

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

Report No.: AB307

<b>Project Name</b>	Kenya Agricultural Productivity Project
<b>Region</b>	AFRICA
<b>Sector</b>	Agricultural extension and research (100%)
<b>Project ID</b>	P082396
<b>Borrower(s)</b>	GOVERNMENT OF KENYA
<b>Implementing Agency</b>	
	Ministry of Livestock and Fisheries Development Kenya
	KARI Kenya
	Government of Kenya Kenya
	Ministry of agriculture Kenya
<b>Environment Category</b>	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> TBD (to be determined)
<b>Safeguard Classification</b>	<input type="checkbox"/> S <sub>1</sub> <input checked="" type="checkbox"/> S <sub>2</sub> <input type="checkbox"/> S <sub>3</sub> <input type="checkbox"/> S <sub>F</sub> <input type="checkbox"/> TBD (to be determined)
<b>Date PID Prepared</b>	February 9, 2004
<b>Date of Appraisal Authorization</b>	February 26, 2004
<b>Date of Board Approval</b>	June 15, 2004

## 1. Country and Sector Background

Despite steady growth in the immediate post independence period, Kenya's economy has performed well below its potential in recent years. For the past two decades productivity has declined, competitiveness eroded, and international financial support diminished. Poverty and insecurity have increased. Average GDP growth declined from about 7% in the 1970's to just over 2% in the 1990's. Underlying factors include persistent and pervasive poor governance, poorly implemented reforms, and low and ill targeted investments in social services, infrastructure, and economic services.

Kenya's agricultural sector mirrored the poor performance of the economy more generally during the same period. Average annual agricultural GDP growth fell from 3.5 percent during the 1980s to 1.0 percent during the 1990s. External factors such as declining global agricultural commodity prices and vulnerability to climatic shocks explain part but not all of the decline. Domestic policy shortcomings created distortions in input and output markets, inadequacies in the legal and regulatory framework raised costs of business, poor infrastructure increased costs

of marketing, high incidence of HIV/AIDS reduced labor productivity, and dysfunctional public support services slowed the renewal of agricultural technology. The end result has been increased rural poverty and food insecurity, decline in competitiveness, and virtual cessation of both private and public investment in the sector.

The new Government's development strategy to address the above issues was most recently articulated in the *Economic Recovery Strategy for Wealth and Employment Creation (ERS) (2003-2007)*, which built on the foundations of the country's *Poverty Reduction Strategy Program (PRSP)*. The strategy identifies agriculture, trade and industry and tourism as the prime movers of the recovery program and places particular emphasis on sustainable agricultural growth as a critical element in poverty reduction. The government has also developed a draft *Strategy for Revitalizing Agriculture* which takes as its objective "to provide a policy and institutional environment that is conducive to increasing agricultural productivity, promoting investments, encouraging private sector involvement in agricultural enterprises and agribusiness."

The proposed project will contribute to revitalization of agriculture by:

- Facilitating farmer empowerment to access and apply profitable technologies.
- Laying the groundwork for a pluralistic agricultural extension and learning system.
- Integrating and rationalizing the national agricultural research system.

## **2. Project Objectives**

The project's development objective is to improve the system supporting generation, dissemination, and adoption of agricultural technology through: (a) reforms in extension to increase pluralism, responsiveness to clients, and participation by private providers; (b) evolutionary change in the existing system of agricultural research to improve accountability and impact; and, (c) increased empowerment of producer organizations to influence the planning, design, implementation, funding and monitoring and evaluation of research, extension, training and capacity building activities.

Key performance indicators:

Phase I results will be monitored by the following performance indicators:

- 10% increase in awareness and use of recommended varieties;
- 10% increase in farm incomes among immediate project beneficiaries;
- 10% increase in adoption of soil fertility and water management improvement practices among immediate beneficiaries;
- Enhanced conditions of the targeted watershed/catchment areas as measured by the adoption of sediment storage measures, and river bank protection measures;
- 20% increase in KARI patented processes and registered varieties;
- Rates of participation in the various fora created under the project, and reports from participants on the effectiveness of the for a;
- Progress in design of the national extension policy and related enactments.

The project will contribute to the Bank's overarching CAS goal of helping to reverse Kenya's decline in economic growth and equity. The project is closely aligned with Kenya's ERS/PRSP, which is centered around three pillars: economic growth with macroeconomic stability, equity and poverty reduction, and improved governance. The project supports these goals by contributing to: (i) higher farm incomes through increased adoption of profitable and environmentally sound technologies, particularly among smallholders and subsistence farmers; (ii) raising the productivity of public investments; (iii) improving the climate for private investment in agriculture and for private provision of agricultural services; and (iv) clarifying options and actions to improve the policy and regulatory framework in agriculture. The project will also support the Government's effort to shift authority and responsibility to local governments as part of the process of decentralization.

