sustainability: Given the uncontrolled influx of returnees/refugees, public financial resources from the government and communities may be lacking and compromise sustainability of the project's activities. Data collection and analytical capacity: Weak M&E may limit the project's delivery of results and impacts.	Risk Management: The project will sustain activities by: (i) improving livelihoods and (ii) financing both hard and soft investments to restore production capacity and improve food security through the EAPSP under implementation in the target regions and the upcoming Regional Livestock Support Project.
	Resp: Client Status: In Progress Stage: Implementation Recurrent ✓ Due Date: Frequency
	Risk Management: The project will (i) support capacity and institutional development, and (ii) put in place a strong M&E system to monitor the results and achievements, including a Communication and Information System.
	Resp: Client Status: In Progress Stage: Both Recurrent ✓ Due Date: Frequency CONTINUOUS

Other (Optional)	Rating High
-------------------------	---------------------------

<p>Risk Description:</p> <p>Natural disasters and climate change: Lack of capacity or of strategic and operational framework to mitigate natural disasters (drought, pests such as grasshoppers and birds) and climate change impacts on the project activities.</p> <p>Market uncertainly may impact negatively on supply, availability, and access to fertilizers, machinery, and on commercialization.</p>	<p>Risk Management:</p> <p>The project will promote adapted agricultural practices and techniques.</p> <table border="1"> <tr> <td>Resp: Client</td><td>Status: In Progress</td><td>Stage: Implementation</td><td>Recurrent <input checked="" type="checkbox"/></td><td>Due Date:</td><td>Frequency CONTINUOUS</td></tr> </table> <p>Risk Management:</p> <p>The project will work closely with and coordinate with the Committee for Food Security and Crisis Management to benefit from the support of its Early Warning System.</p> <table border="1"> <tr> <td>Resp: Client</td><td>Status: In Progress</td><td>Stage: Implementation</td><td>Recurrent <input checked="" type="checkbox"/></td><td>Due Date:</td><td>Frequency CONTINUOUS</td></tr> </table>	Resp: Client	Status: In Progress	Stage: Implementation	Recurrent <input checked="" type="checkbox"/>	Due Date:	Frequency CONTINUOUS	Resp: Client	Status: In Progress	Stage: Implementation	Recurrent <input checked="" type="checkbox"/>	Due Date:	Frequency CONTINUOUS
Resp: Client	Status: In Progress	Stage: Implementation	Recurrent <input checked="" type="checkbox"/>	Due Date:	Frequency CONTINUOUS								
Resp: Client	Status: In Progress	Stage: Implementation	Recurrent <input checked="" type="checkbox"/>	Due Date:	Frequency CONTINUOUS								
Overall Risk <p>Implementation Risk Rating : High</p>													

Risk Description:

Although implementation is to be contracted to two institutions (WFP and FAO) with experience in implementing similar projects both in Chad and other countries, the overall implementation risk is rated high, given the high risk rating given to governance risks (political interference and/or elite capture).

Annex 5: Implementation Support Plan
Republic of Chad: Emergency Food and Livestock Crisis Response Project

A. Strategy and Approach for Implementation Support

1. The implementation of the project is entrusted to WFP for Component A and FAO for Component B and will comply with contracts that will be signed with these two implementing agencies.

B. Implementation Support Plan

2. To accelerate the project's readiness for implementation, an implementation action plan has been agreed with FAO, WFP and the Recipient (Table A5.1).

Table A5.1: Draft implementation action plan for the first six months after project approval

Activities	Actions	Expected results	Responsible actor	Implementation date or time after approval
Disbursement conditions				
Contract signed with FAO and WFP including implementing manuals, procedures	Contracts prepared	Contracts signed	WFP, FAO , Government, World Bank	October 15, 2014
Safeguards documents prepared	Recruit consultants	Documents approved and disclosed	FAO, WFP	November 30, 2015
Start up				
Work Plan and Budget and Procurement Plan (WPB & PP)	Prepare a WPB and PP	WPB and PP validated	FAO, WFP	October 15, 2015
Official Project Launching	Prepare the launching workshop	Launching workshop organized	FAO, WFP	October 15, 2015
First quarterly progress report	Prepare the report	Report disclosed	FAO, WFP	January 15, 2015
Second quarterly progress report	Prepared the report	Report disclosed	FAO, WFP	April 15, 2015

Annex 6: Environmental and Social Screening and Assessment Framework
Republic of Chad: Emergency Food and Livestock Crisis Response Project

A. Introduction

1. The Environmental and Social Screening and Assessment Framework (ESSAF) is consistent with the World Bank's operational policies and procedures, investment operations subject to OP/BP 10.00, Investment Project Financing, under paragraph 12 on the possibility of undertaking projects in Situations of Urgent Need of Assistance or Capacity Constraints. The Bank may provide support through Investment Project Financing for an exceptional arrangement following paragraph 47 of the Investment Project Financing policy. In compliance with BP 10.00, this ESSAF provides general policies, guidelines, codes of practice, and procedures to be taken into consideration and integrated as needed into the implementation of the World Bank-supported Chad Emergency Agriculture and Livestock Crisis Response Project. The ESSAF has been developed to ensure compliance with the World Bank's safeguards policies while the project is under implementation. The objective of this ESSAF is to ensure that activities under the proposed emergency operations will: (i) minimize environmental and social degradation associated with individual subprojects or their cumulative effects; (ii) protect and preserve human health; (iii) enhance positive environmental and social outcomes; and (iv) prevent or adequately compensate any loss of livelihood caused by the project.

