Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 12/13/2019 | Report No: ESRSA00368
## BASIC INFORMATION

### A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Region</th>
<th>Project ID</th>
<th>Parent Project ID (if any)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>SOUTH ASIA</td>
<td>P165129</td>
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</tbody>
</table>

**Project Name**
Integrated Project for Source Sustainability and climate Resilient Rain-fed Agriculture in Himachal Pradesh

**Practice Area (Lead)**
Agriculture and Food

**Financing Instrument**
Investment Project Financing

**Estimated Appraisal Date**
12/6/2019

**Estimated Board Date**
1/30/2020

**Borrower(s)**
Republic of India

**Implementing Agency(ies)**
Department of Forest, Government of Himachal Pradesh

**Proposed Development Objective(s)**
To improve upstream watershed management and increase agricultural water productivity in selected Gram Panchayats in Himachal Pradesh.

**Financing (in USD Million)**

<table>
<thead>
<tr>
<th>Amount</th>
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<tbody>
<tr>
<td>Total Project Cost</td>
</tr>
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</table>

### B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

### C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]
The project will invest in measures in upstream catchment areas to improve sustainable land and watershed management to promote the sustainability of perennial water sources. It will also support continued diversification and commercialization of agricultural value chains in downstream areas by supporting production and value addition including the promoting efficient water use thereby increasing the productivity of water in agriculture. It will adopt a spatial approach by (i) applying a landscape approach to individual high-risk micro-watersheds within select river...
basins in Himachal Pradesh; and (ii) overlaying this with a cluster approach to target value chain investments in specific locations to leverage economies of scale and network externalities. In parallel, the project will develop and demonstrate the application of an analytical evidence base to inform strategic policy choices viz./ the trade-offs between alternative water use and will pilot a new institutional arrangement for addressing complex multi-sectoral concepts such as sustainable landscape management that involves several sectors and multiple Government departments.

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]

The project will be implemented in 428 selected GPs in 32 Development Blocks of 10 out of the 12 districts of Himachal Pradesh. These are Shimla, Solan, Sirmour, Bilaspur, Hamirpur, Mandi, Kullu, Chamba, Kangra & Una. The project will not be implemented in high mountain districts of Kinnaur and Lahaul and Spiti. Several of the Gram Panchayats (GPs) selected under the project, about 111, are officially designated as ‘backward’ GPs on the basis of remoteness, infrastructure and access to services; Further, 33 GPs included under the project were de-notified from Wild Life Sanctuaries / Protected Areas about 5 years ago, and are now administratively designated revenue villages.

Environmental overview: In Himachal Pradesh (HP), forests are an important natural asset with forest land making up 67% of total geographical area. In this total forest area, 46 % of land support, coniferous and broad-leaved forests while the remaining 54 % include, high altitude areas above the tree line, snow peaks, alpine pastures, and river beds. Forests in the state protect the catchments of important river systems and these catchments, covering 28,970 sq. km provide hydrological services to millions of people downstream (HPFD, 2005). The mid-Himalayan region, where most interventions under this project will be focused, is a fragile ecosystem due to its topography and soils. It receives a high intensity of rainfall during the monsoon months, however this is preceded and followed by long-dry spells which affect the perennially of the watercourses and periods of water scarcity in the state, making the protection and management of water sources an issue of critical importance. The State is rich in floral and faunal biodiversity, its vegetation varies from dry scrub forests at lower altitudes to alpine pastures at higher altitudes The State has zoned 22.65% of the legally classified forest area as protected areas comprising of 5 national parks, 26 wildlife sanctuaries and 3 conservation reserves to protect biodiversity. Additionally, the state is home to 3 Ramsar Sites and a UNESCO World Heritage Site.

The state has abundant Non-Timber Forest Products, important for people’s livelihoods, including fuelwood, fodder and medicinal plants. 24 species out of top 100 medicinal plants traded in the country are found in the State; several of these plants are under threat, with over 60 plant species being categorized as threatened using IUCN threat assuagement.

Project activities will be located within the Gram Panchayat boundaries, and outside critical natural habitats and activities that could have an adverse impact on forests and biodiversity will not be financed. No go areas have been identified under the Project, and have been excluded from project areas. No adverse impacts to critical habitats or cultural heritage are expected.

