

**PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE**

Report No:58367

Project Name	4th Northwest Mountainous & Forested Areas Development Project (PNO4)
Region	MIDDLE EAST AND NORTH AFRICA
Sector	Roads and highways (30%); General agriculture, fishing and forestry sector (25%); Agricultural extension and research (20%); Crops (15%); Irrigation and drainage (10%)
Project ID	P119140
Borrower(s)	REPUBLIC OF TUNISIA
Implementing Agency	ODESYPANO (Northwest Sylvo-pastoral Development Office under the MARHP) Béja, Tunisia Tel: (216-78) 451-198 Fax: (216-78) 454-718 Dgle.odesypano@email.ati.tn
Environment Category	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> TBD (to be determined)
Date PID Prepared	November 2, 2010
Date of Appraisal Authorization	July 12, 2010
Date of Board Approval	December 21, 2010

1. Country and Sector Background

1. **Tunisia has made solid progress in poverty reduction, but challenges remain for rural poverty.** Tunisia has sustained an average 5% growth rate over the past 20 years which compares favorably to other emerging countries' growth performance. The agricultural sector remains an important sector of the economy, contributing around 10% of GDP, while employing 16% of the total labor force and 27% of the rural labor force. Cereals and olives dominate agricultural production. Livestock production, mostly by small farmers, also contributes an important share. However, the agricultural sector is still growing below its potential for pro-poor development and to a great extent, poverty remains a rural phenomenon. Sector growth has remained consistently lower than overall annual economic growth, averaging around 2.8%.

2. **Socio-economic development in the Northwest has not kept pace with that of other regions.** The mountainous and forested areas of the Northwest cover some 1.2 million ha or around 60% of the Northwest region, composed of five governorates or sub-regions, each with its own public administration: Béja, Le Kef, Jendouba, Siliana, and a portion of the Bizerte governorate. Infrastructure and public support services for agriculture and other activities remain insufficient, as these are both costly to implement and difficult to maintain. The gaps in size and efficiency of commercialization opportunities, linked to both infrastructure constraints and a lack of commercial actor organization, also represents a bottleneck that impedes regional production growth. Furthermore, agricultural lands are particularly heavily fragmented in the region, with nearly 75% of parcels under 10 ha and 50% under 5 ha, with the added constraint of

naturally poor soils. Moreover, there is still room for increased community responsibility and involvement in local development processes. Despite the progress accomplished under various development programs over the last twenty years (see paragraph 5 below), a large part of the Northwest population is still trapped in a vicious circle of low agricultural productivity and lack of revenue opportunities, consequent overexploitation of natural resources, and resulting poverty with limited opportunities for improving living conditions without a sustained development effort and large-scale public investment.

3. **Sustainable natural resource management in the Northwest represents a crucial component of poverty reduction.** The Northwest region governorates are rich in natural resources, home to 75% of the national water supply originating in its watersheds and more than half of the country's forested areas (535,000 ha). High population and livestock pressures on the land, coupled with inadequate land management, non-adapted agricultural practices, naturally poor soils often located on steep slopes, and heavy winter precipitation, all combine to increasingly induce resource degradation. Farmers are forced to overexploit arable lands and move to marginal ones. Encroachment by crops and fires cause sizeable losses to forests and grazing areas, further exacerbating soil erosion and degradation in the absence of vegetative cover. It is estimated that 60% of land in the region is currently eroded, subsequently contributing to siltation of water reservoirs and to decreases in dam storage capacity. Climate change has also emerged as a major challenge for the agricultural sector, with already visible impacts, namely increased incidence of flash floods and wild fires, which are set to exacerbate already existing natural resource management issues.

4. A more rational and adapted use of land, and improved crop intensification through closer technical training, would enable significant improvements in cereal, fodder, and orchard production, thus reducing the pressure on farmers to overexploit their land or exploit marginal ones. Coupled with soil and water conservation works, increased vegetation cover, and pastoral and sylvo-pastoral improvements, such activities would also contribute to reducing erosion and siltation of reservoirs. Additionally, improvements in livestock races and better livestock integration would lead to considerably higher milk and meat production, thus generating added opportunities for revenue and consumption. Off-farm income-generating activities, especially with regard to non-ligneous forest resources (including essential oils, honey, pine nuts, snails, hunting, etc.) represent important alternative revenue opportunities for the most vulnerable groups (namely landless families). Coupled with the participatory development of forest management plans, these activities can both contribute to reducing the pressure on forest resources and facilitating community access and preservation of these resources.

5. **The Government is fully committed to the challenges of poverty reduction and sustainable natural resource management.** Around 60% of Tunisia's budget is already allocated to public investments in infrastructure (including roads, transport, and communications) and human capital (including housing programs). Furthermore, the Government has maintained a high level of public expenditure for environmental protection and natural resource management over the last decade, amounting to over 1% of GDP. The proposed project was prepared under the 11th National Economic and Social Development Plan (2007-2011). The 11th Plan comprises five main axes, of which one aims to transform the agricultural system in the context of sector policies that respond to the need for an economic structure transformation through a greater diversification in the productive base and an increase in the contribution of high value-added and skill-intensive activities.

Under the plan, specific actions included the rationalization natural resource use and the promotion of the agricultural sector. The proposed project remains in line with the Government directives outlined in the recently approved overlapping Economic and Social Development Plan (2010-2014).

6. In terms of sustainable natural resource management, the Government is implementing two major nationwide programs relating to soil and water conservation as well as integrated water management and conservation, both co-financed by the Bank. Concerning climate change, the Ministry of Agriculture, Hydraulic Resources and Fisheries/*Ministère de l'Agriculture, des Ressources Hydrauliques et de la Pêche (MARHP)*, in collaboration with the German Technical Assistance/*Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)*, has completed a strategy and action plan for climate change adaptation for the agricultural sector, which will be integrated into a forthcoming national climate change strategy and adaptation project portfolio.

7. **In the Northwest in particular, a number of important public investments have been implemented.** In addition to co-financing three previous local development projects in the Northwest¹ with the Bank, the Government is also financing the annual budgets of the five Regional Commissariats for Agricultural Development/*Commissariats Régionaux au Développement Agricole (CRDA)* in the region. A variety of other public initiatives are also underway, primarily aimed at facilitating microcredit and creating job opportunities for vulnerable groups, namely women, young graduates, and landless. Other initiatives related to specific sub-regions within the Northwest have also been launched, including the Integrated Development Program initiated by the President in 2009, aiming to create a dynamic local economy, including through employment, and to thus improve the development indicators for 90 priority sub-regional districts or delegations² (including two in Béja, three in Jendouba, and one in Le Kef).