B. General Principles

2. Recognizing the emergency nature of the proposed emergency operation and the related need for providing immediate assistance, while at the same time ensuring due diligence in managing potential environmental and social risks, the ESSAF is based on the following principles:

- The proposed operation will support intensification and diversification of agricultural production (vegetables, cereals, cassava cuttings) for 15,000 households in the targeted areas. The exact location of these interventions will be known only during implementation. In addition, the operation will provide livestock vaccines and animal feed and assist in restocking. To ensure effective application of the World Bank's safeguards policies, the ESSAF provides guidance on the approach to be taken during project implementation for the selection, screening, and design of the main activities and the planning of mitigation measures; Category A activities will not be eligible for funding.
- No resettlement issues are expected in any of the proposed activities under the emergency project. Nevertheless, the agricultural activities will require access to land. The Government of Chad, and the village leaders where returnees are located, have already identified the areas that will be allocated to refugees and returnees for agricultural activities. For livestock activities, grazing corridors will be defined after consultation with local communities.
- Socioeconomic opportunities such as vegetables production and livestock stabilization will be promoted and extended, as much as possible, for refugees, returnees, and host communities. All of these activities require consultations with local communities or beneficiaries. Consultations will be conducted to collect the views of the male and female population.

- Consultation and disclosure requirements will be simplified to meet the special needs of this operation. The full ESSAF will be disclosed in the concerned sector ministries, other public places in Chad, and at the World Bank InfoShop.

C. Compliance with World Bank Safeguard Policies

3. The project, rated as Category B, is prepared under OP 10.00, paragraph 12 as an emergency operation. For this reason, preparation needed to be expedited, while appropriate environmental and social measures are being taken into consideration. Activities supported by the proposed operation could have certain site-specific adverse environmental and social impacts; therefore, the following safeguard policies are triggered: OP/BP 4.01 (Environmental Assessment) and OP 4.09 (Pest Management):

- ***OP/BP 4.01: Environmental Assessment.*** This policy is triggered because the project will support: (i) the intensification and diversification of agricultural production; (ii) livestock vaccines and feed; and (iii) herd restocking. Small-scale reconstruction and rehabilitation of storage infrastructures will also be supported by the project resources. All of these activities may have environmental impacts that need to be managed appropriately. The project will also support activities that will have a positive impact on the environment. The ESSAF contains sample terms of reference for Environmental Assessments that may be needed for project-supported activities, as well as screening guidelines to be used by implementing agencies (WFP and FAO). Based on the outcomes of the screening process, Environmental and Social Management Plans (ESMPs) will be prepared as necessary. An Environmental and Social Management Framework (ESMF) will be prepared and disclosed before the Decision Meeting.
- ***OP/BP 4.09: Pest Management.*** This policy is triggered because the project will support scaling up and/or intensification of agricultural and livestock production activities. Project beneficiaries are likely to adopt integrated pest management practices that may involve the increased use of chemical pesticides, which could have negative environmental and health impacts (especially since returnees and refugees are using water for drinking throughout the project area). The Recipient will address OP 4.09 requirements by updating the existing Pest and Pesticide Management Plan (PPMP) developed for the EAPSP (P126576). The revised PPMP will include a number of actions that will reduce the exposure of farming communities to pesticides used in agricultural and livestock production systems. The revised PPMP will be available and disclosed prior the Decision Meeting.

Safeguards policies not triggered

4. The following safeguards policies are not triggered:

- ***OP/BP 4.04: Natural Habitats.*** The project will not take place in or near natural habitats.
- ***OP/BP 4.11: Physical Cultural Resources.*** The project is unlikely to involve or affect physical cultural resources and will avoid them. The government will follow its “chance finds” procedures in the rare event that the project encounters archaeological

artifacts, unrecorded graveyards and burial sites, and similar physical cultural resources.

