

MINISTRY OF AGRICULTURE LIVESTOCK AND FISHERIES

*CATALYSING THE FUTURE AGRI-FOOD SYSTEMS OF TANZANIA”  
(CFAST) PROJECT*

**DISCLOSURE NOTE FOR ENVIRONMENTAL AND SOCIAL IMPACT  
ASSESSMENT POLICY FRAMEWORK (ESMF)**

EXECUTIVE SUMMARY

**Project Background**

Agriculture has been named a priority sector under several Tanzania long-term and mid-term national economic development plans and strategies including: the country’s long term development Vision 2025, series of the National Strategy for Growth and Reduction of Poverty (NSGRP – “MKUKUTA”), Tanzania’s Five Year Development Plan 2011/12 to 2015/16 (FYDP) and Tanzania Agriculture and Food Security Investment Plan (TAFSIP) in November 2011. As agriculture is among the largest sectors in the economy<sup>1</sup>, meeting the TDV – 2025, NSGRP and Millennium Development Goals (MDGs) objective of halving poverty by 2015 would have required higher agricultural growth. Tanzania has thus continuously made commitments for agricultural improvements and incentives including development of the Agricultural Sector Development Strategy (ASDS in 2001) aimed at a sustained agricultural growth target of at least 5% per annum.

In 2006, The Government of Tanzania (GOT) developed the Agriculture Sector Development Program (ASDP) as a 15-year program to operationalize the ASDS with emphasis on commercialization by the smallholder sector. GOT through the four Agriculture Sector Lead Ministries (ASLMs)<sup>2</sup> with the Ministry of Agriculture, Food Security and Cooperatives (MALF), in the lead, has been implementing the ASDP for 7 years: 2006 – 2013 receiving funds from a multi-donor “basket fund” arrangement involving the World Bank (IDA Credit) and other bilateral donors.

At the district level, ASDP – 1 has supported subprojects in six key areas that evolved from District Agricultural Development Plans (DADPs) including agricultural infrastructure, irrigation, extension facilities and market facilities, agricultural mechanization, utilization of improved crop varieties/livestock breeds. ASDP – 1 has also funded capacity building interventions conducted at

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<sup>1</sup> Accounting for about 25% of GDP, providing 85% of exports and employment for about 80% of the workforce

<sup>2</sup> Ministry of Agriculture, Livestock and Fisheries(MALF), Ministry of Industry Trade and Investments (MITI) and President Office - Regional Administration and Local Governments, Civil Services and Good Governance (PO-RALGCSGG)

both national and local levels, to improve the beneficiaries' ability to implement their activities. To-date most of the subprojects are complete and in use.

### **Brief Description of the Proposed CFAST Project**

The GOT through the Ministry of Agriculture Livestock and Fisheries (MALF) in collaboration with the World Bank is preparing a 5-years (100US\$) project – “Catalysing the Future Agri-Food Systems of Tanzania” (CFAST) to pursue the transformation of selected agri-food systems to yield higher revenues to farm households while being more resilient to climate change; and provide immediate and effective response to an Eligible Crisis or Emergency. Investment coverage under the proposed CFAST project will focus on strengthening farmer organizations to improve and diversify their production systems and linkage to value chains in irrigated agriculture in a limited number of high potential districts in the Southern Agricultural Growth Corridor of Tanzania (SAGCOT) area. The Irrigators Organizations (IOs) in selected schemes will be the drivers of the project and investments. The IOs will develop business plans for joining the value chains and marketing of the main crop (in most cases rice) as well as for diversifying the production system to higher value crops and enterprises (e.g. vegetables, fruits, and aqua-culture).

CFAST project will start initially with 20-25 or more irrigation schemes in a limited number of district clusters in the SAGCOT: namely Iringa, Mbeya, Rukwa and Katavi Regions. The list of scheme will be discussed and finalised during a stakeholders' workshop prior to project implementation.