### **3. Rationale for Bank Involvement**

Kenya's agricultural performance must turn around quite quickly and effectively if the country is to recover lost ground and make progress toward meeting the MDG targets for poverty and hunger. The public sector must play a significant role in this process, but over the past decade many external partners withdrew support, both technical and financial. As a consequence recent and existing donor interventions have been fragmented and piecemeal. The new government has recognized the need for ambitious reforms to improve agricultural productivity, and seeks partnership rich in ideas, coordination and investment. The Bank is well qualified to provide leadership on all three elements, building on a foundation of support for agricultural research in Kenya and intellectual leadership in reforms of agricultural services in the region and globally. Perhaps more importantly, no other major partner is in a position to provide the needed partnership in a timely manner.

### **4. Description**

#### Component 1: Facilitation of Policy and Institutional Reforms

The first component will support establishment of the institutional framework required to increase agricultural productivity in Kenya. Activities will include creation of coordination structures and consultative fora, and provision of resources for these entities and the government more generally to develop and/or access the informational base required to guide action. The project will provide resources to the relevant Ministries to capture the lessons being generated by project activities, and to draw on existing national and international experience and knowledge.

The coordination structures will include: (i) an Inter-ministerial Steering Committee (ISC) composed of Permanent Secretaries of all sector related ministries (Agriculture, Livestock and Fisheries Development, Cooperatives, Water, Environment and Natural Resources, and Lands), to provide coherence and direction to the reform process; (ii) a KAPP Secretariat (KS), that provides an overall coordination of the program, while overseeing the Monitoring and Evaluation and Information and Communication functions; (iii) a KAPP Task Force (with chief executives and directors of the concerned ministries and agencies) that ensure support functions

to the ISC and act as a liaison between the ministries and public institutions and the KAPP; and (iv) District Service Units (DSU) that act as local KAPP secretariats to coordinate and implement targeted pilot interventions that feed into the reform process and capacity building activities in the selected 20 districts.

The KS would also facilitate establishment of three consultative stakeholder fora: an Extension Forum (EF), a Research Forum (RF) and a Farmer/Client empowerment Forum (CF). The fora would function as places where policy and institutional reforms will be debated. A National Agricultural Forum (NAF) would also be established to ensure that reforms follow a common and coherent overall conceptual framework. The stakeholder fora eventually will collapse into the NAF once the new policy and institutional frameworks will be developed. The fora will be duplicated at the district level in a single consultative forum system, which would be the result of representation aggregation processes that occur at division and lower levels.

### Component 2: Support to Extension System Reform

The component will build on achievements made under the NAEP framework by facilitating the development and internalization of a shared vision, strategy and policy that will help establish a new system of national extension service. Activities supported under the project will lead to the formulation and adoption of a new extension policy by 2006. The activities under this component would: (a) clarify and rationalize roles, and functions between public, private and civil society organizations, (b) streamline and develop more effective and responsive public services, (c) enhance capacity among non-public extension service providers, and (d) increase performance and sustainability. This would be achieved through three subcomponents focused on institution building, learning pilots and capacity building. Universities and other education service providers will play a key role in addressing the human capacity needs in the sector.

*Sub-component 2.1: Facilitation of an Extension Reform Consultative Process.* The sub-component will support establishment of an EF secretariat that will coordinate the overall extension reform initiative, liaise with the district fora and DSU, KS and other stakeholders, and manage the day to day activities of the EF. Activities will also include: (i) establishment of a live database that would act as comprehensive inventory and institutional assessment of the main extension and education service providers operating in the country, and (ii) organization of learning events including study-tours.

*Sub-component 2.2: Learning pilots.* Pilots will be established in twenty districts to support integrated and targeted extension activities. The pilots would be implemented using participatory assessment of needs and resources, which would be used to develop divisional Community Integrated Plans (CIP) as the planning basis for broader District Integrated Plans (DIP). The CIPs and DIPs would also indicate the extension approaches and demand-driven research activities to be piloted. KAPP will finance pilot extension approaches (10 per year, per district) identified within the context of CIPs and provide investment to nascent business extension providers on a cost sharing and cost recovery basis. Service providers would draw on the existing resources and procedures as much as possible.