- **OP/BP4.12: Involuntary Resettlement.** The project activities will not lead to land acquisition that would result in involuntary resettlement or restrictions of access to resources or livelihoods.
- **OP/BP 4.36: Forests.** The project activities will not involve forest conversion nor large-scale reforestation or afforestation. The agriculture activities will focus on the areas already allocated by the government, which are fallow or very degraded land.
- **OP/BP 4.37: Dam Safety.** The proposed operation will finance the rehabilitation of small irrigation infrastructure, small check-dams, and the replacement of old hydraulic equipment/material, none of which pose dam safety issues.
- **OP/BP 7.50: Projects on International Waterways.** This policy will not be triggered as the project activities will not impact international waterways.
- **OP/BP 7.60: Projects in Disputed Areas.** The project activities will not be implemented in disputed areas.

ESSAF Disclosure

5. The ESSAF and or other aforementioned documents related to safeguards will be cleared by the World Bank and disclosed within the country, in the sector ministries, in the project areas, and at the World Bank InfoShop.

D. Safeguards Screening and Mitigation

6. The ESSAF developed for this project is aimed at ensuring due diligence to avoid causing harm or exacerbating social tension and to ensure consistent treatment of social and environmental issues by Government of Chad and service providers. The purpose of the ESSAF is also to assist WFP and FAO (the main implementing agencies) and all concerned public agencies in screening project-supported activities for their likely social and environmental impacts, identifying documentation and preparation requirements, and piloting the investments.

7. The ESSAF provides a framework for establishing guidelines for land donation, codes of practice for the prevention and mitigation of potential environmental and social impacts, and safeguards procedures for inclusion in the FAO and WFP conventions.

8. The following guidelines, codes of practice, and requirements will constitute the framework of reference for the selection, design, contracting, monitoring, and evaluation of subprojects. The safeguards screening and mitigation process will be detailed in the PIM and include:

- A list of negative characteristics rendering a proposed activity ineligible for support (see Attachment 1).
- Steps for screening potential environmental and social impacts, mitigation measures, and implementation procedures (see Attachment 2).
- A proposed checklist of likely environment and social impacts to be filled out for each subproject or group of activities (see Attachment 3).

- Format to document contribution of assets (see Attachment 4).
- Relevant elements of the codes of practice for the prevention and mitigation of potential environmental impacts (see Attachment 5).
- Sample environmental safeguards procedures for inclusion in the WFP and FAO conventions (see Attachment 6).
- Guidelines for the preparation of ESMPs (see Attachment 7).

E. Responsibilities for Safeguards Screening and Mitigation

9. A number of ministries and other public agencies will be involved in implementing the project, including the Ministry of Agriculture and Environment; the Ministry of Livestock and Hydraulics; the Ministry of Public Health, Social Action, and National Solidarity; and the Ministry of Planning and International Cooperation. WFP and FAO will be responsible for applying the safeguards screening and mitigation requirements to their own tasks, under the coordination of the Ministry of Agriculture and Environment. A Safeguards Focal Point might be identified in the Ministry of Agriculture and Environment to facilitate overseeing the implementation of the ESSAF. The WFP and FAO will ensure that environmental and social safeguards are properly addressed during project implementation.

F. Capacity Building and Monitoring of Safeguard Framework Implementation

10. In general, the Borrower knows and already has experience with the Bank's safeguards policies through other Bank-funded projects in the agriculture and rural development sector (such as the EAPSP). The project will thus rely on expertise developed in Chad through past and current projects. If needed, consultants may be recruited by FAO and WFP to ensure that safeguards are addressed properly during project implementation. As part of the capacity building to be provided for implementation of the proposed operation, the Safeguards Focal Point and relevant staff of the concerned ministries, service providers, and decentralized agricultural staff will also receive training in ESSAF's application. During supervision of these activities, the World Bank will assess the implementation of the ESSAF (the ESMF, ESMPs, and PPMP). The proposed project will therefore be able to draw on previous experience, with further support to be provided by FAO and WFP as the agencies responsible for implementing the two project components. The capacity-building plan will include sharing information with the public, as the project is considered a poverty reduction program and thus will be conducted more inclusively through various local media sources. During the project's implementation, particular attention will be given to conflict resolution mechanisms for the populations affected by the project.

G. Consultation and Disclosure

11. IDA funding will support a number of agricultural and livestock production activities classified as Environment Category B, to which World Bank safeguards policies relating to consultation and disclosure will apply. The implementing agencies will consult project-affected groups and local NGOs regarding the project's likely environmental and social impacts, and it will take their views into account.

12. The implementing agencies will initiate these consultations as early as possible. To ensure that the consultations are meaningful, it will provide relevant material in a timely manner

prior to consultation, in a form and in language(s) that are understandable and accessible to the group(s) being consulted. As required for all Environment Category B projects, when the studies are completed, the implementing agencies will provide these groups with a summary of the main conclusions of the studies report.

13. The preparation and implementation of the relevant safeguards instruments as indicated in this ESSAF will require participation by relevant stakeholders in the preparation of environmental and social assessments, as well as in the development and implementation of mitigation plans. WFP and FAO will make all reasonable efforts to consult with the affected people and communities within the project areas, as well as with relevant NGOs, to ensure that local community needs have been incorporated and potential conflicts resolved.

