



# Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

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Appraisal Stage | Date Prepared/Updated: 04-Feb-2019 | Report No: PIDISDSA24867



**BASIC INFORMATION**

**A. Basic Project Data**

Country Samoa	Project ID P165873	Project Name Samoa Agriculture & Fisheries Productivity and Marketing Project (SAFPROM)	Parent Project ID (if any)
Region EAST ASIA AND PACIFIC	Estimated Appraisal Date 21-Jan-2019	Estimated Board Date 22-Apr-2019	Practice Area (Lead) Agriculture
Financing Instrument Investment Project Financing	Borrower(s) Independent State of Samoa	Implementing Agency Ministry of Agriculture & Fisheries	

Proposed Development Objective(s)

To increase the productivity and access to markets by selected producers, to improve management of targeted productive natural resources and, in the event of an Eligible Crisis or Emergency, to provide an immediate response to the Eligible Crisis or Emergency.

Components

- Strengthening National Institutions
- Strengthening the performance of selected value-chains
- ASCD establishment and project management, M&E and communication
- Contingency Emergency Response

**PROJECT FINANCING DATA (US\$, Millions)**

**SUMMARY**

<b>Total Project Cost</b>	24.45
<b>Total Financing</b>	24.45
<b>of which IBRD/IDA</b>	19.95
<b>Financing Gap</b>	0.00

**DETAILS**

**World Bank Group Financing**



International Development Association (IDA)	19.95
IDA Grant	19.95

**Non-World Bank Group Financing**

Other Sources	4.50
International Fund for Agriculture Development	4.50

Environmental Assessment Category

B-Partial Assessment

Decision

The review did authorize the team to appraise and negotiate

**B. Introduction and Context**

Country Context

1. The Independent State of Samoa (Samoa) is a small remote Pacific Islands Country (PIC) with a population of approximately 197,000 people<sup>1</sup>. Samoa consists of two large islands (Upolu and Savai'i), and several smaller islands, and has a total land area of approximately 2,830 km<sup>2</sup> and an exclusive economic zone of 131,000km<sup>2</sup>. Samoa is a stable democracy with steady growth supported largely through remittance (25 percent of the Gross Domestic Product (GDP) over the past 4 years) and aid flows (10 percent), as well as the tourism and agriculture sectors.
2. Like many PIC's, Samoa faces unique challenges to its economic growth, due to its small size, remoteness, high exposure to shocks and environmental fragility. Economic growth has picked up in recent years, and in Fiscal Year (FY) 2016 real GDP expanded by around 7 percent, much faster than originally forecast and a significant acceleration from growth of between 1 and 2 percent in the previous two years. Growth in FY16 was driven by tourism arrivals, lower fuel prices, and new fish processing facilities, as well as two major sporting events. Agriculture and fisheries contributed a total of 11 percent of the GDP in the year ending September 2017<sup>1</sup>. Over the medium term, real GDP is expected to increase at an annual rate of around 2 percent<sup>2</sup>.
3. However, frequent natural disasters can distort this picture. Samoa is ranked 30<sup>th</sup> of countries exposed to three or more hazards<sup>3</sup> and is expected to lose an average of 1 percent GDP each year as a result of tropical cyclones and just less than 1 percent annually due to earthquakes and tsunamis<sup>4</sup>. Samoa has been struck by seven Category 4 or 5 cyclones, the most recent of which was Tropical Cyclone (TC) Evan in late 2012 that, according to the Damage and Loss Assessment<sup>3</sup>, caused an estimated US\$210 million (30 percent of annual

<sup>1</sup> Samoa Bureau of Statistics.

<sup>2</sup> Samoa First Resilience DPO, The World Bank (2017)

<sup>3</sup> "Samoa Post-Disaster Needs Assessment, Cyclone Evan 2012", Government of Samoa, March 2013.



GDP) in damages and losses. Of this, 45 percent belonged to the private sector, including a loss of 49 percent in crop and livestock GDP, and 5 percent in fisheries GDP. While Samoa has largely recovered from the effects of TC Evan, Category 5 cyclones are likely to be a 1 in 10-year event for Samoa.