¹ These three past operations are: (a) the Northwest Rural Development Project, IBRD Loan No. 1997-TUN (from 1982-89); (b) the Northwest Mountainous Areas Development Project, IBRD Loan No. 3691-TUN (from 1994-2001); and (c) the recently completed Northwest Mountainous and Forestry Areas Development Project, IBRD Loan No. 71510-TUN (from 2003-2009).

² The administrative subdivisions of the country include from largest to smallest: governorate (regional), delegation (sub-regional), and administrative sector (*imada*).

Box 1. Governance and Administrative Structures in Tunisia

Territorial/ administrative subdivision	Function	
	Executive ^a	Legislative and/or Consultative ^b
1. Governorate/ <i>Gouvernorat</i>	Governor/ <i>Gouverneur</i>	Regional Council/ <i>Conseil Régional (CR)</i>
2. Delegation/ <i>Délégation</i>	Delegate/ <i>Délégué</i>	Local Development Council / <i>Conseil Local de Développement (CLD)</i>
3. Administrative Sector/ <i>Secteur Administratif (imadas)</i>	<i>Onda</i>	--
4. Village, Community/ <i>Douars</i> ^c	--	--

(a) : appointed officials

(b) : includes both elected and appointed officials

(c): not formal subdivisions

Program implementation focuses firstly on rural infrastructure and the promotion of productive activities, with responsibility given to the Local Development Councils/ *Conseils Locaux de Développement (CLDs)* and regional councils of the governorates encompassing these delegations. More generally, the Government strategy in the Northwest region aims to improve the socio-economic conditions of communities, specifically reducing the gap between urban and rural areas, while promoting a better protection and management of natural resources. The Northwest Sylvo-pastoral Development Agency/*Office du Développement Sylvo-Pastoral du Nord Ouest* (Odesypano) represents the main institution with the capacity to implement this strategy in the mountainous and forested areas of the Northwest region. Its mode of intervention within the communities in these areas is the Integrated Participatory Approach (IPA), which has been consolidated and improved over the years (see below).

Box 2. The Integrated Participatory Approach

The community-based Integrated Participatory Approach (IPA) for local development fostered by the Odesypano in the Northwest of Tunisia implies essentially the participatory preparation of Community Development Plans /*Plan de Développement Communautaire (PDCs)* and their implementation through Annual Program Contracts/*Contrat Programme Annuel (CPAs)* in close consultation and in partnership with the local communities, regional and local authorities, and other actors in local and regional development. IPA produces more relevant and sustainable results compare to a traditional thematic approach, and the direct involvement of populations enables a better formulation and prioritization of development activities and ensures greater durability. Furthermore, IPA helps public authorities to evolve from an often conflicting relationship with communities to a more productive partnership based on mutual trust. This approach also supports communities in evolving from a more passive role to an active participation in their own local development.

Under the PNO3, the socio-territorial basis used for PDCs was the village (*douar*) or a cluster of villages. The first generation of plans consisted predominantly of “hard” investments (mainly physical ones) with a complement of “soft” components (essentially capacity building for grassroots organizations). Second generation PDCs under the PNO4 or *plans de consolidation* are expected to focus more on soft components, since most of the needs in “hard” investments would have already been met previously. The PNO3 also achieved institution building, improvements to the capacity of grassroots organizations, and the consolidation of partnership mechanisms between different operators in local and regional development and their adoption of IPA practices, as a part of the preparation and implementation of PDCs. As a result, the Odesypano’s development partners as well as the communities in project areas are now familiar with preparing and implementing integrated PDCs on a participatory basis (for more information on previous project achievements

see Annex 1).

PDCs are integrated and cover a wide range of diversified investments on different aspects of local development. In terms of financing, the PNO4 supports the preparation of PDCs and CPAs in consultation with communities, local and regional authorities, as well as other partners. Activities prioritized in the PDCs are funded, as appropriate, directly by relevant sector ministries, governorates and delegations, or main partner agencies from their own budget (for instance roads by the Ministry for Equipment, schools by the Education Ministry, etc.). The PNO4, for its part, will only finance relevant activities of the PDCs/CPAs in the areas of agricultural and pastoral production, related income-generating activities, consolidation, protection and sustainable management of natural resources, and improvement of basic rural infrastructure (primarily rural roads and water supply). Furthermore, community counterpart contributions are required for PNO4-supported sub-projects.

2. Objectives

11. The **Project Development Objectives** (PDOs) are to improve the socio-economic conditions of the rural population and promote better protection and management of natural resources in the project area³ using an integrated participatory approach to community-based development.

8. The Project's **key performance indicators** for monitoring and evaluation are:

- (i) Percentage improvement in a composite index of socio-economic indicators at the administrative sector (*imada*) level (employment, housing conditions and household durable goods, access to potable water, access to roads, access to basic services (health, education and electricity);
- (ii) Number of sectors involved in the project that have their populations organized into Agricultural and Fisheries Development Associations/*Groupements de Développement Agricole et de la Pêche (GDAPs)* or informal development committees⁴ and have prepared their PDC, which is being implemented in collaboration with partners;
- (iii) Increase of land under soil/water conservation management and of land covered by perennial plantations and improved pasture in project areas.

9. **Scope of intervention.** The project will focus on rural communities located in 113 administrative sectors or *imadas* (88 previously covered under PNO3 and about 25 new ones, representing an approximate 30% increase in the area covered) in the five governorates of Béja, Bizerte, Jendouba, Le Kef, and Siliana, covering the mountainous and forested areas of the Northwest. This will increase the area and population of the mountainous and forested areas of the Northwest serviced by the Odesypano to 49% and 51%, respectively (up from 37% and 43%, respectively, under PNO3).

10. **Project implementation period.** The project implementation period is six years (2011-2015) for two main reasons. First, this will coincide with the preparation and implementation of the recently approved overlapping Economic and Social Development Plan (2010-2014).

³ "Project area" means selected administrative sectors within the governorates of Béja, Bizerte, Kef, Jendouba and Siliana.

⁴ "Informal development committees" are committees that have not yet become GDAPs, but which prepare and implement a PDC. There are no issues with measurement involved.

Consequently, the overlap of the project and National Development Plan implementation periods will greatly facilitate the participation of the Odesypano's governmental partners in the financing and carrying out of the various development activities within the context of PDCs, since it is on the basis of the national plans that the budgets and work programs of the governmental organizations are set. Second, because the PDCs are always prepared over a five-year period, a project implementation period of six years will allow for the adequate completion of new PDCs and also take into account the agricultural cycle and schedule.

11. **Estimated number of beneficiaries.** The direct beneficiaries of the PNO4 will primarily include: (i) at the local level, all of the households in the rural communities in project areas (around 67,000 households, representing a population of about 318,000 inhabitants, mainly poor and small farmers with some livestock, and including marginalized groups such as jobless youth, women, and landless farmers), and (ii) at the sub-regional (*délégation*) and regional (*gouvernorat*) levels, institutions and organizations such as the Odesypano and its main partners involved in the project. These include the regional and sub-regional public administrations in the five targeted governorates, including their regional and local councils, as well as various governmental and non-governmental organizations.