14. The ESSAF will be shared with all relevant stakeholders, including public agencies involved in the project's implementation, development partners, NGOs, and of course the concerned communities. It will be disclosed within the country by the Ministry of Agriculture and Environment or the Ministry of Planning and International Cooperation, in French, Arabic, and other local languages. It will also be made available at the World Bank InfoShop. Specific safeguards documents, including mitigation plans that are prepared subsequently, will also be disclosed. Finally, FAO and WFP will make the draft reports publicly available to project-affected groups, local NGOs, involved communities, and Recipient agencies at the local and national levels.

H. Implementation Support

15. Regular review should be specified to assess progress on environmental and social safeguards, achievement of overall objectives, as well as the role of the different partners, with a view to eventually reorient the project, if needed. Guidelines describing the type of information wanted and the presentation of feedback should also be highlighted.

I. Guidelines for Preparation of Environmental and Social Management Plans (ESMPs)

16. Once the potential impacts of relevant activities have been identified, the next step of the Environmental Assessment process involves the identification and development of measures aimed at eliminating, offsetting, and/or reducing these impacts during implementation and operation of the project, via an ESMP, to levels that are environmentally acceptable. ESMPs provide an essential link between the impacts predicted and mitigation measures specified within the Environmental Assessment and implementation and operation activities.

J. Institutional Arrangements

17. Institutions/entities responsible for implementing mitigation measures and for monitoring their performance should be identified clearly. Where necessary, mechanisms for institutional coordination should be identified, as monitoring often involves more than one institution.

Attachment 1

Negative Attributes of Activities Leading to Ineligibility

Activities with any of the following attributes will be ineligible for support under the proposed Emergency Agriculture and Livestock Crisis Response Project.

Attributes of ineligible activities
GENERAL CHARACTERISTICS
Concerning significant conversion or degradation of critical natural habitats.
Damages on cultural property, including but not limited to, any activities that affect the following sites: <ul style="list-style-type: none">• Archaeological and historical sites; and• Religious monuments, structures and cemeteries.
Requiring pesticides that fall in WHO classes IA, IB, or II.
Solid Waste New disposal site or significant expansion of an existing disposal site.
Irrigation New irrigation and drainage schemes.
Dams Construction of dams more than 15 meters high. Rehabilitation of dams more than 15 meters high.
Income-generating Activities <ul style="list-style-type: none">• Activities involving the use of fuelwood, including trees and bush.• Activities involving the use of hazardous substances.

Attachment 2

Steps for Screening Potential Environmental and Social Impacts, Mitigation Measures, and Implementation Procedures

The selection, design, contracting, monitoring, and evaluation of project activities will be consistent with the guidelines, codes of practice, and requirements listed below and included as attachments to this document. Screening of potential environmental and social safeguards impacts, mitigation and management measures, and implementation procedures will follow these steps:

- Step 1: Screening of potential environmental and social safeguards impacts, and determination of the appropriate set of safeguards instruments
 - During the preparation of activities, implementing agencies will ensure that technical design can avoid or minimize environmental and social impacts, including land acquisition.
 - A proposed checklist of likely environmental and social impacts, to be filled out for each activity, will be used to determine the type and scope of the environmental and social safeguards impacts (Attachment 2).
- Step 2: Definition of the environmental and social safeguards instruments for the project and for each project activity
 - WFP and FAO will determine and prepare appropriate instruments for mitigating environmental and social safeguards impacts identified in the screening. A sample Environmental Safeguards enforcement procedure for inclusion in the technical specifications of construction contracts is in Attachment 6.
- Step 3: Review of the Safeguards Screening Summary
 - The WFP and FAO will retain a copy of the Safeguards Screening Summary for possible review by the Ministry of Agriculture and Environment (MAE) and the World Bank. The review, which may be conducted on sample basis, will verify the proper application of the screening process, including the scoping of potential impacts and the choice and application of instruments.
- Step 4: Preparation of safeguards instruments
 - WFP and FAO will prepare the ESMP in consultation with affected peoples and with relevant NGOs, as necessary. The ESMP will be submitted to the MAE for review prior to its submission to the World Bank for approval. The documentation of the process and agreement for land donation will be the responsibility of WFP and FAO, in consultation with the ministry in charge of land.
- Step 5: Application of the safeguards instruments

- Appropriate mitigation measures will be included in the bidding documents and contract documents to be prepared by WFP and FAO. The performance of the contractors will be documented and recorded for possible later review.
- If applicable, FAO will ensure that agricultural activities will begin only when the land donation process has been completed.
- WFP and FAO will supervise and monitor the overall safeguards implementation process and prepare a progress report on the application of safeguards policies during the project's implementation. WFP and FAO will also develop the reporting requirements and procedures to ensure compliance of the contractors; conduct public consultation and public awareness programs; and carry out periodic training for field-relevant stakeholders as appropriate.