The CFAST project will be implemented through four main components: (i) Linking Farmers to Agricultural Value Chains (ii) Developing and Managing Climate-Smart and Sustainable Irrigation Infrastructure; (iii) Institutional strengthening and project management and (iv) Monitoring & Evaluation, Knowledge Sharing, Learning and Project replication.

Subprojects approved for funding by CFAST will be planned and implemented by target smallholder farmers and their associations assisted by Professional Service Providers and Public Extension Officers and Irrigation Technicians from respective District Councils. A private sector company will be contracted to supervise the infrastructure development. The Ministerial Delivery Unit (MDU) at the Ministry of Agriculture will provide the requisite backstopping and monitoring. Infrastructure investments will be coupled with improvements of both on-farm and organizational management capability of the smallholder farmer's organizations and supervision capability of Participating Districts and Regions. Thus funding will include support for project planning and management, subproject operation and maintenance costs, and capacity building of project implementing entities.

### **Proposed CFAST Project Component Associated with Environmental and Social Effects**

The proposed CFAST project will focus on implementing activities on a value chain improvements approach. Project component 1 (iii): Community investment; and component 2: Developing and Managing Climate-Smart and Sustainable Irrigation Infrastructure are the most likely to involve environmental and social footprint. In this regard a menu of possible irrigation technologies that may be pursued in each scheme may include options such as: System of Rice Intensification; drip irrigation; sprinkler systems; solar pumps; sensor based water application; water use measurement approaches; rainwater catchment and water harvesting; drainage systems; and leakage reduction.

Irrigation infrastructure will entail rehabilitation and completion of existing infrastructures or upgrading of existing traditional infrastructures at 20-25 or more schemes using all feasible water sources (tanks, dams, piping, etc.). Activities shall constitute improvement of irrigation construction with fully lined drainage systems to prevent seepage; building return canals to allow water to return to the source to be reused; upgrading of intakes; levelling irrigated plots, among others. Beside this water saving rehabilitation, the IOs' business development plan may pursue infrastructure for utilizing alternative water sources (e.g. rainwater harvesting and storage).

The IOs' business development plan may also pursue infrastructure for marketing the commodities involving for example rehabilitation and upgrading of existing collective warehouses or construction of new ones (for collective storage, processing, packing and selling of produce for better farm gate prices); rehabilitation and upgrading of selected rural feeder roads (connecting schemes to input and outputs markets) and electrification of rice schemes to support processing etc. This activity will not include setting up of processing plants.

### **Objectives of the ESMF**

Environmental and Social Management Framework (ESMF) has been prepared to serve a guidance framework for all target irrigation schemes.

The ESMF is intended to suit the requirement of CFAST project. The ESMF establishes a process of environmental and social screening which smallholder farmers and their associations in charge of the implementation of the sub-projects (assisted by Professional Service Providers and District and Regional Extension Workers) will follow to identify, assess, mitigate and monitor the environmental and social impacts of the proposed investments and to prepare required safeguards instruments. The ESMF also determines the institutional measures to be taken during the project implementation, including capacity building activities.

CFAST project is assigned Environmental Risk Assessment Category B and triggers the following World Bank Safeguard Policies that subsequently will apply to the sub-project activities funded under the CFAST project:

- a) Environmental Assessment (OP/BP 4.01);

- b) Natural Habitats (OP/BP 4.04);
- c) Involuntary Resettlement (OP/BP 4.12); and
- d) Safety of Dams (OP/BP 4.37).

This ESMF presents definitive, conclusive and clear procedures consistent with triggered World Bank's safeguard policies. It is also consistent with the laws of Tanzania, specifically the laws and supporting regulations for administering permits and licenses such as permits for using land, natural resources in general and protected areas, for undertaking physical works, withdrawing water, extraction of construction minerals, discharging wastes and management of emissions and effluents, as well as protection of workers and the public etc., all operating within the framework of the Constitution of the United Republic of Tanzania Cap 2 (1977 as amended), the National Environmental Policy (NEP of 1997) and the Environmental Management Act (EMA, Cap 191 of 2004).