3. Rationale for Bank Involvement

13. **The Bank has been working with Tunisia in rural development and natural resource management through a number of projects** with demonstrated positive impacts and results. The Bank co-financed three previous operations in the Northwest, and the Government has requested Bank involvement in the proposed PNO4 to start in 2011. The significant achievements and outcomes of the recently satisfactorily completed PNO3 project are indeed well documented and significantly contributed to: (i) an increase in average rural household income (from TD 2,050/USD 1,460 in 2003 to TD 3,784/USD 2,700 in 2009 in constant terms), (ii) lower unemployment rates (16% in 2009 down from 19% in 2003); (iii) better access to basic infrastructure, with access to roads increasing from 56% to 81% and access to potable water increasing from 69% to 81% over the same period; (iv) increases in vegetation and tree cover from 32% to 38%; (v) increases in the percentage of areas treated with soil and water conservation investments from 0.3% to 13%, covering 20,700 ha of fragile lands; and (vi) significant progress in terms of improvements through increased yields, diversification of agricultural production systems, and land use rationalization. However, the integrated rural development approach promoted by the Government and the Bank in the Northwest still requires sustained investments and support to consolidate, deepen, and expand these positive results to other parts of the region. The communities already covered by the PNO3 still need additional investments for further improvements to their socio-economic conditions, as well as additional institutional strengthening for more self-reliance.

14. **The Bank is very well positioned to continue supporting integrated rural development and sustainable natural resource management in Tunisia**, particularly in the Northwest. As mentioned above, the PNO3 and previous operations in the Northwest have achieved significant results, and have provided the Bank with over 30 years of experience in development in the Northwest region of Tunisia. The Bank is also co-financing other large-scale projects in Tunisia and is one of the few multilateral agencies with sufficient financial and technical capabilities to efficiently support both preparation and implementation of such initiatives. Specifically, the Bank co-financed the first phases of the National Water Sector

Project/*Projet d'Investissement dans le Secteur de l'Eau (PISEAU)* and Natural Resources Management Project/*Projet de Gestion des Ressources Naturelles (PGRN)* and is now co-financing the ongoing PISEAU2 and upcoming PGRN2. Through these experiences, the Bank has acquired wide cumulative experience in working with Tunisian governmental and non-governmental organizations and institutions. The Bank is therefore well placed to help bring about the close collaboration between ministries, local actors, and Non-Governmental Organizations (NGOs), critical to the success of integrated and community-based rural development projects. Additionally, the Bank can bring real value added, given its global, regional and Tunisia-specific expertise in related areas, namely environment and climate change. Relevant ongoing projects include the Addressing Climate Change Impacts in the Oak Forest Ecosystem Project, the Gulf of Gabès Marine and Coastal Resource Protection Project, as well as the upcoming Ecotourism and Conservation of Desert Biodiversity Project. The Bank is also instrumental in contributing to the knowledge agenda on natural resource management and climate change issues, namely through the upcoming regional flagship report on climate change for the MENA region and a country-specific climate change study for Tunisia, among other MENA client countries.

15. **Alignment with the Country Partnership Strategy (CPS).** Promoting integrated rural development as an instrument for reducing rural poverty and improving the living standards of rural communities is an important area of continued dialogue between Tunisia and the Bank. The recently approved CPS for the 2010-13 period identifies as two of its three pillars: (i) growth, competitiveness and employment, and (ii) sustainable development and climate change. A relevant outcome is identified as “Agriculture Sector Performance Improves” which is underscored by the need for an “increase in the average agricultural income of a rural household in the Northwest region” and by improvements in agricultural production systems and diversification of crops. Furthermore, the CPS also recognizes the relationship between the two pillars and another outcome: “Progress in Managing the Impact of Climate Change.” The CPS states that, through the PNO4, “the focus of the Bank’s work will be to help farmers improve agricultural productivity and natural resource management through soil/water conservation, small-scale irrigation, agroforestry and pasture improvements. The goal is to ease the vulnerability of some of the poorest communities in Tunisia and develop better capacities to manage the impact of climate change.” One focus of the PNO4 will thus be to build awareness of climate change impacts for farmers and include climate-appropriate resilience improvement measures into PDCs.

16. Moreover, the PNO4 is explicitly listed in the CPS in order to “continue supporting interventions that improve the income and socio-economic conditions of some of Tunisia’s poorest people who live in the rural areas of the country’s Northwest”. The CPS also indicates that, through the project, “the Bank will support Tunisia’s efforts to improve land management practices, with emphasis on creating sustainable production systems in rural areas”. As demonstrated above, the proposed project is well aligned with Government priorities for the agricultural sector, natural resource management and poverty reduction at both the national level and for the Northwest in particular. Finally, the Government, through the MARHP, is actively promoting enhancement and institutionalization of IPA as well as community development partnerships in all rural development programs and projects. Drawing from the extensive experience of the Odesypano in promoting and implementing bottom-up development using community-based IPA, the Government will be able, through the PNO4, to continue providing

targeted financial, technical, and capacity building assistance to some of the poorest and most remote communities of the Tunisian Northwest.

4. Description

17. **Project design and innovations.** Although the project design, components, approach and activities will be largely similar to those carried out in the recently completed Northwest Mountainous and Forestry Areas Development Project (PNO3), a number of innovations aimed at enhancing and institutionalizing Integrated Participatory Approach (IPA) practices, and at increasing the sustainability and development impact will be introduced. To this effect, the proposed PNO4 would: (i) support continuous improvements, expansion and mainstreaming of the use of IPA introduced during the implementation of previous projects to increase further ownership among beneficiaries and hence the sustainability of the investments, (ii) generalize the adoption of the *imada* as the geographic unit base for the preparation and implementation of the PDCs; (iii) support the implementation of the pluri-ministerial framework agreement (Ministry of Development and International Cooperation/*Ministère du Développement et de la Coopération Internationale (MDCI)*, Ministry of the Interior and Local Development/*Ministère de l'Intérieure et du Développement Local (MIDL)*, and Ministry of Agriculture, Hydraulic Resources and Fisheries/*Ministère de l'Agriculture, des Ressources Hydrauliques et de la Pêche (MARHP)*) currently under preparation to formalize the use of the IPA and the required partnerships within consultation frameworks between the Odesypano and other parties involved at the regional and local levels; and (iv) pilot an *experimental intensive partnership* targeting the local administration of six selected delegations with the aim of ensuring adequate integration of their PDCs into the elaboration the Delegation-based Economic and Social Development Plans/*Plans de Développement Economique et Social (PDES)*. The PDES provide the basis for the Delegations' contribution to the general 5-year National Development Planning process, and as such they represent a critical nexus to articulate the bottom-up PDC to the top-down national and regional development planning.