Attachment 3

Checklist of Possible Environmental and Social Impacts of Projects

This Form is to be used by WFP and FAO in screening proposals for project activities. Note that one copy of this form and accompanying documentation will be kept in FAO and WFP offices, and one copy will be sent to the World Bank Task Team Leader.

Name of Project:

Description of activity:

Proposing agency:

Activity location:

Objective of the activity:

Estimated costs:

Proposed date of commencement of work:

Community to be included in the location:

Relevant details:

Any environmental and social issues:

Area of land needed (if there):

Number of land owners:

Scheme for land acquisition (choose appropriate ones) (if appropriate):

- A. Land donation
- B. Cash compensation
- C. Other scheme

Estimated costs:

Proposed starting date of works:

Designs / plans / specifications reviewed: Yes No

Other comments:

Completed by:

Date:

Reviewed by:

Date:

Site-related Issues

No	Issues	Yes	No	Comments
A.	Zoning and Land Use Planning			
1.	Will project activities affect land use zoning and planning or conflict with prevalent land use patterns?			
2.	Will project activities involve significant land disturbance or site clearance?			
3.	Will activities be subject to potential encroachment by urban or industrial use or located in an area intended for urban or industrial development?			
4.	Are project activities located in an area susceptible to landslides or erosion?			
5.	Are project activities located on prime agricultural land?			
B.	Utilities and Facilities			
6.	Do project activities require the setting up of ancillary production facilities?			
7.	Will project activities require significant levels of accommodation or service amenities to support the workforce during construction (e.g., contractor will need more than 20 workers)?			
C	Water and Soil Contamination			
8.	Will project activities require large amounts of raw materials or construction materials?			
9.	Will project activities generate large amounts of residual wastes, construction material waste or cause soil erosion?			
10.	Will project activities result in potential soil or water contamination (e.g., from oil, grease and fuel from equipment yards)?			
11.	Will project activities lead to contamination of ground and surface waters by herbicides for vegetation control and chemicals (e.g., calcium chloride) for dust control?			
12.	Will project activities lead to an increase in suspended sediments in streams affected by road cut erosion, decline in water quality and increased sedimentation downstream?			
13.	Will activities involve the use of chemicals or solvents?			
14.	Will project activities lead to the destruction of vegetation and soil in the right-of-way, borrow pits, waste dumps, and equipment yards?			
15.	Will project activities lead to the creation of stagnant water bodies in borrow pits, quarries, etc., encouraging for mosquito breeding and other disease vectors?			
16.	Are project activities located in a polluted or contaminated area?			
D.	Noise and Air Pollution Hazardous Substances			
17.	Will project activities increase the levels of harmful air emissions?			
18.	Will project activities increase ambient noise levels?			
19.	Will project activities involve the storage, handling or transport of hazardous substances?			

No	Issues	Yes	No	Comments
E.	Fauna and Flora			
20.	Will project activities involve the disturbance or modification of existing drainage channels (rivers, canals) or surface water bodies (wetlands, marshes)?			
21.	Will project activities lead to the destruction or damage of terrestrial or aquatic ecosystems or endangered species directly or by induced development?			
22.	Will project activities lead to the disruption/destruction of wildlife through interruption of migratory routes, disturbance of wildlife habitats, and noise-related problems?			
F.	Destruction/Disruption of Land and Vegetation			
23.	Will project activities lead to unplanned use of the infrastructure being developed?			
24.	Will project activities lead to long-term or semi-permanent destruction of soils in cleared areas not suited for agriculture?			
25.	Will project activities lead to the interruption of subsoil and overland drainage patterns (in areas of cuts and fills)?			
26.	Will project activities lead to landslides, slumps, slips and other mass movements in road cuts?			
27.	Will project activities lead to erosion of lands below the roadbed receiving concentrated outflow carried by covered or open drains?			
28.	Will project activities lead to long-term or semi-permanent destruction of soils in cleared areas not suited for agriculture?			
29.	Will project activities lead to health hazards and interference of plant growth adjacent to roads by dust raised and blown by vehicles?			
G.	Cultural Property			
30.	Will project activities have an impact on archaeological or historical sites, including historic urban areas?			
31.	Will project activities have an impact on religious monuments, structures and/or cemeteries?			
32.	Have Chance Finds procedures been prepared for use in project activities?			
33.	Are project activities located in an area with designated physical cultural resources, such as archaeological, historical and/or religious sites?			
H.	Expropriation and Social Disturbance			
34.	Will project activities involve land expropriation or demolition of existing structures?			
35.	Will project activities lead to induced settlements by workers and others causing social and economic disruption?			
36.	Will project activities lead to environmental and social disturbance by construction camps?			
37.	Are project activities located in an area from which people have been displaced?			
38.	Are project activities located in an area where PAPs are temporarily relocated?			