Social overview: The 425 Gram Panchayats include several backward GPs. The key stakeholder beneficiaries of the project include Gram Panchayats, farmers, groups cooperatives including women groups, pastoralists and transhumant. Women, the poor and scheduled population comprises the vulnerable/ disadvantaged section of the local communities. Project interventions will cover areas populated with indigenous peoples (scheduled tribes) and
other disadvantaged communities, such as the transhumant nomadic tribes, predominantly in Chamba, Kangra and Mandi districts. Many of these areas will have communities that are dependent on forest landscapes for food, energy, fodder, as well income derived from non-timber forest produce, especially medicinal plants. While the infrastructure works will be located within the vicinity or midst of the project communities or will run across community/private areas (water distribution infrastructure etc.), impacts are expected to be small scale and manageable.

D. 2. Borrower’s Institutional Capacity

The Government of HP is familiar with the World Bank’s environmental and social safeguard policies as well as the new Environmental and Social Framework, having implemented Bank supported projects in roads, watersheds, horticulture and hydropower projects. The HPFD has good experience of implementing the Bank’s environment and social safeguards under the recently completed Mid Himalayan Watershed Development Project. The environmental management and social safeguard practices and guidelines were well mainstreamed in the Mid Himalayan Watershed Project, through the society and thus has a good track on environmental and social safeguards. HPFD is also implementing projects supported by JICA and KFW on the themes of forestry and ecosystem management.

The IDP will leverage the State’s broad-based experience and expand it to the relatively newer areas of labor and working conditions, stakeholder engagement and community health and safety. The ESA has noted the presence of basic safeguard capacity with the HPFD, and has recommended institutional capacity building measures for HPFD and other line departments such as animal husbandry, agriculture, horticulture and rural development. ESF implementation will involve 2 Social and 2 Environment Specialist in the State level PMU, and these state experts will be supported by short term consultants and resource persons for implementing the ESF. Implementation of ESF interventions in the project GPs will be carried out by the social (52 no) and forestry extension officers (52).

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Environmental Risk Rating

The environmental risk rating of the project is ‘Moderate’. The State of Himachal Pradesh has a high degree of eco-sensitivity as it is located in the Himalayas and has a high degree of biological diversity protected within its 5 national parks, 26 wildlife sanctuaries and 3 conservation reserves; However, the anticipated risk from the project is moderate because the investments will be focused within Gram Panchayats and project interventions are of small to medium scale. Minor, localized and mitigatable negative impacts may be caused during the project; The risks anticipated under the key implementation components are as follows: Under land and water resource management, risks may arise from pest control strategies in forest nurseries and construction and repair of erosion control and water storage and distribution structures; Under improved agricultural productivity and value addition, there could be risks from construction of water distribution infrastructure, improper seed/ varietal selection, illegal grazing; use of chemical fertilizers and pesticides; construction of buildings; drying, storage and processing of raw material; improper disposal of agricultural waste and construction waste and unscientific and unsustainable harvesting of NTFPs. A screening
checklist will guide the preparation of Gram Panchayat NRM plans to ensure that no activities are undertaken in critical natural habitats and/or any activities that could adversely impact biodiversity or critical habitats will not be financed.

**Social Risk Rating**

Potential for adverse social impacts come from i) infrastructure (aggregation, processing, soil and water conservation, water distribution, pasture and nursery development); and ii) access and use restrictions related to natural resource management, NTFP value chains and forest fire prevention interventions. Other potential social risks are exclusion of small and marginal farmers, nomadic tribes, scheduled castes and scheduled tribes from project institutions and benefits that relate to on farm irrigation inputs, seeds and other improved farming inputs and training. Community level conflicts could also arise from water sharing infrastructure and systems, any land use restrictions mentioned above. There may be risks related to health and safety for contract workers and community labor for small scale infrastructure works mentioned above. Agriculture and horticulture interventions in HP rely on labor influx from other states as well as Nepal, and this may involve risks related with labor influx, migrant labor as well as gender-based violence.