18. The project has been prepared on the basis of a solid proposal and technical report completed by the Odesypano following extensive consultations with key stakeholders, thus representing the consensus of the main actors involved at the central, regional, local, and community levels. The project design thus emphasizes local community participation and coordination with local authorities and other partners. The Odesypano completed a comprehensive Preparatory Report in March 2010, capitalizing on the experiences and knowledge accumulated over the years from previous operations, which included the identification of project objectives, project areas, beneficiaries, components, methodology, implementation frameworks, institutional arrangements, estimated costs, as well as a financial and economic analysis. The current PAD is directly aligned with this Report. Because the final selection of all project investments, except for the technical assistance to the Odesypano and its partners (see below in Component 1 description), will depend on local community demands within the context of PDCs preparation, the scope of the indicative investments and activities presented below could vary during project implementation. Furthermore, it will be important during the preparation of PDCs to ensure that all production-oriented investments, mainly the provision of agricultural advisory services, support to income-generating activities, and the construction of new rural roads, are formulated while taking into account the availability of existing and/or potential markets. This will result in higher financial and economic returns and

consequently will help secure the sustainability of the project investments for after the implementation period.

19. ***Component 1: Institutional support and technical assistance for PDC preparation and implementation in the project area (total cost USD 4.96 million or 8.7% of total project cost).***

The overall objective of this component is to strengthen the institutional and organizational capacities of all the main development partners involved in the implementation of the project, as well as to improve their methodological tools and operational practices. Partners include namely the community grass-root organizations, the project implementing agency (Odesypano) and its partners (governmental and non-governmental organizations). More specifically, the component will support capacity building and technical assistance aimed at these entities and for the purpose of enhancing their participation and improving effectiveness in the planning, preparation, implementation and Monitoring and Evaluation (M&E) of PDCs and Annual Program Contracts /*Contrats Programmes Anuels (CPAs)*, as well as fostering the mainstreaming of IPA in local development processes. This component will finance three sub-components:

- (i) **Support to grassroots organizations (Local Grassroots Organizations/Organisations Locales de Base [OLB]):** OLBs are crucial because they serve as interface with the public administrations and are critical to the durability of the project achievements as well as to community empowerment. Strengthening will consist essentially of a customized combination of practical training (including roundtables and visits to exchange experiences), accompaniment, technical assistance, and logistical support in the form of equipment/materials;
- (ii) **Support to selected partners:** The Odesypano will be operating in close collaboration with other development promoters, including governmental (regional/local authorities) and non-governmental organisations in the Northwest (see Section III B below for a more detailed description of these partners). These development partners are necessary for complementing the Odesypano's realizations and amplifying its impacts, and, in the case of the public administrations, for ensuring the sustainability of the community development results generated. Strengthening the partners will comprise information/awareness seminars, methodological training (in project formulation, IPA, participatory planning, and M&E, etc.) as well as learning trips and visits. In order to promote further partnership mechanisms, the project will also provide a limited number of able administrations with computerized database systems for M&E and intensive methodological training;
- (iii) **Support to the Odesypano:** In addition to consolidating the institutional improvements already achieved during the PNO3, a particular focus will be placed on expanding and deepening successful partnership mechanisms already in place. Support will include: (i) various consultant services, such as a sociologist to complement multidisciplinary teams involved in PDC preparation, communication expertise to develop and implement an operational communication strategy, and specialists to assist in the development of a mid-to long-term strategy to further the institutionalization of the IPA including the preparation of a possible future post-PNO4 operation, (ii) specialized training and capacity building (in technical, administrative, fiduciary and other fields such as community development, IPA, M&E, and environmental and social safeguards), and (iii)

the purchase of additional equipment/materials (including vehicles in support of interventions in new areas).

20. **Component 2: Support for agricultural and pastoral production and income-generating activities in the project area (USD 4.71 million or 8.3% of total project cost).** The overall objective of this component is to promote more diversified and better-performing agricultural and pastoral production systems (mainly crops and livestock activities with higher yields and more value added) as well as to assist vulnerable groups (primarily women, young people, and landless) in promoting profitable and sustainable income-generating activities/*activités génératrices de revenu (AGRs)*. More specifically, this Component will aim at improving and diversifying various on- and off-farm AGRs through improvements in production techniques and practices, and access to markets while rationalizing natural resources as much as possible. All activities indicated hereunder are meant to be part of the PDCs that will be prepared and executed using a participatory, integrated, and partnership-based approach associating the communities with diverse actors in development and natural resources management. The details of their formulation will therefore depend on the needs and expectations of the populations involved. The four sub-components are:

- (i) **Agricultural advisory services to producers** consisting of the provision of technical counselling to farmers including the dissemination of climate resilient practices, coupled with the preparation of improved technical reference manuals (*référentiels*) and the execution of applied research and field demonstration programs. In line with the MARHP's present strategy, particular attention will be paid to the promotion of organic products, derived from more environmentally sound practices, and for which there are fast growing markets in Europe;
- (ii) **Support for livestock development** mainly in genetic improvements and animal health. Planned activities would include: (i) acquisition of genitors (bulls, rams and goats), (ii) provision of implants for breeding period synchronization and monitoring, (iii) conservation activities for endemic breeds, (iv) animal health development (including parasite management, provision of veterinary products for pregnancy cycles and infertility control, training for private advisers), and (v) beekeeping development (specialized training and financing for packaging, labeling and certification);
- (iii) **Rehabilitation or construction of small-scale irrigation schemes** which would include also other water supply structures (streams and wells) to further improve household incomes. The scope of the work will depend on the needs expressed during PDC preparation; but indicatively, the equivalent of around 150 ha of small-scale irrigation schemes, as well as the rehabilitation and construction of nearly 100 spring water catchments and the construction of two wells are estimated under the project. These schemes are very much in demand but should in no way substitute for simpler and less costly water collection catchments whenever possible (see also water conservation works in Component 3 below);
- (iv) **Promotion of income-generating activities (AGRs)** consisting of two types: (i) micro-projects of small-scale farmers and farmers belonging to vulnerable categories (such as young farmers, women, landless people). These micro-projects, for which the investment is around US\$ 5,000⁵, include initiatives such as sheep or goat fattening, beekeeping,

⁵ The median loan amount provided per rural investment is about US\$1,000. These funds originate from the BTS.

small ruminants and handicrafts, and (ii) small rural enterprises such as agricultural produce processing and marketing and non-wood forest products led by groups of small-scale farmers. The Odesypano will support the implementation of about 1,000 micro-projects by providing training and technical assistance to the beneficiaries, this enabling them to obtain credit from the Tunisian Bank for Solidarity/*Banque Tunisienne de Solidarité (BTS)*, through Local Development Associations/*Associations de Développement Local (ADLs)*⁶. The Odesypano also plans to assist at least 10 small-scale rural enterprises for the purpose of demonstrating the viability of linking groups of micro-entrepreneurs/farmers to new and promising markets and to test the organizational form⁷ those linkages could possibly take. In particular, the Odesypano will assist the above enterprises with the identification of market opportunities and commercial partners. It will also carry out feasibility studies for the business plans of those enterprises (including environmental screening) and support those enterprises during the implementation of their venture with training and technical assistance in partnership with other actors (Business Centers/*Centres d'Affaires*, the Northwest Development Office/*Office du Développement du Nord Ouest*, the Agency for Employment and Independent Work/*Agence de l'Emploi et du Travail Indépendant*). Where the small farmer groups do not have access to credit from the BTS⁸, the Odesypano will provide funds to these enterprises through the GDAPs. This funding mechanism is described in more detail in Annex 4.