Sub-component 2.3: Capacity building. The KAPP will strengthen district level capacity by providing training support of different kind to public staff, NGOs and CBOs and to the private sector service providers. Training needs assessment exercises will be conducted in each district to define specific plans and curricula (on participatory approaches, public role reorientation, planning-coordination-M&E, institution building, marketing, information and communication, technical and financial related skills).

### Component 3: Support to Research System Reform

The objective under KAPP's research component will be to broaden and complete the unfinished reform agenda of the agricultural research sector so that it encompasses a plurality of actors and becomes a more efficient and accountable system. Reforms would: (i) increase the role of end-users in activity planning, resource allocation, and implementation monitoring, (ii) promote performance/result based resource allocation, (iii) induce greater collaboration and synergy between and among public and private research institutions; (iv) ensure effective integration of research, education and extension services at local levels; (v) increase output of technologies and knowledge in response to national agenda to generate client level impact. This would be achieved through establishment of a national agricultural research system, pilot activities, and further support to KARI.

Sub-component 3.1: Facilitation of a consultative process for the establishment of a NARS. The RF will establish a Secretariat, whose functions will be to coordinate, liaise and manage all activities related to the forum. The initial work program of the RF would include: (i) comprehensive inventory and institutional assessment of all research organization institutions operating in Kenya; (ii) organization of learning activities; and (iii) a national technology development policy and related legal, institutional and implementation framework.

Sub-component 3.2: Targeted activities to initiate the NARS' Reform Process. Targeted activities include: (i) piloting of national priority collaborative research programs across institutions, and on strategic, cross-sectoral and cross-cutting themes to be planned by the RF and endorsed by the NGF (e.g., HIV/AIDS, land and water degradation, market development and trade and rural credit); (ii) development and activation of specific policy instruments, institutional mechanisms and an incentive systems to forge collaboration and integration (common HRD strategy, ITC network, physical asset management policy, governance policy, etc.) including targeted capacity building of the scientific community; (iii) development of an operational sustainable funding mechanism for the entire NARS; and (iv) initial investments for the NARS rationalization process.

Sub-component 3.3: Support to the Kenya Agricultural Research Institute (KARI). The sub-component will finance investments to support KARI's transition into a more effective institution with increased field impact and capacity to extend and up-scale successful extension methodologies. KARI will be the leader among research institutions in terms of the quality of research management, of science and research outputs, as well as impact. To meet this vision investments under this component will focus on institutional strengthening, targeted expansion of research programs, information dissemination and income generating initiatives. Decentralization to Regional Research stations and empowerment of CRACs would be priority

actions. The project will fund the implementation of an effective HRD strategy; a Management Information System to improve administrative, financial and technical management and to institutionalize M&E, IA and Beneficiary Assessments at all levels; as well as upgrading infrastructure, ICT and scientific equipment.

#### Component 4: Support to Farmer/Client Empowerment

The component will help develop institutional and financial mechanisms that will give farmers control over extension and research services and increase their access to productivity enhancing products. As a first step, KAPP will help facilitate direct involvement by farmers in the reform process through client consultative structures at all levels, and provide means for improved access to information on technology and services. In addition, KAPP will provide targeted support to (i) scale-up application of technology innovations through establishment of service enterprise networks and (ii) build capacity of associations and commodity organizations. Training activities to build farmers' institutional, management and technical capacities are also planned.

*Sub-component 4.1: Facilitation of client consultative process.* Client fora (CF) will be established at both national, district and grass root level to guide and support farmer empowerment. In order to strengthen access to information, mass communication tools (radio, print media and newsletters, television programs and websites) will be utilized to target all segments of the client fora. Divisional fora farmer leaders would be supported to enhance their access to a transparent and continuous flow of information.

*Sub-component 4.2: Targeted interventions for Client Empowerment.* The sub-component will support qualified producer organizations to build their capacity to offer services that: (i) help farmers meet registration requirements; (ii) enhance client capacity to meet national and international marketing and certification standards and requirements; (iii) offer market link networking services to client members. On the basis on the Enterprise Plans, the KAPP will also facilitate the scaling-up of technology innovations through the establishment of 80 client networks and building on their own savings, help make investments that will scale up access to agricultural services for production, agro-processing, marketing and management of finances.

*Sub-component 4.3: Capacity building.* The capacity building sub-component would provide client training aimed at improving production, managing the natural resource base, processing and network marketing skills and developing client fora capacity to access and manage financial resources. Training needs would be assessed using participatory methods and compiled in district training plans. Client fora will be assisted to develop their own network of trainers. Agricultural education institutions that also register as service providers will have opportunity to access funds to deliver training.