4. Samoa's growth is also constrained by the high instances of obesity and non-communicable diseases (NCD). 54 percent of Samoa's population is obese, and more than 40 percent of deaths are the result of diabetes, stroke and heart diseases. It is predicted that the economic burden of NCDs will reach as high as 8.5 percent of GDP by 2040<sup>4</sup>. Recently, Samoa has seen steady improvements in health outcomes, with the highest life expectancy in the Pacific (75 years) and one of the lowest infant mortality rates (15/1,000 live births). However rising rates of NCDs threaten to undo much of the health and economic progress, for instance, overseas medical treatment for NCDs accounted for 15 percent of total health expenditure in 2009/10, while only benefiting 0.1 percent of the nation's population.
5. Samoa faces persistent challenges in securing prosperity for all and the incidence of hardship remains high. While extreme poverty is low (0.6 percent), basic needs poverty or 'hardship', stands at 26.9 percent. 81 percent of Samoa's population live in rural areas and most households (HHs) are engaged in some form of agricultural activity. While strong traditional family solidarity and community-based safety nets are still effective in preventing extreme hardship, these traditional networks cannot manage local or country-wide shocks, such as natural disasters, that affect most of their members.

#### Sectoral and Institutional Context

6. Sectoral context: In Samoa, and across the Pacific, agriculture and coastal fisheries play an important role in meeting subsistence needs. According to the 2015 Agriculture Survey, 97 percent of the over 30,000 HHs of Samoa grow some crops or raise some livestock. For most, agriculture is a secondary activity, growing crops for subsistence purposes only. The most commonly produced crops are taro, banana and yam, and many HHs engage in small-scale subsistence livestock production. For fisheries, small-scale subsistence and semi-commercial fisheries are an important source food and livelihoods in Samoa with consumption levels of about 100 kg per person per year in rural areas.
7. Despite this, 'food and live animal' imports are the top category of imports, accounting for 27.5 percent of the total<sup>5</sup>, with chicken legs, sugar and mutton topping the list. In 2015, approximately 67 percent of all retail beef and 95 percent of chicken meat was imported. While endowed with productive waters, Samoa still imports large quantities of fish products, mainly low-price canned tuna, the value of which is estimated at nearly US\$15 million in 2016. Low cost and low-quality food imports often crowd out domestic production and contribute (together with food consumption behavior) significantly to the NCD crisis experienced in the region.
8. However, signs of import substitution can be seen recently and the potential for farmers to move from subsistence into semi-commercial and commercial farming has been evident from the Samoa Agriculture Competitiveness Enhancement Project (SACEP)'s implementation results. According to the 2017 Market Survey, undertaken through the SACEP, the volume of local meat products available in the marketplace more than doubled between 2013 and 2017, the volume of local vegetables increased by 62 percent and local fruits

<sup>4</sup> Pacific Possible, The World Bank (2017)

<sup>5</sup> Samoa Bureau of Statistics (<http://www.sbs.gov.ws/index.php/new-document-library?view=download&fileId=1990>). Feb, 2017



by 48 percent over the same period.<sup>6</sup> According to the 2018 Matching Grant Program (MGP) Impact Assessment, median sales between 2013 and 2017 increased by 110 percent for farmers involved in the MGP, while the control group saw an increase of just 11 percent over the same period.