No	Issues	Yes	No	Comments
39.	Are project activities located in a densely populated area?			
I.	Games, reserves and Natural Habitat			
40.	Do project activities require land acquisition? [Note: If YES, fill in the land acquisition form]			
41.	Will project activities negatively impact livelihoods? [Note: Describe separately if YES]			
42.	Are project activities located in an area with designated natural reserves or protected areas?			
43.	Are project activities located in an area with unique natural features?			
44.	Are project activities located in an area with endangered or conservation-worthy ecosystems, fauna or flora?			
45.	Are project activities located in an area falling within 500 m of natural forests, protected areas, wilderness areas, wetland, biodiversity, critical habitats, or sites of historical or cultural importance?			
46.	Are project activities in an area which would create a barrier for the movement of conservation-worthy wildlife?			
47.	Are project activities located close to groundwater sources, surface water bodies, watercourses or wetlands			
J.	Pesticides and Agricultural Chemicals			
48.	Involve the use of pesticides or other agricultural chemicals, or increase existing use?			
49.	Cause contamination of soil by agrochemicals and pesticides?			

Attachment 4

Format to Document Contribution of Assets

The following agreement has been made on..... day of.....
betweenresident of(the Owner)
and(the Recipient)

1. That the Owner holds the transferable right of
..... land (m^2)/structure/asset
in.....
2. That the Owner testifies that the land/structure is free of squatters or encroachers and not subject to other claims. That the Owner hereby grants to the Recipient this asset for the construction and development offor the benefit of the villagers and the public at large. (Either, in case of donation)
3. That the Owner will not claim any compensation against the grant of this asset. (Or, in case of compensation :)
4. That the Owner will receive compensation against the grant of this asset as per the attached Schedule.
5. That the Recipient agrees to accept this grant of asset for the purposes mentioned.
6. That the Recipient shall construct and develop the.....and take all possible precautions to avoid damage to adjacent land/structure/other assets.
7. That both the parties agree that the.....so constructed/developed shall be public premises.
8. That the provisions of this agreement will come into force from the date of signing of this deed.

Signature of the Owner

Signature of the Recipient

Witnesses:

1. _____
2. _____

(Signature, name and address)

Attachment 5
Codes of Practice for Prevention and Mitigation of Environmental Impacts

Potential impacts	Prevention and mitigation measures
Waterlogging and salinization	<ul style="list-style-type: none"> • Incorporation of adequate drainage to prevent waterlogging and salinization
Over-exploitation of aquifers	<ul style="list-style-type: none"> • Analysis of the sustainability of groundwater yield, if increased abstraction is proposed
Injury, death, or loss of productive resources caused by dam failure	<ul style="list-style-type: none"> • See section on dams, above
Livestock	
Unsustainable grazing	<ul style="list-style-type: none"> • Before livestock are purchased, grazing requirements for the new and projected herd should be estimated, and legal access to sufficient sustainable grazing ensured
Small-scale agricultural production	
Environment impacts: <ul style="list-style-type: none"> • Loss of vegetative cover, decrease in soil fertility • Possible pesticide, herbicide, and fertilizer use leading to soil and water pollution • Potential diversion of water resources from their natural course/location 	<ul style="list-style-type: none"> • Avoid infringing on protected areas, critical habitats or areas with significant biodiversity (e.g., wetlands) • Apply pesticides, herbicides and fertilizers at recommended times and doses • Educate population in the proper use, storage, and disposal of pesticides, herbicides and fertilizers
Social impacts: <ul style="list-style-type: none"> • Conflict over user rights of irrigation systems 	<ul style="list-style-type: none"> • Ensure that inhabitants around water reserves are not deprived of access to water due to irrigation and other activities

Attachment 6

Safeguard Procedures for Inclusion in the FAO and WFP Conventions

I. General

1. FAO and WFP and their employees shall adhere to the mitigation measures set down and take all other measures required to prevent harm, and to minimize the impact of this operation on the environment.
2. Remedial actions which cannot be effectively carried out during construction should be carried out on completion of each activity and before issuance of the “Taking over certificate”:
 - (i) These activities’ locations should be landscaped and any necessary remedial works should be undertaken without delay, including grassing and reforestation;
 - (ii) Water courses should be cleared of debris and drains and culverts checked for clear flow paths; and
 - (iii) Borrow pits should be dressed as fish ponds, or drained and made safe, as agreed with the land owner.
3. The Contractor shall limit works to between 6 a.m. and 7 p.m. if they are to be carried out in or near residential areas.
4. The Contractor shall avoid the use of heavy or noisy equipment in specified areas at night, or in sensitive areas such as near a hospital or schools.
5. To prevent dust pollution during dry periods, the Contractor shall carry out regular watering.