### **5. Lessons learned and reflected in the project design**

Poor performance of public systems of research and extension globally has led to a number of lessons of experience that are incorporated in the design of the three phased APL. Separate and poorly linked systems of research and extension yield low returns. The content of extension is

impoverished when poorly linked with research, and the applications of research are thwarted when poorly linked to extension. Neither research nor extension achieves high returns, even if well linked, if not attuned to the needs of actual clients; i.e., the farmers. Well functioning systems of generation, dissemination, and adoption of technology require feedback loops through which farmers have a real voice in decisions. Although the public sector must remain active in research and extension, and in funding of both, private firms can be more cost effective and responsive to clients. Producers are more influential and more effectively reached when they are organized, rather than atomized. Subsidiarity must be observed in assigning responsibilities for public entities, and many of the appropriate public functions can be best performed at the local level. Research and extension must address productive systems and natural resource management, as well as specific commodities. Finally, consistent under-funding of agricultural research and extension, especially in Africa, leads to high indicators of marginal returns to investment, but to low measured impact on the ground, as modest efforts are spread very thinly. Each of these lessons has been reflected in the design of the operation and the road map for change envisioned in the Kenyan strategy. An ambitious agenda of reform will lie ahead as these lessons are reflected in the design of programs.

The lessons of NARP I and II also influenced the project design, particularly the need for: greater focus on end users, effective monitoring and evaluation, empowerment of regional research entities and greater integration with the broader agriculture sector. In addition, the generally positive experience in implementation of NARP I and II has influenced the proposed arrangements for implementation, and the decision to use the administrative capacity within KARI to best advantage, particularly in the early phase.

## **6. Alternatives considered and reasons for rejection**

A follow-up project to the NARP II to consolidate the gains made under the two previous agricultural research project phases was considered but rejected. A follow-on project would be poorly able to capture the lessons of experience noted above, and would most likely be characterized by: a) a narrow technological focus compounded by moderate to low adoption rates of outputs; b) a centralized and tightly compartmentalized research system; c) poor ability to retain researchers because of limited career opportunities; d) a sub-optimal use of assets and/or redundant capital investment and; e) poor overall accountability of the entire system. A simple continuation of past support to KARI would not capitalize on the readiness of KARI and other entities to create a more effective research system. Nor would such an operation address the challenge implicit in the ERS and its demands on agriculture. The proposed project incorporates the emphasis on technical excellence embodied in past support under NARP I and II, but moves beyond it to promote institutional change and greater impact on growth and poverty.

The selection of an Adaptable Program Loan (APL), instead of a Specific Investment Loan (SIL) was based on the following reasons: (i) institutional development, agricultural technology generation and technology adoption are long-term processes that require sustained effort and support; (ii) development of a pluralistic research and extension system and the establishment of client empowering mechanisms requires flexibility throughout the project life; (iii) the change in culture represented by the project approach requires a period of learning, generalized acknowledgement and refining as these strategies and plans are developed; and (iv) the phases

can be identified and triggers designed. The structure of an APL allows the project to devote one phase to each of the reform design, implementation and consolidation objectives with triggers for each phase.

## 6. **Implementation**

### 6.1 Partnership Arrangements

The KAPP has no formal partnership arrangements with other donors, but partnership through the entities created under KAPP is likely to expand as other donors clarify their approaches to increased support for Kenyan agriculture. The EU has indicated interest to coordinate its future interventions with the KAPP process. Consultative and planning mechanisms between GoK and donors operate at various levels with various degrees of efficiency and success. The Medium Term Expenditures Framework (MTEF) provides the most appropriate framework to implement such objectives as do various working groups on agriculture, food security, agricultural policy, extension and commercialization. KAPP would greatly benefit from a reinvigorated working groups and close organic links to the MTEF processes.

### 6.2. Institutional and implementation arrangements

**Sector-wide oversight Committee.** There will be 3 lead institutions: the Ministry of Agriculture, the Ministry of Livestock and Fisheries Development, and the Kenya Agricultural Research Institute (KARI). Overall coordination will be under a KAPP Secretariat staffed by individuals from the key lead implementing agencies, as well as from the Kenya National Federation of Agricultural Producers representing the ultimate clients of the project services.