While most interventions are likely to be small scale, and the impacts are not expected to be significant, the capacity of the borrower to implement and manage the above social risks as well as those related to labor, community health and safety and sustained stakeholder engagement raises the risk profile to moderate. The risk rating is also moderate due to several other factors: i) the project interventions will deliver benefits for small and marginal rural producers of the state; ii) a participatory, community-based approach will be institutionalized and iii) these localized and manageable risks will need to be mitigated and managed by mainstreaming the screening and mitigation processes in core project design. Based on sample locations, ESA will be carried out. Findings of ESA will be captured in ESMF that will include RPF, IPPF and frameworks for labour management and gender actions. ESMF will summarize practical strategies and processes for planning, design and implementation stages of the project. Stakeholder Engagement Plan will also be prepared early in the project. The higher order actions for implementation of ESMF will be recorded in ESCP.

**B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

**B.1. General Assessment**

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

*Overview of the relevance of the Standard for the Project:*

The IDP project involves specific investments and interventions on i) sustainable land and water management measures like check dams, bio-engineering structures etc; ii) forestry plantations, nursery development and seed management, weed management, spring development, forest and pasture management, forest fire prevention and piloting of silviculture systems; iii) water distribution systems with drip and sprinkler irrigation technology; iv) adoption of CSA practices for existing cropping patterns and facilitate diversification into high value crops; rural infrastructure (foot bridges, ropeways); v) promote agribusiness clusters including technical assistance to farmers groups and infrastructure provision to facilitate storage, packaging, waste management as well as last-mile linkages in agriculture and livestock; and vii) undertake institutional capacity building for integrated watershed management and making policy trade-offs focusing on the Himachal Pradesh Forest Department (HPFD).
An environmental and social assessment (ESA) has been undertaken to identify, assess and mitigate the environmental and social risks and impacts related with the project interventions. The ESA has involved review of relevant documents/studies, including other Safeguards/ESS documents, site visits, as well as stakeholder consultations in 20 GPs of 8 project districts. The ESA has identified key risks and impacts, based on which an ESMF along with sector specific ESMPs have been prepared and will apply to the Gram Panchayat Resource Management Plans (GPRMP). ESMF/ESMPs cover all interventions, and no standalone, subprojects are envisaged.

The ESA confirms the environmental risk rating of the project as ‘Moderate’. Overall, the impacts of the project financed activities on forest cover and quality, water and sediment regulation, water use efficiency and carbon sequestration are expected to be positive keeping in view the proposed activities envisaged at this stage of the project. The ESA has undertaken a detailed assessment of the impacts of project activities on biodiversity (identifying critical and natural habitats, species of high conservation value at risk) and the provision of ecosystem services. Potential risks to biodiversity and ecosystem services could arise from unmanaged chemical pesticide and fertilizer use and agricultural run-off, use of non-native varieties, habitat and land-use conversion and un-sustainable harvesting of NTFPs. Under land and water resource management risks may arise from pest control strategies in forest nurseries and construction and repair of erosion control and water storage and distribution structures; temporary and small scale impacts relating to civil works, including on air, water, debris, soil, noise, drainage and aesthetics; Under improved agricultural productivity and value addition there could be risks from construction of water distribution infrastructure, improper seed/ varietal selection; use of chemical fertilizers and pesticides; construction of buildings; drying, storage and processing of raw material; improper disposal of agricultural waste and construction waste and unscientific and unsustainable harvesting of NTFPs. No adverse or irreversible impacts to critical habitats or cultural heritage are expected. All project activities will be outside critical habitats and activities that could negatively impact biodiversity, not be in line with existing forest management plans or CAT plans or have the potential to increase the risk of forest fires will not be financed.

ESA covers the potential for small scale, manageable social risks and impacts that come from (i) small scale infrastructure related to soil and water conservation; water harvesting, storage and distribution; ii) delineation of grazing, pasture and nursery areas; and (iii) requirements for voluntary land donation. Other potential social risk is exclusion of disadvantaged and vulnerable groups such as small and marginal farmers, nomadic tribes & transhumant, scheduled castes and scheduled tribes from project institutions and project benefits such as farm irrigation inputs, seeds and other improved farming inputs and training. Conflicts could also arise from sharing and management of water systems, fodder lands/pastures and forests as community regulated common resources. While most interventions are likely to be small scale, and the impacts are not expected to be significant, the capacity of the borrower to implement and manage the above social risks as well as those related to community and contract labor, community health and safety and sustained stakeholder engagement raises the social risk profile to moderate.