9. In the export market, fish and taro are the top two agriculture exports (accounting for 38 and 9 percent of exports respectively in July-September 2017 quarter). Fresh fish, particularly tuna, still constitutes one of Samoa's largest export commodities, even if fishing accounted for only 3.5 percent of nominal GDP in 2017.
10. Agriculture in Samoa has traditionally been dominated by village-based, mixed-farming systems (which combine taro, tubers and tree crops, e.g. coconut, cocoa and breadfruit), on communally-owned lands. The strength of Samoa's village-based agriculture system is in its distribution of risks and costs across the community, while collectively addressing basic food needs. Its drawback is that it restricts agricultural specialization and diminishes investment, failing to maximize agricultural efficiency and productivity in an increasingly market-oriented economy. However, there are notable increases in investment into agriculture by the private sector, and a growing interest by farmers to move into market-oriented production. Community leaders are increasingly recognizing individual user-right claims on communally owned land and delineating individual farm areas. The number of organically-certified farms is growing steadily, and new farmers' associations are also developing.
11. To support this transition from purely subsistence agriculture to farming as a business, the Government of Samoa plays an important role in: seeking to sustainably increase productivity under resilient, mixed-farming systems; improving market access; and promoting business partnership models that enhance small farmers' access to support services necessary for meeting market requisites. This will contribute to diversifying farming families' nutrition, income and risks, improve productivity and reduce inputs, while mitigating some of the environmental damage caused by past deforestation. It will also support a reduction in major pest outbreaks and exposure to the adverse effects of climate change and promote nutrient cycling and ecosystem services required in organic farming.
12. In the fisheries sector, 21 percent of all HHs are engaged in fisheries activities<sup>7</sup>, with the highest rate (37 percent) in Savai'i. Home consumption is the main purpose (70 percent of those HHs in 2015). Samoa's Exclusive Economic Zone (EEZ) is the smallest in the Pacific region and a tuna longline fishery, particularly albacore, is the main offshore fishery. While tuna has traditionally been the country's largest export earner, recent years have seen a decline in the overall tuna catches, with a more than 50 percent reduction between 2009 and 2013. Transshipment operations by foreign longliners began in Apia in 2010 and as of April 2012, there had been 34 such operations. Smaller domestic longliners also transship in Samoa with the target market being the cannery in neighboring American Samoa. Samoa is a party to the UN Convention on the Law of the Sea and the UN Fish Stocks Agreement. Samoa is also party to and participates in the Western Central Pacific Fisheries Commission (WCPFC) and the Forum Fisheries Agency (FFA). In 2014, Samoa signed onto the Tokelau Arrangement, a joint approach to managing the South Pacific Longline Fishery for albacore. This arrangement provides for zone-based management and national catch limits.
13. Pressure on fish resources has occurred with destructive fishing practices such as the use of nets with small mesh size, fishing with poisonous and noxious substances, the destruction of mangrove forests, sand mining

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<sup>6</sup> SACEP 2018 Market Survey

<sup>7</sup> 2015 Samoa Agriculture Survey



and coastal development. To a lesser extent cyclones and natural disasters also contribute to natural resources damages. In part due to these pressures, nearshore fishing underwent a steep decline in the early 1990s, however, conservation and management measures at the national and local levels have since been put in place and their implementation is ongoing.

14. Agriculture and fisheries in Samoa are very vulnerable to the adverse effects of climate change. According to the World Bank's Climate and Disaster Risk Screening Tool, this project is likely to face: (i) a high level of exposure to climate and disaster hazards, notably increasing incidence of drought, violent weather events (such as cyclones), and earthquakes or tsunamis; (ii) high impact on physical infrastructure and assets as a result of those hazards; and (iii) a high level of risk to the outcomes and service delivery of the project. More on the results of the Climate and Disaster Risk Screening tool can be found under the 'Key Risks' section.
15. Climate change for Samoa is predicted to manifest in more frequent and extreme rainfall events, longer drought events, extreme winds, and high air and water temperatures. Already sea levels have risen by approximately 4mm per year since 1993 (faster than the global average), persistent dry spells are coinciding with El Nino, pelagic fish stocks are likely to shift in distribution and ocean acidification is endangering the country's coral reef ecosystems.<sup>8</sup> Adoption of innovative farming technologies and practices, better adapted livestock breeds (resistant to vector-borne diseases), more crop varieties and a stronger focus on sustainable fisheries management are key components in improving nutrition for Samoa and supporting farmers and fishers to be more climate-prepared and resilient.
16. The limited access to: (i) extension and veterinary services for farmers; (ii) markets; and (iii) financing services constitute the key bottlenecks to unlocking the agriculture and fishery potential in Samoa.
  - a. Regarding services, currently only one state veterinarian services the entire country's livestock needs and there is limited knowledge and available training for farmers wanting to try new or innovative practices.
  - b. Regarding access to markets, the number of facilities and infrastructure able to store or process the raw products locally is limited. In the livestock sector, the SACEP has supported the establishment of a mobile slaughtering unit (MSU). However, its utilization is growing slowly as changes in livestock producers' and butchers' behaviors and slaughter practices take time. In parallel, the construction of a static slaughtering unit (SSU) started under the SACEP and will be completed under the SAFPRO, while the Slaughter and Meat Supply Act 2015 (entering into force in 2019) will accelerate the hygienic slaughtering of livestock and allow for the increased access of fresh, chilled meat products to local markets, resulting in increased returns on investments made by livestock producers.
  - c. Finally, access to finances for smallholder farmers is constrained by the lack of adapted financial instruments, the high perceived risk of farming operations and the low financial literacy of these producers. The agriculture sector accounted for less than 1 percent of the total commercial bank loans to the private sector in 2017, although the sector was about 6.5 percent of the national GDP in 2015/2016. The proportion of urban adults who own at least one bank account is 58 percent, against 34 percent among rural adults and drops further to 20 percent in those relying on agricultural income.<sup>9</sup>