21. ***Component 3: Consolidation, protection and management of natural resources in the project area (USD 26.32 million or 46.2% of total project cost).*** The overall objective of this component is threefold: (i) expand and improve the vegetation cover in targeted project areas, including rangelands, pastures and tree plantations, (ii) improve the status of selected forested areas through participatory forest management plans implemented within the framework of PDCs, and (iii) promote more sustainable natural resource management techniques and practices. This will be achieved through soil and water conservation works, improvements to pasture and rangelands in degraded areas, and agroforestry development as identified in the PDCs. The four sub-components are:

- (i) ***Soil/water conservation works*** mainly to prevent and manage soil erosion and ravine formation through: (i) the construction of contour thresholds (mainly stones) and *ados* (ditches and embankments) as well as stone sills acting to slow down runoff and trap sediments, and (ii) the “vegetalization” of banks and ravines. The focus will be on small works that the local population can control and maintain. Small basins will also be constructed for tree crops in order to improve soil moisture and therefore crop yields. These works are for indicative purposes only and the final choices will depend on the beneficiaries' needs and priorities as expressed in the context of the PDCs;

⁶ Under the PNO3, the Odesypano supplied technical assistance to about 800 small micro-projects that obtained loans from ADLs. Some 60 percent of those investments are still operating and performing well. Similarly to the PNO3, the microcredit will be supplied by ADLs which, in turn, are receiving credit lines from the BTS. See Annexe 4 for a brief description of the micro-projects funded under the PNO3.

⁷ The Tunisian law does not open many opportunities for small-scale farmers to organize in groups for business purposes (see Annex 4).

⁸ The BTS provides loans at low interest rates through the ADLs. This credit at 5 percent interest rate is limited nationwide and ADLs spreads out the available credit to as many people as possible, often based on social rather than business criteria. A denial of credit from the BTS or ADLs does not necessarily mean that the business proposal is not viable.

- (ii) ***Pastoral and sylvo-pastoral improvements*** would include: (i) the establishment of sylvo-pastoral areas (including direct seeding in pastures in clearings within forest areas or in buffer zones, improved fodder plantations, etc.), (ii) the establishment of perennial pastures (including the organization of users, tillage and seeding), and (iii) rangeland improvement (including fallow areas and reseeded);
- (iii) ***Plantation of trees and activities in forest areas.*** This subcomponent will support: (i) tree planting outside forested areas, and (ii) activities within the forested areas themselves including (a) technical advisory services, logistical support and training to the General Directorate for Forests/*Direction Générale des Forêts (DGF)* for the preparation, or updating, and implementation of participatory Forest Management Plans, and (b) subprojects within forested areas as approved in PDCs and that are compatible with the Forest Management Plans, aiming to provide additional revenues to forest dweller communities, reduce the pressure on forest resources and facilitate the populations' participation in preserving these resources. These include the plantation of various non-timber tree species with multiple uses, the installation of sylvo-pastoral perimeters, forestry maintenance works by communities (collection of dead wood and minor scrubs, regular clearing and maintenance of firebreaks), and the development of AGRs and livelihood activities centered on the promotion of forest resources (beekeeping and honey production, medicinal and aromatic plants, essential oils, collection of mushrooms, wildflowers, and wild capers, etc.). These activities are expected to be small-scale and geared toward improving the livelihoods of forest dwelling communities;
- (iv) ***Land consolidation operations.*** These operations aim firstly at reducing land tenure constraints to carrying out soil and water conservation works and to secondly pave the way for crop intensification. The operations consist essentially of evaluating, in terms of size and productivity, individual farming lands that are presently highly fragmented and scattered, and help the owners swap between themselves equivalent plots so as to form larger units. The project will finance information and awareness raising sessions, manage exchanges of plots between owners, over an aggregated total of approximately 12,000 ha, as well as the construction of access tracts over some 32 km. Previous experience shows that such new tracts become necessary to access the reconfigured plots once they have been consolidated into larger units. The average size of consolidated plots has been in the range of 1.72 ha under the PNO3.⁹

22. ***Component 4: Improvement of basic rural infrastructure in the project area (USD 20.98 million or 36.8% of total project cost).*** The overall objective of this component is to improve the general to basic infrastructure for communities located in remote areas, mainly in terms of rural roads and potable water. This component would therefore support the rehabilitation and/or construction of rural roads and individual or communal potable water systems¹⁰. Two sub-components are envisaged:

- (i) ***Rehabilitation and construction of rural roads.*** Based on the experience of PNO3 civil estimations of civil work include (a) construction of short segments of rural roads (less

⁹ See Annex 4 for a brief description of the land consolidation operations under the PNO3.

¹⁰ As was the case under the PNO3, the project will not finance basic infrastructures such as school and health centers or clinics that fall under the jurisdiction of other line ministries. Similar demand for investments in the PDCs that are beyond the mandate of Odesypano and MARHP will be transmitted to the relevant Ministry for consideration and eventual financing.

than 3 km on average for an aggregate amount of around 200 km) roads linking villages (*douars*) mainly in new areas with first generation “basic” PDC; (b) spot rehabilitation work of around 580 km of rural roads in areas with second generation or “consolidated” PDCs to improve accessibility and usage. In addition, this sub-component will also finance the preparation of local master plans for the programming of rural roads in new areas covered by the project, with a view to improving access for communities that are now practically isolated;

- (ii) **Improvement of access to potable water** through the construction and/or rehabilitation of individual storage tanks/cisterns and of communal water supply systems. Indicative estimates are that 570 water tanks and nine potable water connection systems are planned for selected communities over the six years of the project.