An overwhelming majority of farmers in HP have marginal (70%) or small landholdings (18%). Many of these areas have communities that have subsistence-dependence on forests and natural resources for food, water, fuel, fodder, as well income derived from non-timber forest produce, especially medicinal plants. The risk of their exclusion from project interventions, investments and institutions will need to be mitigated through systematic prioritization and targeting.
The Project has identified the disadvantaged and vulnerable people as landless and marginal farmers, transhumant nomadic groups (Gaddis and Gujjars), scheduled castes households, scheduled tribes, women headed households as well as households designated below the poverty line. These households are more constrained than others to access benefits from the project and participate more fully in the planning and consultations. Consultations held as part of the ESA process saw large scale participation from the communities, and these disadvantaged and vulnerable groups were part of all the consultations. Special consultations were also held with transhumant as well as tribal households. The needs and concerns of these disadvantaged and vulnerable groups are reflected in the following measures adopted by the project: participatory identification of vulnerable households, livestock-based interventions with transhumant, requirement of differential cost sharing for vulnerable households in accessing individual benefits, inclusion amongst beneficiaries of individual and common assets and demonstrations, inclusion in user groups and local work/labor opportunities. No adverse project impacts will fall disproportionately on these especially vulnerable groups, and adequate safeguards have been included. The GP RMP Inclusion of vulnerable households in project benefits has been included in the project result framework for regular monitoring and these groups have also been included in the stakeholder engagement plan.

Important outcome of ESA is an ESMF which has laid down practical and risk-appropriate measures to screen and mitigate any potential risks and social impacts. The ESMF also includes Labor Management Procedure (including community health and safety guidelines, Resettlement Policy Framework, Tribal Development Framework, Gender Action Plan, and Integrated Pest and Nutrient Management Plan and Biodiversity Management Plan, Stakeholder Engagement Plan (SEP). Based on the findings of the ESA an Environment and Social Commitment Plan (ESCP) has been prepared. The ESMF includes suitable arrangements for implementation, supervision, and monitoring of the various mitigation measures on environmental and social aspects.

The project will have specific arrangements made at state, district and block level. This includes appointment of a SMS (Social) and SMS (Environment) at PMU and Experts at DPO and APO levels. Further the PMU, IDP will guide the Field level agencies on implementation of ESMF and build their capacity through capacity building and IEC strategy. The project would ensure targeting and inclusion of the key vulnerable groups especially the landless, agriculture labor, nomadic tribes, and women headed households from SC/ST households within the planning and implementation processes and community institutions. Such vulnerable households will be identified and targeted in the village planning exercise as well as in beneficiary selection for individual and group assets, formation of beneficiary groups, livelihood support interventions, dedicated consultations and identification of special measures for such vulnerable households. Through the Gender Action Plan, Women farmers/land owners, workers, women headed households and community leaders will be supported by range of actions, especially systematic identification and participation in village plans, beneficiary group leadership, training programs, subproject and investment planning and in targeted beneficiary lists. The existing cadre of largely women social mobiles will be provided training support to implement dedicated interventions for women and special vulnerable groups. Convergence with existing state level schemes for skill and enterprise development and financial inclusion will be supported. Special pilot interventions in partnership with resource agencies will be explored.

The Government of HP is familiar with the World Banks environmental and social safeguard policies as well as the new ESF, having implemented Bank supported projects in roads, watersheds, horticulture and hydropower projects, The HPFD has good experience of implementing the Bank’s environment and social safeguards under the recently completed Mid Himalayan Watershed Development Project. The environmental management and social safeguard
practices and guidelines were well mainstreamed in the Mid Himalayan Watershed Project, through the society and thus has a good track on environmental and social safeguards. HPFD is also implementing projects supported by JICA and KFW on the themes of forestry and ecosystem management. The IDP will leverage the State’s broad-based experience and expand it to the relatively newer areas of labor and working conditions, stakeholder engagement and community health etc.