For a number of reasons<sup>3</sup> the mandatory procedure of Environmental and Social Impact Assessments (ESIAs) and Resettlement Action Plans (RAPs) for most of the subprojects funded by the first phase of ASDP were not adequately done nor submitted to the National Environment Management Council (NEMC) for approval. Similarly, Integrated Pest Management Plans (IPMPs) were not done for all sub-projects to guide farmers on the appropriate use of agrochemicals. The environmental and social assessment and management process specific for CFAST promulgated in this ESMF responds to these shortcomings. Funding beneficiaries are required to adhere to the World Bank Safeguard Policies, and to requirements specified in the Tanzania EIA and Audit Regulations, 2005. Before a subproject under the CFAST is appraised and cleared for funding, relevant safeguards instruments, such as an Environmental and Social Impact Assessment (ESIA) containing an Environmental Management Plan (ESMP), or just an ESMP, and if the project requires it, a Resettlement Action Plan (RAP), will be prepared, reviewed and approved by relevant authorities and locally disclosed and will also be forwarded to the Bank for disclosure at the Bank's InfoShop.

### **Environmental and Social Impacts**

CFAST component of infrastructure development is the most likely source of a number of activities that may cause adverse effects to the receiving media and valued natural and human receptors. The magnitude, extent and duration of the impacts will be determined once the types

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<sup>3</sup> In the ASDP Implementation Completion Report (MALF, July 2014) and Environmental and Social Audit of Selected ASDP Sub-projects (MALF, December, 2014), District officers were assessed to have limited technical capacity to address the issues of environmental and social safeguards requirements. Lack of or little budgetary resources to support the staff in their work is cited as the main cause of lack of or low knowledge and experience relevant to carry out environmental analyses and designing mitigation measures for ASDP subprojects

and locations of the various infrastructures are known. These environmental and social impacts include:

- a) Potential positive impacts
- b) Potential adverse impacts
- c) Potential risks to project
- d) Cumulative risks / impacts

<b>POTENTIAL POSITIVE ENVIRONMENTAL AND SOCIAL IMPACTS</b>	<b>POTENTIAL ADVERSE ENVIRONMENTAL IMPACTS</b>
<ul style="list-style-type: none"> <li>• Stimulating increase in agricultural productivity and market linkages</li> <li>• Improved water utilization and management</li> <li>• Reduction in expenditure on infrastructure investment and contribution to local government revenue</li> <li>• Increased opportunities for generation of income at all levels: employment, business opportunities for local suppliers and service providers etc.</li> <li>• Stimulation of various economic, commercial and social activities and boost to local and national economy</li> <li>• Improvement of services such as road services, rural electrification and associated benefits that accrue from improved access and power supply etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Direct encroachment and / or conversion of natural habitats</li> <li>• Disturbance / distortion of natural drainage systems and water flow</li> <li>• Land disturbance and soil erosion</li> <li>• Depletion of local natural resources and degradation at extraction sites (water, construction materials etc.)</li> <li>• Air pollution by emissions from construction activities</li> <li>• Point pollution of soil and water resources by discharged of agro chemicals and wastes</li> <li>• Increased soil salinity</li> </ul>
<b>POTENTIAL ADVERSE SOCIAL IMPACTS</b>	<b>CUMULATIVE ENVIRONMENTAL AND SOCIAL IMPACTS</b>
<ul style="list-style-type: none"> <li>• Change or modification of existing land uses and consequent land use conflicts</li> <li>• Physical and/or economic displacement of people due to land acquisition</li> <li>• Infrastructure development health and safety hazards</li> <li>• Agricultural occupation health and safety hazards</li> <li>• Induced settlements and increased illegal developments</li> <li>• Conflict over use of water resources among and between upstream and downstream water users</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• General water stress due to increased demand for agricultural uses and for other purposes</li> <li>• Land degradation</li> <li>• Degradation of wetlands and water areas from poor agricultural and other landuse practices</li> <li>• Non- point pollution of land or and water bodies from wastes and agro-chemicals discharged from various sources</li> <li>• Ecological imbalance</li> <li>• Improved community livelihoods and alleviation of acute poverty due to raising agricultural incomes</li> </ul>
<b>POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS</b>	<b>POTENTIAL INSTITUTIONAL RISKS TO PROJECT</b>
<ul style="list-style-type: none"> <li>• External natural disasters e.g. extremes of climatic conditions (climate change), seismic activities</li> <li>• Catchment anthropogenic activities.</li> <li>• Increasing gender gap and exclusion of vulnerable groups</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Inability of national, regional and local government and PSPs to successfully execute project management, environmental and social responsibilities</li> <li>• Absence of a large influx of financial resources and capacity building for the support of CFAST including funds for compensation of PAPs.</li> </ul>