Table 1: Summary of Basic Project Costs and Financing per Component

Component	Indicative Costs (US\$ m)	% of Total	Bank financing (US\$ m)	% of Bank financing
1. Institutional support and technical assistance for PDC preparation and implementation in the project area	4.96	8.7	3.30	66.4
2. Support for agricultural and pastoral production and income-generating activities in the project area	4.71	8.3	3.68	78.2
3. Consolidation, protection and management of natural resources in the project area	26.32	46.2	18.78	71.4
4. Improvement of basic rural infrastructure in the project area	20.98	36.8	15.88	75.7
TOTAL	56.97	100	41.64	73.1

5. Financing

Source:	(\$m.)
Borrower	9.6
International Bank for Reconstruction and Development	41.6
Local Communities	5.7
Total	56.9

6. Implementation

Implementation period: Six years.

Executing entities

23. The PNO4 will follow the same institutional arrangements as the PNO3. On behalf of the Government of Tunisia, the Odesypano, under the MARHP, will be the governmental executing agency responsible for project implementation. An inter-ministerial Committee/*Comité National de Coordination (CNC)* chaired by the MARHP will serve as the overall steering committee of the project. Other entities involved in project implementation include: the regional and local councils of the regional and local administrations, locally based organizations or OLBs (formalized GDAPs and Development Committees/*Comités de Développement [CDs]*), and various other partner agencies or entities¹¹. The role and responsibilities of each of these entities are described below (and in more details in Annex 6).

24. **Steering Committee.** The CNC established for the PNO3 under the chairmanship of the General Directorate for Financing, Investment and Professional Organization/*Direction Générale du Financement, Investissement et Organisation Professionnelle (DGFIOP)* of the MARHP will continue under the PNO4 to oversee general project implementation and ensure that the directions chosen, actions undertaken, and results achieved are in accordance with relevant project documents and agreements. More specifically, the CNC will ensure that action plans and annual budgets prepared are well in line with project objectives and with other regional/local programs and investments. Other CNC members will include the MDCI, MIDL and Ministry of Finance/*Ministère des Finances (MdF)*, as well as other relevant General Directorates of the MARHP (including the DGF, and the General Directorate for Planning and Conservation of Agricultural Lands/*Direction Générale de l'Aménagement et Conservation des Terres Agricoles [DGAFTA]*). .

25. **Implementation Agency - Office de Développement Sylvopastoral du Nord-Ouest (Odesypano).** The Odesypano, under the oversight of the MARHP, will have direct and overall responsibility for project implementation through its central and regional directorates and offices. The Odesypano is a state-owned, semi-autonomous entity created in 1981 (Law 81-17) and an EPNA (*Etablissement Public à Caractère Non-Administratif*) since 1996, with the main mandate of protecting vulnerable ecosystems and developing rural infrastructure in the Northwest region of Tunisia. It is a decentralized structure headquartered in Béja with regional jurisdiction to implement national development policies in the five governorates of Béja, Bizerte, Jendouba, Le Kef, and Siliana. As the governmental executing agency, the Odesypano will have sole responsibility for all project management and coordination, technical, administrative, fiduciary and safeguard-related matters. More specifically, the Odesypano's main responsibilities include: (a) project coordination, administration, and management; (b) technical implementation of all components; (c) overall fiduciary (financial and procurement) and safeguard management; (d) project monitoring and evaluation, including maintenance and updating of the project Management Information System (MIS) and Geographic Information System (GIS); and (e) project reporting and auditing. Proceeds of the Loan supporting the PNO4 project will be made available to the Odesypano by the Government through budgetary allocations.

¹¹ The partner entities include: the Agricultural Lands Agency/*Agence Foncière Agricole (AFA)*, CDRAs, DGF, Office of Livestock and Pasture /*Office de l'Élevage et des Pâturages (OEP)*, Agricultural Extension and Training Agency/*Agence de Vulgarisation et de Formation Agricole (AVFA)*, CITET, and various NGOs.

26. Internally, **the existing Odesypano Executive Board/Conseil d'Entreprise** will be used as a coordinating committee for the implementation of PNO4 activities. The Board is chaired by the Odesypano's General Director and includes representatives from the MARHP, MDCI and MdF, as well as from the regional and local public administrations of each of the five governorates, and the Tunisian Union for Agriculture and Fisheries/*Union Tunisienne de l'Agriculture et de la Pêche* (UTAP). The Odesypano central directorate, its four regional directorates and its regional branch in Siliana, will support the communities with PDCs and CPAs preparation, execution, and M&E, as well as promote partnerships at the regional and local levels and facilitate the integration of PDCs/CPAs in other partners' development programs and investment plans. The Project Coordinator for the PNO3, who is a senior professional, will continue to assist the General Director with project implementation and monitoring. Specifically, the Coordinator will be responsible for preparing periodic work programs and methodological tools for monitoring, as well as the various progress reports required by the CNC and the World Bank as co-financers. The Coordinator will also ensure efficient coordination with Odesypano partners, particularly on the exchange of information and organization of common activities. At the local level, the Odesypano Advisory Services and Organization Centers/*Centres d'Animation et de Conseil* (CAC), in close collaboration with OLBs (particularly GDAPs), will be in charge of coordinating project activities in the context of the preparation, validation, and implementation of PDCs covering their respective administrative sectors.

27. **Local grassroots organizations (OLBs).** OLBs (GDAPs and CDs), as representatives of their populations, will represent the institutional interface and first interlocutor for all public authorities in terms of planning and programming interventions in the sectors involved. They will be expected to: (i) participate in the whole PDC preparation for their sectors (development needs assessment and prioritization), (ii) participate in the implementation of PDCs through CPAs negotiated within the CLD, and (iii) coordinate more intensively the development of their respective sectors with support of the Odesypano and the consultative processes.

28. **Existing Regional Councils and Local Development Councils** constitute the formal consultative channels and institutional platforms at the regional and local levels for PDCs/CPAs validation and approval, and integration in and articulation (including financing and execution) with other regional or local development programs and investment plans.

(i) **Regional Councils/Conseils Régionaux (CRs).** The CR's territorial jurisdiction is the governorate. It is chaired by the Governor, the highest regional authority, and is the formal institutional channel where PDCs/CPAs are submitted by the multi-sector planning commission (the most appropriate body, see below) for official validation. Partnerships will be formed at this level, along with the allocation, distribution of financing for activities, the programming and budgeting of these activities, the search for complementary financing, and the negotiations (through their respective multi-sector commission and technical committee for monitoring).

(ii) **Local Development Councils/Conseils Locaux de Développement (CLDs).** The CLD's geographic jurisdiction is the delegation (sub-regional level). CLDs are chaired by delegates (the Governor's representatives at the delegation level) and are responsible for examining issues pertaining to the socio-economic development of their delegation as well as local development programs and projects. CLDs facilitate the mobilization of partners and complementary financing at the local level, with a view to ensuring the coherence and coordination of project activities with other local programs and projects.

CLDs will be supported during the organization of the preparation, validation, and execution process, particularly in order to play a more advanced role in terms of M&E for the PDCs/CPAs under the PNO4.