**ESS10 Stakeholder Engagement and Information Disclosure**

The key stakeholders of the Project include Gram Panchayats, farmers groups/cooperatives, joint forest management committees (JFMCs), pastoralists and transhumant, as well as women’s groups. Women producers engaged in agriculture/ horticulture development are key to improving agriculture and horticulture productivity and will need to be engaged in project activities. Consulting and Engaging with these stakeholders during project preparation, Environment and Social Assessment, as well as during implementation will be crucial for this community-based project. Borrowers prior experience of engaging with forest and watershed committees will be leveraged.

The ESA has undertaken a stakeholder consultaion and information dissemination exercise that would be systematically continued throughout project implementation. A Stakeholder Engagement Plan (SEP) has been prepared with the objectives of i) systematic approach to stakeholder engagement and information disclosure; ii) maintenance of positive relationships with them; iii) monitoring of stakeholder interests and feedback. The SEP includes a grievance redress mechanism, drawing on systems established under the previous project as well as the existing government systems. Local level project implementation units will be supported to effectively engage with primary stakeholders throughout project implementation. Other project-related information will be shared with the primary stakeholders in locally understood languages where necessary. All ESS plans and documents will be disclosed locally. ESMF and all sub project specific safeguard documents will be disclosed in country as well as on Bank’s website in English and local language. The SEP has been disclosed on the project website.

**B.2. Specific Risks and Impacts**

A brief description of the potential environmental and social risks and impacts relevant to the Project.

**ESS2 Labor and Working Conditions**

Project interventions on soil and water conservation structures, water harvesting and conveyance channels, plantation and nursery development, weed management, as well as rural infrastructure (manually operated pulley ropeways, small footbridges) will involve construction and civil works. These are going to be small scale construction contracts which will not be requiring labor camps as most of the labor is expected to come from nearby areas. Most of these works are going to be located away from habitations. Due to the small nature of the works, and short duration of the contracts, no labor camps are expected.

Project will be utilizing largely contract workers who will be employed through small, local contractors. Less than 10% of the contract labor is anticipated from other parts of the state, as well as from Bihar and Nepal. To address any labor related risks and to promote health and safety, Labor Management Procedures (LMP) proportional to the project risks has been prepared, with specific provisions for working conditions, occupational health and safety, child
and forced labor, gender-based violence, management of labor influx, as well as labor focused grievance redress mechanism. The LMP also includes requirements on Environmental, Health and Safety Guidelines (EHSGs) that are included in the standard bidding documents. These works are likely to engage very small share of community labor as well.

The Project will be implemented by 429 direct workers, and this number will go up with new recruitment of experts. HPFD does not have any ongoing supply relationship with a primary supplier. Most of the key materials are going to be procured through small, local contractor.

Key highlights of the LMP are: application of standard terms & conditions for direct workers from government departments covering remuneration, leave, allowances, medical benefits and grievances; use of written contract agreement for direct workers hired from the market with necessary provisions for health benefits, allowances & leave; designation of SPMU nodal staff for recording and resolving workers grievances; orientation of contractors on prohibition of child, forced labor, health and safety, vulnerable workers and safeguards on migrant workers; maintenance of information on labor workforce and labor influx; incident and accidental reporting; equal wages and equal opportunities for workers. The LMP includes a dedicated procedure for recording and resolving workers grievances that will be led by a nodal SPMU staff.

More than 95% of the contract labor are going to be men, and women’s participation as contract labor or community labor is going to be very low. The team has used the GBV risk assessment tool, secondary research and stakeholder consultations to determine the GBV risks as low. Project implementation staff has adequate capacity to address the low level of GBV risks in the context of proposed project interventions. To mitigate potential risks related to on-site safety and GBV, the PMU will a) conduct sensitization and awareness campaigns for contract workers, community workers and beneficiary communities on safety, harassment, GBV-related issues, legal recourse procedures and mitigation channels; b) Train the project staff to on GBV risk mitigation; c) strengthen the GRM mechanism by establishing multiple channels to initiate a complaint including confidential reporting in local language with safe and ethical documenting of GBV cases; d) include GBV specific commitments in the bidding documents

Project interventions do not anticipate any community health and safety risks from usage of security personnel, project related traffic and safety concerns, construction of dams as well as handling and usage of any hazardous material. The project interventions on forests, watersheds, water harvesting, land management and climate resilient agriculture are likely to enhance the ecosystem services and not affect them adversely. The ESA mentions potential risks due to i) increased usage of chemical pesticides and fertilizers; ii) labor influx from Bihar and Nepal; iii) safety of water harvesting structures; iv) stagnant water. The ESMF provides for specific mitigation measures related to community health and safety.