**Project overall Coordination.** The KAPP Secretariat will have responsibility for overall project coordination. The core of the secretariat is composed of an officer from the Ministry of agriculture, the Ministry of Livestock Development, KARI and KENFAP with full time appointments to the secretariat. Full time appointments are deemed necessary due to the demands of the reform agenda. The core team will be supported by a group of part time appointees from other stakeholder institutions.

The secretariat has been designed to cut across institutions and integrate different institutional agendas into a focused reform strategy. Linking the KAPP secretariat to the Economic subcommittee of the cabinet, an inter-ministerial steering committee and the agricultural sector working group in the Ministry of Planning provides the necessary cross cutting links.

Through implementation of the KAPP, the secretariat will seek to improve its own skills in managing reforms, interacting at high levels of Government, networking and successfully lobbying for desired outcomes. Often in the past Kenyan public employees knew what was wrong but had little voice or ability to drive change. The KAPP secretariat will seek to develop skills and opportunities for civil servants and others to contribute to the process of change.

**Project implementation.** The range of issues involved in raising agricultural productivity suggests a natural division of labor among institutions implementing different components.

Component 1. The agricultural sector institutional reform component will be implemented by the KAPP Secretariat.

Component 2. The extension component will be implemented by the 2 ministries -- Agriculture, and Livestock and Fisheries Development. The institutionalization of an Extension Forum will bring input from private and civil society service providers, and any others interested in, or able to make a contribution toward improving extension services in Kenya. Universities, commodity organizations, NGOs and private input suppliers are expected to become members of this forum. The Extension Forum will be supported by an Extension Secretariat composed of individuals drawn from a range of extension stakeholders and including a coordinator from the broader KAPP secretariat. Funds for activities under this component will be coordinated by the KAPP secretariat and the line ministries, but may be contracted out to many different types of contractors, extension and training providers, and universities.

Component 3. The research component will be implemented by KARI under the guidance of the inter-ministerial steering group. A Research Forum will bring in other research institutes, universities, and private sector organizations interested in agricultural research. This research forum will have its own secretariat as well as coordination by a member of the overall KAPP secretariat.

Component 4. Farmer and client empowerment will be implemented by the District Agricultural Services Units (DSU) at the district level, and at national level by the KAPP secretariat. Capacity building activities will be ongoing at both levels. District Client Forums will help to determine which organizations are best placed to deliver specific capacity building interventions.

**Financial Management and Procurement.** Financial management and procurement arrangements will be based on the successful procedures put in place by KARI. There will be need to build such capacity in other implementing institutions. However tying the KAPP secretariat closely to KARI should limit the bottlenecks in this regard, particularly if KARI can procure on behalf of other bodies.

Flow of funds and accountabilities for financial reporting should piggyback on the existing KARI system. However since the project does not fall within a particular ministry it is proposed that a separate account be set up for the project at the national as well as district levels with appropriate checks and balances and audit trails to meet global accounting standards, and global standards for probity and transparency.

## **7. Financing**

Source:	(\$m.)
BORROWER/RECIPIENT	20
INTERNATIONAL DEVELOPMENT ASSOCIATION and GEF	50
Total	70

## 8. Sustainability

There are two major issues affecting sustainability of the project:

Future financing for project initiated activities: Well managed programs of agricultural research and extension yield public benefits and are appropriate long-term recipients of public funding. A sustainable base of public funding requires an effective effort at monitoring and evaluation, and regular public education about the benefits achieved. Voters and public officials who do not know what is accomplished by research and extension will not support needed appropriations. But public sources of finance are not sufficient, particularly as systems become pluralistic and the private agricultural sector becomes better developed and more complex. The NARS needs to ensure that other adequate financial resources are made available in addition to funds from government and donors. The project will further support initiatives aiming at enhancing the sustainability of research activities and the diversification of income generating sources. The rationalization process within the NARS will also aim to promote economies of scale and efficient use available resources. The sustainability of extension delivery mechanisms promoted by the project will depend on the level of public funding, increased willingness of clients to share costs, and investments made by the private sector. It is expected that reforms towards a more efficient and pluralistic extension service will reduce the cost of services and incorporate cost-sharing mechanisms. It is anticipated that some of the extension services being offered by the government will be taken over by producer groups and commodity bodies as has happened with tea and to some extent dairy production.

Institutional capacity: KAPP relies on institutional capacity to undertake reform and devolve control over resources to lower levels. As the program expands in phases II and III, capacity may become a constraint. The KAPP will attempt to avoid this by operating through existing structures and mechanisms enhanced by task groups and additional resource persons to build the required capacity, facilitate the reform process and eventually mainstream the program. Project successes would generate experiences of the reform processes, institutional arrangements and implementation modalities that would provide a set of good practices that could be replicable elsewhere.