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<sup>8</sup> COP23 country forecast: <https://cop23.com/fj/samoa/>

<sup>9</sup> 2015 Financial Services Survey



17. In the fisheries sector, a lack of capacity and infrastructure for efficient value adding activities continue to restrict best practices. Cold storage, ice-making facilities, ramps for vessel landing and fish markets are missing or insufficient throughout the country and most of the value-adding of fish caught is done outside of Samoa (about half of Samoa's fish exports goes to canneries in American Samoa). While the establishment of a new cannery in Samoa is questionable (in terms of market size and competitiveness), opportunities exist for import substitution through pre- to post-harvest improvements to increase the value of fish products, reduce waste, maintain quality, and diversify markets towards higher value domestic markets.
18. Producer organizations have been historically weak or absent in Samoa, largely attributed to a lack of trust outside of the core family or community network. This lack of collective approach has created bottlenecks when trying to access advisory services, inputs or markets. This is changing though, particularly with successful examples, such as the Samoa Banana Growers Association which, under SACEP, has been able to export green bananas from Samoa to New Zealand for the first time in 20 years.
19. While Samoa has made significant progress in many areas of gender mainstreaming, such as becoming the first Pacific Island nation to ratify the Convention for the Elimination of Discrimination Against Women (CEDAW) in 1992 and recently passing legislation to allow special measures to increase female involvement in parliament, there are still gender gaps that exist. Female labor force participation remains low, with the most recent (2011) ILO figures finding 23.4 percent female, and 58.2 percent male participation. However, in line with the rest of Samoa, women engaged in farm work tend to have higher levels of education than men. It is also more likely that an educated farm labor force will be open to modern farming techniques and tools<sup>10</sup> which will be encouraged for climate-smart technologies and adaptation measures under the MGP. In the small-scale fisheries sector, women hold a very important role, particularly related to reef gleaning for fish and invertebrate (lobsters, trochus, sea cucumbers, giant clams, etc.), for commercial or subsistence purposes. Women are also important actors in the post-harvest value chain as they process fish products (drying or smoking) and sell in markets or at roadside stalls. Small-scale artisanal fisheries typically employ a significant proportion of women throughout the value chains.
20. Institutional context: The Government of Samoa (GoS)'s Agriculture Sector Plan (ASP) 2016-2020 provides the framework to guide coherent programs and actions from all key stakeholders to achieve the goal of increased food, nutrition and income security in Samoa. Under this plan, additional attention is being paid to build the institutional capacity of the Ministry of Agriculture and Fisheries (MAF) to manage the sector-wide program. A lack of data was identified as a challenge to planning and monitoring in the agriculture sector, so the MAF is working closely with the Samoa Bureau of Statistics to strengthen its data collection systems, analysis and reporting. Samoa has an Aquaculture Development and Management Plan (2013-2018), a Tuna Management Plan (2017-2021) and a Coastal Fisheries Development and Management Plan (2013-2016) - all coming to an end and lacking a comprehensive, updated and detailed strategic framework.
21. A key outcome in the ASP is to increase the supply and consumption of competitively priced, domestically produced food. Building on the achievements of SACEP, the Plan looks to extend and scale up the adoption of new technologies, strengthen farm business management skills and enhance producer linkages to sustainable and profitable markets. Improving access to productive resources, financial services and business skills particularly for women is also a key objective. Global experience has shown that, increased access by

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<sup>10</sup> <http://www.sbs.gov.ws/index.php/new-document-library?view=download&fileId=1845>



women to income generating opportunities and social decision-making empowerment at community level, improved HH nutrition-patterns.

