

# Agri-environmental policy tools in the Southern Cone (D2377)

**Description:**

The general objective of the TC is to improve the environmental sustainability of the agricultural sector in Southern Cone countries. The specific objectives are (i) to contribute to improve the monitoring of the agriculture environmental impacts and performance, including climate change adaptation and mitigation; (ii) to support the assessment and design of agricultural public policies and investments aimed at improving the management of key agri-environmental issues in the Southern Cone.

**Submitted by:**

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**Category:**

Client Support

**Tags:****Linked Ideas:****Whiteboard:****Team Leader Name**

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**Has the proposal been discussed and authorized by the responsible sector or country department/division, as applicable?**

Yes

**Team Leader Responsible Department**

CSD

**Are there specific countries that will directly benefit from your proposal?**

Yes

**Mark the specific countries that will be directly benefited from your proposal?**

Argentina

Brazil

Chile

Paraguay

Uruguay

**Where applicable, describe how the proposal aligns with the respective country strategy (for each country selected)**

Argentina: The TC is aligned with the strategic area of the Country Strategy: Economic recovery and productive development 4.0 and the transversal area of Environmental sustainability. The will contribute to design policy proposals that will increase the agriculture sector's productivity while reducing its environmental impact, therefore contributing to economic recovery and environmental sustainability.

Uruguay: The TC is aligned with the strategic area Sustainable productive development as well as with the crosscutting issue of Environmental perspective and climate change. The TC includes activities aimed at identifying and quantifying environmental impacts of agriculture, including GHG emissions, and at designing adequate policies for sustainable agricultural development.

Chile: The TC is aligned with the strategic objectives Enabling the economy of the future, and particularly its lines of action of Action to combat climate change and Environmental protection. The TC will contribute to identify key environmental impacts of agriculture and priority actions to tackle them, taking into consideration agriculture and environmental long-term sustainability.

Brazil: The TC is aligned with the priority (ii) of the Country Strategy: Promote international and national integration to boost productive capacity. It is also aligned with the crosscutting challenge relating to: (b) environmental sustainability and climate change. The TC will contribute to attend key environmental issues related to agriculture and that impacts on international and national integration. The TC will contribute to design policies that promote the internalization of the environmental costs of agriculture, with the view to facilitate nature-positive and low-emission agricultural production.

Paraguay: The TC is aligned with the first two strategic areas of the Country Strategy: a) Public management and institutions and b) Integration and diversification. Also, it is aligned with the crosscutting issue related to environmental sustainability. The

TC will contribute to improve the public management of environmental impacts of agriculture.

### **Does the proposal align to one or more sector frameworks?**

Yes, the proposal aligns with at least one sector framework

#### **Identify and describe how the proposal aligns to the sector framework(s)**

Alignment with Climate Change Sector Framework Document (2018):

The policy proposals and the set of indicators to be designed under the TC align with the SFD's third dimension of success ("countries apply tailored knowledge to effectively support a just transition toward a climate-resilient and low-carbon economy") by providing country-specific knowledge and readily applicable policy proposals. They also align with the SFD's fourth dimension of success ("countries make progress on mainstreaming climate considerations across sectors") by contributing sector.

Alignment with Environment and Biodiversity Sector Framework Document (2018):

The TC aligns with the SFD's dimension of success 1 ("Make progress towards sustainable ("Promote systematic mainstreaming of the environment in productive sectors..."), by contributing to make climate change and other environmental issues a central consideration in the agriculture sector. It also aligns with the SFD's dimension of success 2 ("LAC people's health and well-being, including those of children, women, indigenous people and natural capital-dependent communities, are improved by: (i) reducing exposure to pollutants; (ii) reducing vulnerability to disaster risks."), line of action 1 ("Invest in pollution management in air, water and soil and raise awareness on health-related pollution impacts"), by supporting the efforts to reduce the pollution associated to agricultural production. Finally, the TC aligns with the SFD's dimension of success 3 ("Environmental governance systems operate efficiently and effectively"), lines of action 1 ("Strengthen and improve the performance of environmental governance systems at the regional, national and subnational level, for the application of environmental regulations and standards, strategic management, and monitoring, oversight, and enforcement of the law") and 2 ("Improve policy coherence among sectoral and environmental policies to effectively address environmental considerations"), by developing a set of indicators to improve the monitoring of the agricultural sector's environmental performance and by formulating policy proposals that articulate productive and environmental objectives in agriculture.

Alignment with Agriculture Sector Framework Document (2019):

The TC is aligned with the SFD's line of action 1 ("Foster investments that assist in boosting the productivity of the Agriculture sector in line with a sustainable management of natural resources"), since the policy proposals to be developed will be geared toward increasing agricultural productivity while reducing the sector's environmental impact. For the same reason, the TC is also aligned with the SFD's second line of action ("Foster a sustainable Agriculture that reduces and offsets its impact on the environment"). The development of agri-environmental indicators will also contribute to this second line of action, by helping to ensure that the sector's environmental impact is being measured and monitored.