ESS3 Resource Efficiency and Pollution Prevention and Management

Overall, using efficient irrigation practices, such as drip and sprinkler irrigation and climate smart agricultural practices, the project will have a positive impact on carbon sequestration and resource efficiency.

The source of GHG emission in the project is due to application of fertilizer, pesticide and compost. The carbon emissions anticipated from annual cropping (agriculture) is 34,517 tCO2eq/year and from fertilizer use is 95,028 tCO2eq/year, however this is less than the emissions without the project scenario as the project will demonstrate
and promote climate smart practices that reduce GHGs through reduced chemical fertiliser use and efficient irrigation. The overall GHG balance of the project is negative overall, with an estimated -87,294 tCO2eq/year sequestered because of afforestation and degraded forest restoration activities being undertaken under the project. The net GHG benefit on a per hectare basis for the project area is estimated to be 0.6 tCO2/ha/year. However, risks are anticipated from increased usage of chemical pesticides and fertilisers, as well as generation and improper disposal of construction waste. An Integrated Pest and Nutrient Management Plan (IPNMP) has been prepared to promote safe, effective and environmentally sound pest management in agricultural/ horticultural interventions, to promote use of biological control methods and reduce synthetic chemical pesticides and provision to increase capacity on addressing the same. The IPNMP provides guidance on the proper storage, handling and disposal of pesticides. To address resource efficiency and pollution management across other interventions such as infrastructure, storage and processing an ESMP will provide necessary site-specific guidance to mitigate the potential environmental and social impacts.

ESS4 Community Health and Safety

While the infrastructure works will be near the project communities or will run across community/private areas (water distribution infrastructure etc.), impacts are expected to be small scale and manageable. Project interventions do not anticipate any community health and safety risks from usage of security personnel, project related traffic and safety concerns, construction of dams as well as handling and usage of any hazardous material. The project interventions on forests, watersheds, water harvesting, land management and climate resilient agriculture are likely to enhance the ecosystem services and not affect them adversely. The ESA mentions potential risks due to i) increased usage of chemical pesticides and fertilizers; ii) labor influx from Bihar and Nepal; iii) safety of water harvesting structures; iv) stagnant water. The ESMF provides for specific mitigation measures related to community health and safety especially for i) water quality and availability, disease prevention and communicable diseases; ii) general work site related hazards on dust, sound and debris; iii) fencing of water impounding structures and other construction areas, especially those closer to habitations. These mitigation measures are included in LMP, IPNMP and Community Health and Safety Guidelines.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

HPFD will not be acquiring any private land or will cause any involuntary physical resettlement or relocation. Any subproject or construction activity requiring acquisition of private land and/or physical relocation will fall under the negative list. Project investments on water harvesting, storage and distribution systems will be made on government as well as private land that will be donated voluntarily to the GP, following the due diligence provided under ESS5. The ESMF includes a resettlement policy framework (RPF) to address and mitigate any adverse social and economic impacts arising from voluntary land donation, and includes specific screening, documentation and mitigation measures to ensure voluntariness and non-coerciveness of the land donation process.

Investments in new grazing pastures, fodder plots in forest areas and new plantations may involve temporary restrictions that have been agreed and imposed by the communities. community-imposed use restrictions that may restrict traditional usage, and adversely affect the most vulnerable households. Such investment subprojects will be
screened for adverse impacts on traditional use and customary rights, and when needed suitable mitigation action plans will be prepared and implemented by the beneficiary groups, GPs and HPFD.

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

The project aims to increase forest cover and quality within existing forests, improve pasture management in the state and undertake measures that will improve the provision of ecosystem services such as food, freshwater, fodder and medicinal plants but also carbon storage and sequestration and protection from natural hazards. The ESA has undertaken an assessment of the impacts of project activities on biodiversity (identifying critical and natural habitats, species of high conservation value at risk) and the provision of ecosystem services.