### C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

To increase the productivity and access to markets by selected producers, to improve management of targeted productive natural resources and, in the event of an Eligible Crisis or Emergency, to provide an immediate response to the Eligible Crisis or Emergency.

#### Key Results

22. In the context of the SAFPROM, “targeted productive natural resources” will explicitly refer to fisheries and mixed tree-crops farming systems (notably cocoa and coconut on the Savai’i island). This will contribute to the overall climate-resilience of these production systems (stated as an objective of the ASP 2016-2020 reflected in the SAFPROM Theory of Change).

23. The PDO level Indicators include:

- Increased productivity for targeted beneficiaries, in targeted value chains, for crops and livestock, measured by: (i) increased yields of selected crops (Chinese cabbage, tomatoes, bananas, cocoa wet beans); and (ii) increased lambing and calving rates and pigs weaned per sow per year;
- Improved access to markets for targeted beneficiaries, in targeted value chains, measured by increase in the value of sales of selected crops and livestock producers;
- Improved management of productive natural resources, measured by: (i) number of targeted beneficiary fishers adopting new technologies or practice for improved sustainable fisheries; and (ii) number of community-based integrated land management plans for mixed tree-crops farming systems completed and implemented; and
- Number of direct beneficiaries, gender-disaggregated with a minimum of 30% of female.

### D. Project Description

24. The SACEP (closed in December 2018) has demonstrated how investments in public infrastructure (Mobile Slaughtering Unit, Tissue Culture Laboratory) and access to finance for smallholder farmers (matching grants and Development Bank of Samoa (DBS) loans) can start transforming the agriculture sector in a country like Samoa, by contributing to import substitution and generating a more commercially-oriented sector. The government of Samoa plans to build on these achievements and take advantage of the opportunities they presented. The SAFPROM has been designed using the foundations laid by the SACEP with the major objective of consolidating them. It is co-financed by the WB and IFAD.

25. Through its objectives of increasing crops and livestock productivity, access to markets, as well as improving the management of targeted fisheries and mixed tree-crops farming systems, this project will contribute to: (i) import substitution and increase the supply and consumption of domestically produced food; (ii) boosting exports of selected commodities; and (iii) strengthening resilience of farming and fishing households to climate change and climate-induced disasters (cyclones, heavy rains, prolonged dry seasons, flooding/land slides). The project will have four components.

26. **Component 1: Strengthening National Institutions.** This component will aim at creating an enabling



environment for increased productivity and access to markets for target farming and fishing households and small private sector along the targeted value-chains (inputs suppliers, agro-processors, etc.). It will address institutional capacity gaps both within MAF and national producers' organizations and stakeholders, through the implementation of a training and capacity building plan developed on the basis of an *agriculture sector and MAF skills gap assessment* conducted during SAFPROM preparation. The capacity building plan includes elements to integrate climate adaptation into agriculture, fisheries and food security policies and broader development planning, extension methodology and technical approaches to climate resilient agro-forestry farming systems. To encourage more female farmers/fishers, the component will also work with the Samoan Women in Business Development Inc. to identify gender-specific constraints and activities to mitigate them.

- a. **Sub-component 1.1. - Institutional capacity building for crops and livestock.** This sub-component will implement short and long-term training and capacity building plans for the MAF and national producers' organizations and support the review of regulatory and policy frameworks in targeted value-chains, notably on climate-smart agriculture, livestock and crop extension and veterinary services. It will support Samoa in becoming a member of the World Organization for Animal Health (OIE), which will build Samoa and MAF's veterinary capacity for the early detection and better control of animal diseases. A special focus will be given to developing national standards affecting the capacity of Samoan agricultural products to reach specific high-value markets. For this, this sub-component will work closely with producers' organizations, build their capacity (training, platform, registration) and strengthen public-private policy dialogue. The sub-component will also support applied research programs. Finally, regarding community engagement in more sustainable tree-crops farming systems, this sub-component will promote resilient farming systems and inclusive value chains at village level, by supporting the GoS' program for district development planning and use established channels of communication and community engagement. On Savai'i island, it will support the rehabilitation of the MAF infrastructure, including the MAF office and the construction of a small veterinary laboratory with fulltime veterinary assistant.
  