Prohibitions:

6. The following activities are prohibited on or near the project site:
 - Cutting of trees for any reason outside the approved activities areas;
 - Hunting, fishing, wildlife capture, or plant collection;
 - Use of unapproved toxic materials, including lead-based paints, asbestos, etc.
 - Disturbance to anything with architectural or historical value;
 - Building of fires;
 - Use of firearms (except authorized security guards).

II. Transport

7. The Contractor shall use selected routes to the project site, as agreed with the Authorities, and appropriately sized vehicles suitable to the class of road, and shall restrict loads to prevent damage to roads and bridges used for transportation purposes. The Contractor shall be held responsible for any damage caused to the roads and bridges due to the transportation of excessive loads, and shall be required to repair such damage to the approval of the Authorities.

8. The Contractor shall not use any vehicles, either on or off road with grossly excessive, exhaust or noise emissions. In any built up areas, noise mufflers shall be installed and maintained in good condition on all motorized equipment under the control of the Contractor.
9. Adequate traffic control measures shall be maintained by the Contractor throughout the duration of the Contract, and such measures shall be subject to prior approval of the Engineer.

III. Workforce

10. The Contractor should whenever possible locally recruit the majority of the workforce and shall provide appropriate training as necessary.
11. The Contractor shall install and maintain a temporary septic tank system for any residential labor camp and without causing pollution of nearby watercourses.
12. The Contractor shall establish a method and system for storing and disposing of all solid wastes generated by the labor camp and/or base camp.
13. The Contractor shall not allow the use of fuelwood for cooking or heating in any labor camp or base camp and provide alternate facilities using other fuels.
14. The Contractor shall ensure that site offices, depots, asphalt plants, and workshops are located in appropriate areas as approved by the Engineer and not within 500 meters of existing residential settlements and not within 1,000 meters for asphalt plants.
15. The Contractor shall ensure that site offices, depots, and particularly storage areas for diesel fuel and bitumen and asphalt plants are not located within 500 meters of watercourses, and are operated so that no pollutants enter watercourses, either overland or through groundwater seepage, especially during periods of rain. This will require lubricants to be recycled and a ditch to be constructed around the area with an approved settling pond/oil trap at the outlet.
16. The Contractor shall not use fuelwood as a means of heating during the processing or preparation of any materials forming part of the Works.
17. The Contractor shall conduct safety training for workers prior to beginning work. Material Safety Data Sheets should be posted for each chemical present on the worksite.
18. The Contractor shall provide relevant personal protective equipment (PPE) and clothing (goggles, gloves, respirators, dust masks, hard hats, steel-toed and –shanked boots, etc.) for pesticide handling work. Use of PPE should be enforced.

IV. Distribution of Agricultural Inputs

19. The treated seed should be well labeled with such information as the variety name, whether it is hybrid or open-pollinated, maturity period, and lot number to help farmers understand what they are receiving. Detailed information about treated seeds should be included in capacity-building activities.
20. The seed distribution should be targeted in coordination with the efforts of other donors and NGOs to ensure farmers do not receive multiple packs from different donors.

V. Historical and Archeological Sites

21. If the Contractor discovers archeological sites, historical sites, remains and objects, including graveyards and/or individual graves, during excavation or construction, the Contractor shall:
 - (i) Stop the activities in the area of the chance find.
 - (ii) Delineate the discovered site or area.
 - (iii) Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be present until the responsible local authorities and the Ministry of Culture take over.
 - (iv) Notify the authorities who in turn will notify the responsible local authorities and the ministry in charge of culture (less than 24 hours).
 - (v) Contact the responsible local authorities and the ministry in charge of culture, which would be in charge of protecting and preserving the site before deciding on the proper procedures to be carried out. This would require a preliminary evaluation of the findings to be performed by the archeologists of the relevant ministry in charge of culture (within 72 hours). The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage, including the aesthetic, historic, scientific or research, social, and economic values.
 - (vi) Ensure that decisions on how to handle the finding be taken by the responsible authorities and the ministry in charge of culture. This could include changes in the layout (such as when the finding is an irremovable remain of cultural or archeological importance) conservation, preservation, restoration, and salvage.
 - (vii) Implementation for the authority decision concerning the management of the finding shall be communicated in writing by the ministry in charge of culture.
 - (viii) Activities work will resume only after authorization is given by the responsible local authorities and the ministry in charge of culture concerning the safeguard of the heritage.

VIII. Disposal of Construction and Vehicle Waste

22. Debris generated due to the dismantling of the existing structures shall be suitably reused, to the extent feasible, in the proposed construction (e.g., as fill materials for embankments). The disposal of remaining debris shall be carried out only at sites identified and approved by the project engineer. The Contractor should ensure that these sites: (i) are not located within designated forest areas; (ii) do not impact natural drainage courses; and (iii) do not impact endangered/rare flora. Under no circumstances shall the contractor dispose of any material in environmentally sensitive areas.
23. In the event any debris or silt from the sites is deposited on adjacent land, the Contractor shall immediately remove such, debris or silt and restore the affected area to its original state to the satisfaction of the Authorities.