29. **Other governmental partners.** The regional directorates of technical ministries will intervene on the basis of coordination by the CR (in reference to the inter-ministerial convention/circular). For each partner will be specified the modalities and mechanisms to adopt/follow for planning, programming, carrying out and monitoring the planned investments aimed at the development of administrative sectors under the PNO4. The regional directorates are expected to participate in PDC and CPA preparation, financing, and execution, within the limits of their mandates and respective attributions. They will also be called upon to provide all the information pertaining to the outcomes and impacts of their activities in the context of CPAs and to participate in periodic discussions within the CLDs and the CR on questions relating to programming, budgeting, and implementation. The CRDAs, DGF, DGAFTA, OEP, and AFA are all expected to collaborate on the execution of investments and programs.

30. **Other non-governmental partners.** The NGOs, ADLs, and the BTS involved in the development of areas, within the sectors and delegations covered by the PNO4, will implement their programs and activities according to the modalities in the framework agreement concluded with each governorate, as with the governmental partners. They will participate in the CLD and CR consultative meetings and prepare their development interventions and programs within the PDCs/CPAs in collaboration with other partners. On the other hand, consultancies, private firms, individual consultants, and small-scale workers (*tâcherons*) will perform specific tasks on a contractual basis.

Figure 1: Institutional Arrangements under the PNO4

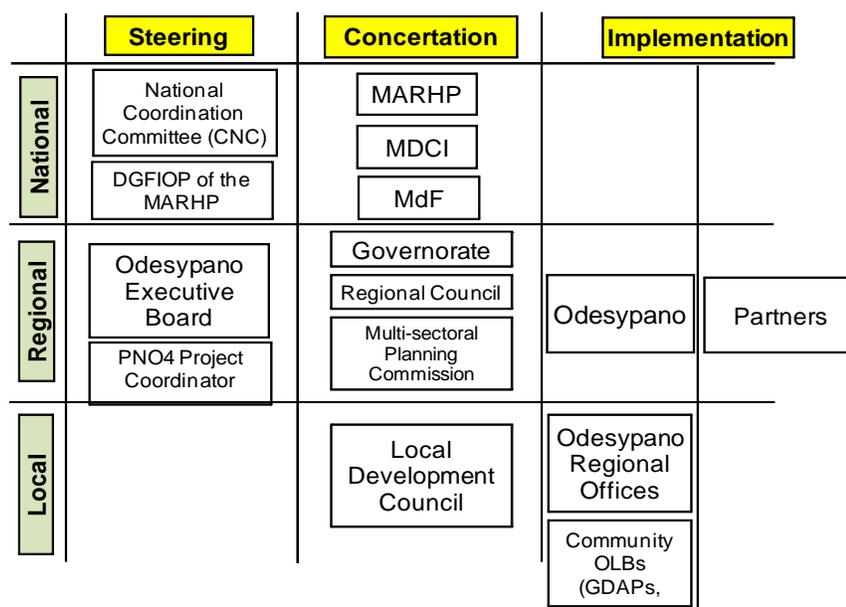


Table 2: PDC/CPA Preparation/Completion Timetable

	2010	PNO4						Total
		2011	2012	2013	2014	2015	2016	
PDCs prepared	39	34	25	15	0	0	0	113
CPAs completed		39	73	98	113	113	74	510
<i>including : Béja</i>		11	20	28	36	36	25	156
<i>Kof</i>		8	14	19	21	21	13	96

31. **Financing Scheme.** The project will support the preparation of participatory PDCs and CPAs in consultation with communities, local/regional authorities, and other partners. Activities and investments prioritized in the PDCs are funded as appropriate directly by relevant sector ministries, governorates, and delegations, or main partner agencies from their own budget (for instance roads by the Ministry for Equipment, schools by the education ministry, etc.). The PNO4, for its part, will only finance relevant activities of the PDCs/CPAs in the areas of agricultural and pastoral production, and related income-generating activities, consolidation, protection, and sustainable management of natural resources, and improvement of basic rural infrastructure (primarily rural roads and water supply). A community counterpart contribution is required for PNO4-supported sub-projects. Funding by the partner agencies mentioned above are not accounted for as project co-financing (as these are still to be determined depending on which investment sub-projects are selected in the PDCs).

Table 3: PDC Investment Financing Scheme under the PNO4

	Co-financing * included in PNO4 financing plan			Parallel Financing (not included in the PNO4 financing plan)
	Odesypano/ PNO4	GOT/ MARHP	Beneficiary Communities	Partner entities
1. PDC/CPA Preparation	X	X	--	--
2. PDC/CPA Implementation:				
- Agriculture and Rural Development Investments:	X	X	X	--
. AGR micro-projects	X	X	X	--
. Soil conservation, tree planting	X	X	X	--
. Water wells/tanks	X	X	X	--
. Rural road rehabilitation	X	X	X	--
. etc.	X	X	X	--
- Other sector investments:	--	--	--	X
. Education Sector Investments	--	--	--	X
. Health Sector Investments	--	--	--	X
. etc.	--	--	--	X

* PNO4 co-financing of sub-projects identified and approved in PDCs/CPAs does not entail a direct transfer of funds to beneficiary organizations, as the Odesypano has the sole responsibility of centrally procuring corresponding goods, works and consultant services.

7. Sustainability

32. The Government is strongly interested in and committed to actively pursuing the promotion of IPA-based community development in the Northwest. To this effect, and as an interim measure until the PNO4 is launched, the Odesypano has been allocated additional budget to maintain its operations. Moreover, budget resources were also earmarked in the 11th and 12th National Development Plan to finance the counterpart funding needed for the PNO4. Co-financing from Odesypano partners is also forthcoming. As already mentioned, partners contributed an average of 35% of all PDC investments costs under the PNO3. This level of contributions is expected to be increased to the new and reasonable target of 40% under the new project.

33. The sustainability of PNO4 achievements depends not only on the demonstrated financial commitments of principal stakeholders but also on the continuing involvement of the highest authorities at the regional and local levels. Through the partnership mechanisms in place, the CRs and CLDs, which serve as the executive boards of the regional and local administration, systematically validate and ensure the participation of all partners in the PDC preparation, financing, and implementation. This Council function is fulfilled through bilateral agreements with the Odesypano and will soon be reinforced by a framework agreement with all main ministries involved (see section IV). Long-term GDAP institutional capability is also an important factor for PNO4 achieving sustainability. Strengthening of these associations will be one of the main focuses of the PNO4 and, in addition, the MARHP has already initiated roundtable discussions on adapting GDAPs legal status and to their future needs.