- b. **Sub-component 1.2 - Strengthening management of the region's shared oceanic and coastal fisheries.** This component aims to strengthen management of Samoa's shared oceanic and coastal fisheries resources through investment in five areas: (i) strengthen monitoring, control and surveillance (MCS) of oceanic and coastal fisheries; (ii) strengthen Samoa's engagement in regional and international fisheries fora and formal fisheries negotiations; (iii) Strengthen Samoa's National Observer Program; (iv) Develop Samoa's capacity to export fish and fish products through establishment of the Competent Authority; and (v) promote sustainable coastal fisheries through strengthening existing and development of new Community-Based Fisheries Management Plans (CBFMP). Specific investments to be financed under this sub-component will include: feasibility, assessment and design studies to identify the necessary activities, implementing short and long-term training and capacity building plans; the development of a National Fisheries sub-sector Policy that will inform the next Agriculture Sector Plan, upgrading Samoa's Fisheries Information Management Systems and human resources skills on MCS, improving data collection through e-monitoring and e-reporting, conducting joint (unarmed) regional patrol operations, boarding inspections and strengthening capacity of the monitoring of fishing activity by observers. These activities will all be carried out in tandem with the broader set of oceanic and coastal fisheries activities supported by other Pacific Island countries engaged in the Bank-financed Pacific Regional Oceanscape Program (PROP). This Component will also invest in development and implementation of strategies to enhance competitiveness of the domestic longline fleet. Component activities will aim to improve oversight and value of oceanic fishing activities within Samoa's EEZ including enhancing transparency in



transshipment related services. The component will also support broader and deeper engagement in the Western and Central Pacific Fisheries Management Commission (WCPFC), Forum Fisheries Agency (FFA) and the Pacific Community (SPC) regional dialogue and meetings to strengthen Samoa's negotiating position in the sustainable management of shared oceanic and coastal fisheries resources. This sub-component will support the rehabilitation of the Fisheries Division's MCS office in Apia and potentially replace the Fisheries' Research Vessel, should the economic analysis reflect a robust investment and adequate recurring operation and maintenance budget in the MAF's annual budget.

27. **Component 2: Strengthening the performance of selected value-chains.** The objective of this component is two-fold: (i) increasing on-farm productivity in fruit and vegetables, tree-crops and livestock farming households who wish to upgrade to semi-commercial status and promoting sustainable fisheries options for fishing households and organizations; and (ii) strengthening linkages between those farming/fishing households and other value-chain actors, including inputs suppliers, agro-processors and traders. The component will have two sub-components: (i) the first sub-component will support the rehabilitation or construction of infrastructure for which feasibility studies have demonstrated that they help structuring the value-chains; and (ii) the second sub-component will offer matching grants through two windows.

a. **Sub-component 2.1 - Public Good Infrastructure.** This sub-component will finance feasibility, assessment and design studies to identify the necessary activities; and subject to the outcome of such studies the development and improvement of infrastructure and equipment of a public good nature. It will include the completion of the Static Slaughter Unit (SSU) and an associated waste rendering plant to produce high-protein animal feed, started under SACEP. Based on the model established under SACEP, it will support feasibility studies (notably to assess private sector appetite to be involved), works and equipment of key collective infrastructure that has been identified as bottlenecks for the development of the sector. In Savai'i, for crops, it includes the rehabilitation of the fruits and vegetable (F&V) packhouse that has been destroyed during Cyclone Evan in 2012. On mixed tree-crops farming systems, and to improve access to planting materials and to markets in Savai'i, the sub-component shall also include the rehabilitation of small feeder roads to upland piedmont farms; the establishment of strategic field nurseries (cocoa and coconut seedlings) with associated rainwater harvesting structures; and the installation of improved crop drying facilities at market aggregation points to assure quality control, in particular for niche export products. In the fisheries sector, planned infrastructure and large assets to be financed by the Project include the construction of two new public cold storage facilities at fish markets in Upolu and Savaii. This sub-component will also finance supervision of activities carried out under this sub-component.