Potential risks to biodiversity and ecosystem services could arise from unmanaged chemical pesticide and fertilizer use and agricultural run-off, use of non-native varieties, habitat and land-use conversion and un-sustainable harvesting of NTFPs.

A Biodiversity Management Plan has been prepared with key strategies for biodiversity conservation that includes: i) promotion of indigenous species in plantations, fodder plots and nurseries and avoidance of exotic, invasive species; ii) adoption of sustainable harvesting and production of NTFP; iii) updating of peoples biodiversity registers in recently denotified wildlife panchayats and community capacity building; iv) site screening for avoiding critical natural habitats ; vi) negative list to ensure biodiversity conservation, prevent forest fires, habitat fragmentation, land use modifications, and prevent felling of trees. ESMF includes screening and eligibility checklists to ensure exclusion of activities that would adversely affect biodiversity such as felling of trees, activities causing irreversible impacts to critical and natural habitats, activities causing forest fires, felling of trees without a permit, and activities that are inconsistent with forest working plans or Catchment Area Treatment (CAT) plans. A separate Integrated Pest and Nutrient Management Plan (IPNMP) will address risks from pesticide and fertilizer use.

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

Indigenous Peoples (scheduled tribes) are dispersed in varying numbers across the ten project districts and the identified Gram Panchayats. Their share in the project areas ranges from 1-25%, however they are largely concentrated around the project districts of Chamba and Kangra. However, officially notified schedule V areas with significant tribal populations, are not part of the project.

The ESA involved field visits to these tribal areas, and consultations with the target beneficiaries and tribal community leaders specially in Chamba & Mandi. Focused consultations were also held with the transhuman communities, mainly Gaddis and Gujjars. HPFD has also conducted extensive consultations with tribal communities as part of preparation for the Forests for Prosperity Projects. the FPP project prepararoin exercise, which have also informed the preparation of the ESMF, and especially IPPF. The IPPF or the Tribal Development Framework (TDF) provides specific measures to ensure socially and culturally compatible consultations with, and participation of the tribal communities in project implementation processes and project benefits. The risk of tribal exclusion from project interventions, investments and institutions is mitigated through: i) screening and documentation of tribal households in GPRMP; ii) prioritised targeting and inclusion in beneficiary lists; iii) consultations with tribal leaders in local
The livestock interventions will be providing targeted project benefits to the transhumant nomadic tribes that are traditionally dependent on grazing and common pastures. The TDF also supports community-identified additional interventions that would be needed to ensure the access of tribal communities to project benefits and preparation of selected TDPs.

Project interventions will not be causing any adverse impacts for the IPs. Project interventions do not involve any land acquisition, involuntary resettlement, physical relocation, or economic displacement that will affect either tribal households or non-tribal households. The planning of GPRMP will involve separate consultations with the tribal households, an intervention in the GPRMP will ensure flow of benefits to the tribal households. Any interventions involving temporary restrictions on land use such as plantations, nurseries, and fodder plots will have to be discussed, agreed with and formally endorsed by the communities, including the tribal households.

ESS8 Cultural Heritage

The ESA has covered potential for adverse impacts on tangible and intangible cultural heritage in project areas. Project areas and communities are rich in sites of religious and spiritual significance, including sacred groves and sacred water sources. Tangible and Intangible heritage, if any, would be ascertained through secondary sources as well as through consultation as part of ESA. The ESMF includes specific procedures and mitigation measures related with i) screening an identification of such sites and practices; ii) avoidance of sensitive sties; iii) chance find procedures.

ESS9 Financial Intermediaries

The project is an IPF instrument and no FII is included.