24. Bentonite slurry or similar debris generated from pile driving or other construction activities shall be disposed of to avoid overflow into the surface water bodies or form mud puddles in the area.
25. All arrangements for transportation during construction, including provision, maintenance, dismantling and clearing debris, where necessary, will be considered incidental to the work and should be planned and implemented by the contractor as approved and directed by the Authorities.
26. Vehicle/machinery and equipment operations, maintenance and refueling shall be carried out to avoid spillage of fuels and lubricants and ground contamination. An oil interceptor will be provided for wash down and refueling areas. Fuel storage shall be located in proper bounded areas.
27. All spills and collected petroleum products shall be disposed of in accordance with standard environmental procedures/guidelines. Fuel storage and refilling areas shall be located at least 300m from all cross drainage structures and important water bodies or as directed by the Authorities.

Attachment 7

Guidelines for Preparation of Environmental and Social Management Plans

1. The Environmental Assessment (EA) process involves the identification and development of measures aimed at eliminating, offsetting, and/or reducing environmental and social impacts to levels that are acceptable during implementation and operation of the projects. As an integral part of EA, ESMP provides an essential link between the impacts predicted and mitigation measures specified within the EA and implementation and operation activities. The World Bank guidelines state that detailed ESMPs are essential elements for Category A projects, but for many Category B projects, a simple ESMP will suffice. While there are no standard formats for ESMPs, it is recognized that the format needs to fit the circumstances in which the ESMP is being developed and the requirements, which it is designed to meet.
2. Under the proposed project, the implementation agencies will prepare a standard ESMP in a format suitable for inclusion as technical specifications in the contract documents. Each ESMP should be prepared after taking into account comments and clearance conditions from both the relevant agency providing environmental clearance and the World Bank Group. Given below are the important elements that constitute an ESMP.

OP 4.09 Provisions in ESMP:

3. The ESMP should include pesticide management issues and appropriate mitigation measures relative to the procurement of pesticides or pesticide application equipment. This includes activities that may: (i) lead to substantially increased pesticide use and subsequent increase in health and environmental risk and (ii) maintain or expand present pest management practices that are unsustainable, not based on an IPM approach, and /or pose significant health or environmental risks.
4. The ESMP for such activities should include a list of pesticides authorized for procurement under the project; such a list is established prior to financing of pesticides and complies with selection criteria in OP 4.09, namely, the pesticides must: (i) have negligible adverse human health effects; (ii) be shown to be effective against the target species; and (iii) have minimal effect on the non-target species and the natural environment (the methods, timing, and frequency of pesticide application are aimed at minimizing damage to natural enemies); and (iv) take into account the need to prevent the development of resistance in pests.

a. Description of mitigation measures

5. Feasible and cost-effective measures to minimize adverse impacts to acceptable levels should be specified with reference to each impact identified. Further, the Environmental Management Plan (EMP) should provide details on the conditions under which the mitigation measure should be implemented. The EMP should also distinguish between the type of solution proposed (structural and non-structural) and the phase in which it should become operable (design, construction and/or operation). Efforts should also be made to mainstream environmental and social aspects wherever possible.

b. Monitoring program

6. In order to ensure that the proposed mitigation measures have the intended results and comply with national standards and World Bank requirements, an environmental performance monitoring program should be included in the EMP. The monitoring program should give details of the following:
 - Monitoring indicators to be measured for evaluating the performance of each mitigation measure (for example: national standards, engineering structures, extent of area replanted, etc.).
 - Monitoring mechanisms and methodologies.
 - Monitoring frequency.
 - Monitoring locations.

c. Institutional arrangements

7. Institutions/parties responsible for implementing mitigation measures and for monitoring their performance should be clearly identified. Where necessary, mechanisms for institutional coordination should be identified, as monitoring often tends to involve more than one institution.

d. Implementing schedules

8. Timing, frequency, and duration of mitigation measures with links to the overall implementation schedule of the project should be specified.

e. Reporting procedures

9. Feedback mechanisms to inform the relevant parties on the progress and effectiveness of the mitigation measures and monitoring itself should be specified. Guidelines on the type of information wanted and the presentation of feedback information should also be highlighted.

f. Cost estimates and sources of funds

10. Implementation of mitigation measures mentioned in the EMP will involve initial investment costs as well as recurrent costs. The EMP should include cost estimates into the activity design, bidding, and contract documents to ensure that the contractors will comply with the mitigation measures. The costs for implementing the EMP will be included in the activity design, as well as in the bidding and contract documents.

Annex 7: Map IBRD 33385