### **Environmental and Social Impacts Screening Process**

The ESMF outlines an environmental and social screening process which will enable the IOs with support of consulting service providers and public extension staff to identify potential environmental and social impacts of construction and operation of the infrastructure and support structures and to address them by incorporating the relevant mitigation measures into the designs of the subprojects before they are implemented.

The environmental and social assessment and management in this ESMF requires the Sub-project Implementers (Irrigators Associations) assisted by the Professional Service Providers (PSP) at each participating scheme after training (and with assistance from LGA Environmental Management Officers and MDU at MALF) to screen the subprojects at the preparation stage using environmental and social checklist contained in the ESMF Annex 5 to identify and mitigate potential adverse effects/impacts. The subsequent environmental and social assessment work will be carried out by Certified Environmental Impacts Assessors (registered public or private individuals or firms) based on the screening results and related recommendations from the National Environment Management Council (NEMC).

### **Environmental and Social Impacts Mitigation and Management Plan**

The ESMF includes a summary of the Environmental Management Plan (ESMP) in order to facilitate the implementation of the CFAST project specifically the infrastructure development component. The ESMP clearly indicates the institutional responsibilities with regard to implementing mitigation measures, monitoring of the implementation of these mitigation measures and related cost estimates and time horizons.

The ESMF assesses the capacity of the implementation participants at different levels to implement the proposed screening process and mitigation measures. Entities at LGAs involved in ASDP 1 implementation have previous experience (albeit still in nascent stage) with management of environmental and social issues related to construction/ civil works. The MALF has the capacity and experience to do backstopping to the LGAs. However the IOs and PSPs' may not have the capacity to both support and supervise construction work of the proposed infrastructure and to implement the required environmental and social screening process described above. Prevalent weaknesses at all levels relate to the integration of the mitigation measures into the design before project commences and monitoring of the same. The ESMF makes recommendations as appropriate, including training needs and cost estimates. It recommends building capacity at all levels through the provision of training to staff and decision makers who will be designated the role of planning, reviewing and implementing, and monitoring the construction of the different infrastructure and their auxiliary structures. The role of the NEMC in the context of CFAST project has been clarified to be one of providing technical assistance, approval of project as relevant and as facilitator for the training program.

Costs related to ESMF implementation include: institutional development activities, training program, technical assistance, allowances for the review and approval of subproject management plans and annual reviews. The estimated ESMF implementation budget over 5 years is \$ 2,610, 000. In parallel to this ESMF, a Resettlement Policy Framework (RPF) has been prepared. This document outlines the principles and procedures to be followed in the event that the construction of completely new infrastructure or the modification of existing / traditional infrastructure necessitates land acquisition leading to involuntary taking of land and other assets and/or the loss of livelihoods, and therefore will be used in conjunction with the ESMF as required

This document is a product of a broad range of stakeholders that were consulted. Specifically the Irrigators Associations at the 2 irrigation schemes Sakalilo and Kakese-Mwamkulu and local leaders in the project area.

The Ministry of Agriculture Livestock and Fisheries and the World Bank is now disclosing the ESMF in-country and also at the Infoshop of the World Bank to the Public.



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