### **Select the regional challenges and cross-cutting issues to which the proposal aligns to**

Productivity and Innovation

Climate Change and Environmental Sustainability

Institutional Capacity and Rule of Law

#### **Justify the alignment to each selection above**

The TC will support the design of policy proposals that will increase the agriculture sector's productivity while reducing its environmental impact, with regards to biodiversity and deforestation, use of agrochemical products and fertilizers, GHG emissions and sequestration and water management. This will require innovation through the adoption of new practices and technologies in the beneficiary countries. In addition, the set of agri-environmental indicators to be expanded with the TC will help to ensure that the sector's environmental impact is being measured and monitored on a standardized way. In this sense, the TC will contribute to improve agri-environmental policies and institutional capacities in this field, therefore strengthening public management of agriculture environmental footprints.

### **What is the estimated funding that you need in order to implement this proposal?**

350000

### **Select the expected outputs of this proposal**

Institutional Strengthening Deliverables (Training products, Management Information Systems, etc.)

Reform Deliverables (Legislation/Multi-country Agreements, Governance Models, Regulatory Frameworks, diagnostics, etc.)

Policy Dialogues

#### **Are outputs strictly Knowledge Products?**

Describe the motivation and main question(s) this TC intends to answer.

Describe the methodological approach to be used and the type of data (when applicable) which will be used

Please specify the type(s) of Knowledge Product (s) this TC encompasses:

Please provide a brief description of the output(s) selected above (The number of units planned, and the estimated cost). If you selected others, please specify.

The TC will finance the following activities:

- (i) The assessment (or update, depending on the case) of environmental impacts of agriculture in Argentina, Brazil, Chile, Paraguay, and Uruguay in the fields of: (i) Biodiversity and deforestation; (ii) Use of agrochemical products and fertilizers; (iii) GHG emissions and sequestration; (iv) water management.
- (ii) The definition, update, expansion, and reporting of key agri-environmental indicators on the basis of, among others, the OECD methodology. The TC will assess the information gaps in this fields and provide technical assistance to countries to improve their agri-environmental information systems, based on specific national and subnational diagnostics.
- (iii) The development of policy proposals that would promote the internalization of the environmental costs of agriculture and tackle these environmental challenges, with the view to facilitate nature-positive and low-emission agricultural production. This effort will include the design of potential financial tools/investments to finance the environmental transition of agriculture.

<b>Product</b>	<b>Number</b>	<b>Cost (US\$)</b>
Assessments of environmental impacts of agriculture	5	120,000
Development of agri-environmental indicators information systems at country and regional levels	1	100,000
Development of policy/investment proposals	5	125,000
Policy Dialogues events	1	5,000
<b>TOTAL</b>		<b>350,000</b>

The proposed activities and outputs will provide valuable inputs to the current Bank portfolio in the beneficiary countries, and particularly to the following operations.

<b>Country</b>	<b>Type</b>	<b>Modality</b>	<b>Project Number</b>	<b>Project Name</b>	<b>Approval Year</b>
AR	LON	ESP	AR-L1335	Provincial Agricultural Services Program V - PROSAP V	2023
AR	LON	ESP	AR-L1352	Program for the Strengthening of Agricultural Health Services and the Sustainable Management of Maritime Resources in Argentina (PROSAMAMA)	2022
AR	LON	ESP	AR-L1353	Support Program for Small Wine Producers in Argentina II (PROVIAR II)	2023
BR	LON	ESP	BR-L1562	Program to Support Agricultural Development in the Northeast - AgroNordeste	2021
BR	LON	ESP	BR-L1608	Integrated Project for Water Security, Environmental Sustainability and Socio-productive Development of the Piauí and Canindé Rivers Basin, State of Piauí - Sustainable and Inclusive Piaui (PSI)	2022
BR	LON	LBR	BR-L1528/BR-L1529	Program to Modernize and Strengthen Agricultural Health and Food Safety Services (PRODEFESA)	2018
PR	LON	ESP	PR-L1148	Project to Improve and Expand Animal Health Services in Paraguay	2018
PR	LON	ESP	PR-L1162	First Individual Program of Finance the Improvement of Research, Innovation, and Transfer of Agricultural Technology in Paraguay	2019
UR	LON	ESP	UR-L1147	Rural Productive Development Program II	2018
UR	LON	ESP	UR-L1157	Environmental Management Strengthening Program for the MVOTMA	2019
UR	LON	ESP	UR-L1185	Program to Promote the Adoption of Digital Technologies in Uruguay's Agriculture Sector	2022

**Outcomes:** If the outputs are delivered successfully, what is the change expected (in capacity, knowledge, behavior, etc.)

The expected outcomes are the following:

- Improved information about agri-environmental indicators available for policy makers
- Policy proposals that promote the internalization of the environmental costs of agriculture and tackle agri-environmental challenges elaborated with key decision makers

## (0) Attachments

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0 Comments