8. Lessons Learned from Past Operations in the Country/Sector

34. The design of the proposed project takes into accounts lessons learned from the PNO3 and other similar operations in Tunisia and elsewhere, and from the Independent Evaluation Group's (IEG) evaluation of Community-based and Community-Driven Development¹². These include:

- a) *The use of local and community-based IPA is of great value to all stakeholders.* In particular, the practice of IPA leads to more tangible results compare to a classic sector approach. Indeed, direct involvement of populations allows for better intervention formulation and enhanced sustainability. Moreover, IPA has helped public administrations move from an often confrontational relationship with the communities to a more productive cooperation based on mutual trust. IPA has also helped communities progress from a status of passive recipient to a role of active participant in their own local development. Given these positive results, the PNO4 will aim to support the Odesypano not only in improving its practice of IPA but also in disseminating IPA among all its development partners.
- b) *Developing and deepening partnership with other local development actors is critical.* Under the PNO3, partnership mechanisms became part of the IPA, essentially by directly involving other development actors (governmental organizations and NGOs) in PDC preparation, financing, and implementation, as well as using regional and local administrations for the purpose of validating the process and ensuring its functioning. Implemented partnerships were indeed successful under the PNO3, and enabled the

¹² World Bank 2005 "The Effectiveness of World Bank Support for Community-Based and Driven Development". Independent Evaluation Group. Washington, D.C.

mobilization of additional and complementary investments, which represented on average 35% of all PDCs investments costs. Moreover, official authorities in the public administrations have repeatedly expressed their satisfaction with the partnership process and requested that it be further institutionalized. Partnership mechanisms will therefore be consolidated and expanded under the PNO4 through a framework agreement between the main governmental organizations involved.

- c) *Development of PDCs at the administrative sector level is feasible and advisable.* The PNO4 can also capitalize on another lesson from the PNO3, that the Odesypano can now prepare participatory PDCs at the administrative sector level, therefore covering a larger socio-territorial unit area without losing significant social cohesion among communities. Indeed, the Office has developed more effective methodological tools, and grassroots organizations are growing in strength. Furthermore, sector-level PDCs present substantial advantages. First, Odesypano governmental partners can more easily participate, since their operations are normally planned at the sector level in their work programs. Second, PDCs can then be integrated into regional PDESs, prepared every five years by the administrations. These plans are thereafter aggregated to make up the country's national development plans at the local (delegation) and regional (governorate) levels. A direct link between PDCs and administration plans will both accelerate the institutionalization and mainstreaming of partnership mechanisms and reinforce their sustainability over time.
- d) *Expansion into new geographic areas needs to take into account the human resources limitation of the Odesypano.* Under the PNO4, the Odesypano will cover 113 administrative sectors representing close to 49% of the mountainous and forested areas of the Northwest region and representing an approximate 30% increase in project geographical coverage. Given the fact that Odesypano human and financial resources are finite, the Office cannot cover all sectors continuously with the same intensity and time allocations. However, empowering community grassroots organizations to fully take up responsibility for organizing PDC preparation and execution and reinforcing their capacity would enable a progressive alleviation of the role and intervention of the Odesypano and other administrations, with the support of public administrations, has proved difficult. The PNO4 will focus on strengthening grassroots organizations as well as regional and local administrations. This will eventually allow for a transfer of some of the responsibilities now being fulfilled by the Odesypano and hence free up some of its resources to be subsequently redeployed to cover new areas.
- e) *Combining soil/water conservation with income-generating opportunities increases participation and effectiveness.* PDC execution under the PNO3 yielded two important lessons from an environmental perspective. First, beneficiary participation in soil/water conservation works on private land is stronger when these works are combined with AGRs (both on- and off-farm). Second, land consolidation operations, when carried out within the framework of PDCs, are very useful for paving the way for subsequent soil/water conservation works. These lessons will be used when preparing PDCs under the PNO4.
- f) *Designing the AGRs pilot.* Regarding the pilot on AGRs, the following specific lessons have taken into account in the sub-component design and will guide implementation:

- a. *Clearly defined “rules of the game”* that orient local participation, define technical criteria for business plan preparation and sub-project selection and delineate the responsibilities of all stakeholders, can promote greater transparency in project implementation and reduce the probability of discretionary decision-making. The final approval of credit would be guided by the principle of additionality, by giving preference to such viable sub-projects that would not succeed in securing profitable and sustainable commercial alliances without project support.
- b. *Building capacities for business management and administration among rural producer organizations is a key element for successful long-term productive alliances.* The project will address this through training and capacity-building, as well as the preparation and dissemination of a positive list of technical service providers from which these organizations can select needed assistance for business plan design and subsequent sub-project execution.
- c. *Productive alliances are viable based on a transparent scheme with proper incentives.* Successful productive alliances can be achieved when three key elements are present: (a) a clear and shared objective and sound balance of power and governance among all stakeholders, (b) a shared risk mechanism, and (c) commitment to market mechanisms.
- g) *Need for effective communication capabilities.* A carefully designed and tailored communication strategy along with its proactive implementation before and throughout project implementation is critical to increase effectiveness, acceptance, and participation.
- h) Finally, the *need to strengthen operational guidance and oversight for the application of Bank safeguard and fiduciary compliance.* To this end, Odesypano, as well as OLB and other partners, will receive adequate training and supervision in social and environmental safeguards. In addition fiduciary safeguards that performed well under the previous operations will be maintained.

9. Safeguard Policies (including public consultation)

Safeguard Policies Triggered by the Project	Yes	No	OP/BP 4.00
Environmental Assessment (OP/BP 4.01)			X
Natural Habitats (OP/BP 4.04)		X	
Pest Management (OP 4.09)		X	
Physical Cultural Resources (OP/BP 4.11)		X	
Involuntary Resettlement (OP/BP 4.12)	X		
Indigenous Peoples (OP/BP 4.10)		X	
Forests (OP/BP 4.36)			X
Safety of Dams (OP/BP 4.37)		X	
Projects in Disputed Areas (OP/BP 7.60)*		X	N/A
Projects on International Waterways (OP/BP 7.50)		X	N/A

* By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas

10. List of Factual Technical Documents

1. Quatrième Phase du Projet de Développement des Zones Montagneuses et Forestières du Nord-Ouest, Rapport de Préparation, Ministère de l'Agriculture, des Ressources Hydrauliques et de la Pêche, Odesypano, Tunis, Mars 2010
2. Safeguard Diagnostics Review
3. Framework Document for Environmental and Social Protection / *Document Cadre de Protection Environnementale et Sociale*
4. Resettlement Policy Framework
5. Project Operations Manual

11. Contact point

Contact: Garry Charlier
Title: Senior Operations Officer
Tel: (202) 473-5676
Fax:
Email: Gcharlier@worldbank.org

12. For more information contact:

The InfoShop
The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 458-4500
Fax: (202) 522-1500
Email: pic@worldbank.org
Web: <http://www.worldbank.org/infoshop>