## 9. Lessons Learned from Past Operations in the Country/Sector

Poor performance of public systems of research and extension globally has led to a number of lessons of experience that are incorporated in the design of the three phased APL. Separate and poorly linked systems of research and extension yield low returns. The content of extension is impoverished when poorly linked with research, and the applications of research are thwarted when poorly linked to extension. Neither research nor extension achieves high returns, even if well linked, if not attuned to the needs of actual clients; i.e., the farmers. Well functioning systems of generation, dissemination, and adoption of technology require feedback loops through which farmers have a real voice in decisions. Although the public sector must remain active in research and extension, and in funding of both, private firms can be more cost effective and

responsive to clients. Producers are more influential and more effectively reached when they are organized, rather than atomized. Subsidiarity must be observed in assigning responsibilities for public entities, and many of the appropriate public functions can be best performed at the local level. Research and extension must address productive systems and natural resource management, as well as specific commodities. Finally, consistent under-funding of agricultural research and extension, especially in Africa, leads to high indicators of marginal returns to investment, but to low measured impact on the ground, as modest efforts are spread very thinly. Each of these lessons has been reflected in the design of the operation and the road map for change envisioned in the Kenyan strategy. An ambitious agenda of reform will lie ahead as these lessons are reflected in the design of programs.

The lessons of NARP I and II also influenced the project design, particularly the need for: greater focus on end users, effective monitoring and evaluation, empowerment of regional research entities and greater integration with the broader agriculture sector. In addition, the generally positive experience in implementation of NARP I and II has influenced the proposed arrangements for implementation, and the decision to use the administrative capacity within KARI to best advantage, particularly in the early phase.

#### 10. Safeguard Policies (including public consultation)

<b>Safeguard Policies Triggered by the Project</b>	Yes	No
<a href="#">Environmental Assessment (OP/BP/GP 4.01)</a>	[ X ]	[ ]
Natural Habitats ( <a href="#">OP/BP 4.04</a> )	[ X ]	[ ]
Pest Management ( <a href="#">OP 4.09</a> )	[ X ]	[ ]
Cultural Property ( <a href="#">OPN 11.03</a> , being revised as OP 4.11)	[ ]	[ X ]
Involuntary Resettlement ( <a href="#">OP/BP 4.12</a> )	[ X ]	[ ]
Indigenous Peoples ( <a href="#">OD 4.20</a> , being revised as OP 4.10)	[ X ]	[ ]
Forests ( <a href="#">OP/BP 4.36</a> )	[ X ]	[ ]
Safety of Dams ( <a href="#">OP/BP 4.37</a> )	[ ]	[ X ]
Projects in Disputed Areas ( <a href="#">OP/BP/GP 7.60</a> )*	[ ]	[ X ]
Projects on International Waterways ( <a href="#">OP/BP/GP 7.50</a> )	[ ]	[ X ]

KAPP is a safeguards category S2 and EA category B project. These categories primarily reflect the potential for environmental degradation and inadequate natural resources management to affect the project rather than the reverse. KAPP is a blended IDA and GEF operation, and project preparation included an SESA (see Annex 10) that established the framework for more strongly including effective response to environmental and social sustainability considerations in a reformed agricultural R&E system. These broad considerations include safeguards concerns for reducing environmental and natural resource/habitat degradation, avoiding future degradation, and strengthening pesticide management and the use of integrated pest management. Both IDA and GEF activities include policy/institutional development and capacity building that, *inter alia*, will strengthen responses to environmental and social sustainability issues by a variety of public and private sector stakeholders in agricultural development. Preparation of the KAPP involved consultation among public- and private-sector

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

stakeholders. KAPP implementation includes, during APL1, a substantial process for civil society consultation to direct the reform of the agricultural R&E system, including its environmental and social sustainability dimensions.

The SESA was disclosed through the World Bank Infoshop on *[add date]* and in Kenya on *[add date]*.

11. List of Factual Technical Documents

12. Contact point

Contact: Moctar Toure

Title: Lead Agriculture Services Specialist

Tel: (202) 473-9008

Fax: (202) 473-8231

Email: [Mtoure@worldbank.org](mailto:Mtoure@worldbank.org)

13. For more information contact:

The InfoShop

The World Bank

1818 H Street, NW

Washington, D.C. 20433

Telephone: (202) 458-5454

Fax: (202) 522-1500

Web: <http://www.worldbank.org/infoshop>