B.3 Other Relevant Project Risks

Not identified at this stage of the project.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways

No

OP 7.60 Projects in Disputed Areas

No

III. BORROWER’S ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)
### ESS 1 Assessment and Management of Environmental and Social Risks and Impacts

<table>
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<th>Task</th>
<th>Due Date</th>
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<tbody>
<tr>
<td>ENVIRONMENT AND SOCIAL EXPERTS. Ensure full time, availability of 1 senior social expert and 1 senior environment expert along with one supporting staff each on environmental and social in the state PMU, throughout the project implementation period.</td>
<td>04/2020</td>
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<tr>
<td>ESF TRAINING CALENDAR: Preparation and Implementation of a ESMF Training Calendar for project staff, other implementation agencies and partners as well as communities</td>
<td>04/2020</td>
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<tr>
<td>Bi-Annual Reporting on implementation of ESMF, ESMP and ESCP</td>
<td>07/2020</td>
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<tr>
<td>Annual Environmental and Social Audit</td>
<td>01/2021</td>
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<tr>
<td>IMPLEMENTATION OF ENVIRONMENT AND SOCIAL MANAGEMENT PLANS ESMPs covering key sectoral interventions – forestry, agriculture, animal husbandry, soil and water conservation, water harvesting / conveyance systems, as required, in a manner acceptable to the Bank</td>
<td>04/2019</td>
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<td>MANAGEMENT OF CONTRACTORS: Incorporate sector ESMPs in contract documents, with applicable mitigation measures</td>
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### ESS 10 Stakeholder Engagement and Information Disclosure

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<th>Task</th>
<th>Due Date</th>
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<tbody>
<tr>
<td>Implement the Stakeholder Engagement Plan (SEP) and report periodically</td>
<td>04/2020</td>
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<td>Operationalize grievance redress mechanism (GRM), as described in the SEP.</td>
<td>04/2020</td>
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### ESS 2 Labor and Working Conditions

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</tr>
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<tbody>
<tr>
<td>Implement Labor Management Plan</td>
<td>04/2020</td>
</tr>
<tr>
<td>IMPLEMENT WORKERS’ GRIEVANCE REDRESSAL MECHANISM</td>
<td>06/2020</td>
</tr>
</tbody>
</table>

### ESS 3 Resource Efficiency and Pollution Prevention and Management

<table>
<thead>
<tr>
<th>Task</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrated Pest and Nutrient Management Plan</td>
<td>04/2020</td>
</tr>
</tbody>
</table>

### ESS 4 Community Health and Safety

<table>
<thead>
<tr>
<th>Task</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implement Community Health and Safety Guidelines</td>
<td>04/2020</td>
</tr>
</tbody>
</table>

### ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

<table>
<thead>
<tr>
<th>Task</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implement Resettlement Policy Framework and related guidelines on voluntary land donation and Plans addressing community restrictions on land use</td>
<td>04/2020</td>
</tr>
</tbody>
</table>
RESETTLEMENT PLANS: When applicable, prepare and implement resettlement plans (RPs) consistent with the requirements of the RPF and ESS5, and integrated with GP-RMP. 04/2019

ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

BIODIVERSITY MANAGEMENT PLAN: Implement screening procedures and key measures in the BMP 04/2020

ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

Prepare, implement & Monitor area specific Tribal Development Plans 10/2021

ESS 8 Cultural Heritage

Implement chance find procedures, as detailed in the ESMF 04/2020

ESS 9 Financial Intermediaries

### B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts

**Is this project being prepared for use of Borrower Framework?** No

**Areas where “Use of Borrower Framework” is being considered:**

The borrower/government has not proposed for adoption of borrower’s E&S Framework to address environmental risks and impacts of the project. The project will comply with the Bank's new Environmental and Social Framework and its Environmental and Social Standards and as well as the National/State level requirements.

### IV. CONTACT POINTS

**World Bank**

<table>
<thead>
<tr>
<th>Contact</th>
<th>Title</th>
<th>Telephone No</th>
<th>Email</th>
</tr>
</thead>
<tbody>
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<td><a href="mailto:mstickler@worldbank.org">mstickler@worldbank.org</a></td>
</tr>
</tbody>
</table>
Borrower: Republic of India

Implementing Agency(ies)
Implementing Agency: Department of Forest, Government of Himachal Pradesh

V. FOR MORE INFORMATION CONTACT
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Web: http://www.worldbank.org/projects

VI. APPROVAL
Task Team Leader(s): Andrew Michael Mitchell, Christopher Paul Jackson, Meredith Mercedes Stickler
Practice Manager (ENR/Social) Urvashi Narain Cleared on 12-Dec-2019 at 10:12:37 EST