All infrastructures will be built or rehabilitated using disaster-resilient standards and materials to be more resistant to cyclones and other disasters. Prior to any investment, feasibility studies will be conducted that will assess the social, environmental, financial, and economic feasibility of the investment, as well as propose facility management mechanisms (including, for example, a public-private partnership).

b. **Sub-component 2.2: Matching Grant Program.** The MGP will support activities and investments which aim to: (a) help farmers to increase their on-farm productivity and fishers to improve the management of their fishery resources; and/or (b) enhance market linkages and/or business relations for smallholder farmers and fishers with other value-chain actors. It will comprise:

(i) Small grants targeting about 700 individual subsistence and semi-commercial farmers and fishers to improve their productive activities for commercial purposes. Specific attention will be given to proposals



coming from youth and women. This window will build on the SACEP MGP for its implementation. Priority will be given to farmers who received training during the SACEP implementation but did not access matching grants, as well as others new to the program such as fishers, fish farmers and mixed tree-crops farmers. To be eligible, investments under this first window should include the introduction of innovations (technologies or practices), among a list of available and adapted technologies and practices that will be set in the MGP Operating Manual. For farmers, this list will build on climate-resilience research begun under SACEP, such as field trials to improve livestock and crop production and improve the availability and variety of nutritious food products. The MGP will notably give priority to those innovations that promote climate-smart agriculture. These possibly include climate-change mitigation (intensification of livestock production, pasture management, improved feeding rations and practices using local products); and adaptation (by promoting inter alia poly-tunnels to protect crops against heavy rains, water collection and small-scale irrigation to cope with prolonged dry seasons, and introduction new drought resistant crop varieties). For fishers, this window could allow for upgrading of fishing vessels with Occupational Health and Safety (OH&S) equipment, vessel modifications, fishing gear that complies with regulations for sustainable fisheries management and does not increase fishing pressure, or 'grab bags' to improve safety at sea for fishers. However, these criteria will be assessed during implementation to be able to determine if further improvement is needed to ensure effective implementation and increase likelihood of achieving the intended results; and:

(ii) Larger grants for about 25 producers' organizations (registered groups and cooperatives) to establish or strengthen the market linkages. Micro, Small and Medium Enterprises (MSMEs) that demonstrate contractual arrangements with smallholder farmers/fishers as their business partners will also qualify for this 2<sup>nd</sup> window. It aims to support capital investments and specific training and Technical Assistance needs (as identified in the business plan) by groups and MSMEs. Not prescriptive examples of such target investments could include (but are not limited to) equipment for post-harvest conservation (ice machine for fishers' groups), processing (F&V) or facility for livestock feed production (mills or mineral lick blocks). For coastal fisheries, it will provide the opportunity to strengthen the implementation of the CBFMP, that notably supports climate-resilient practices including stock enhancement programs, no-take reserves and alternative livelihood options such as eco-tourism.

28. The MGP will carefully select the grant recipients from the eligible beneficiaries to maximize the impact of the investments. As such, the overall selection criteria will focus on existing/expected market linkages and strong commitment of the grant beneficiaries to commercial production, among others factors. In addition to the grant, the technical divisions of MAF, SBEC and agribusiness specialists from the project will offer tailored technical assistance support to improve beneficiaries' production skills as well as linkages with the buyers, especially for the grant recipients of the second window. Both windows will target 30 percent of female farmers/fishers and will work with local organizations, such as the Samoan Women in Business Development Inc. to tailor outreach and support.
29. In both windows, a minimum contribution from the beneficiaries will be required (percentage to be determined in the MG Operating Manual). The rest of the investment and working capital requirements will be covered by the grant recipients and/or bank loans. The Development Bank of Samoa (DBS) and commercial banks will be invited to review the grant-supported investments for their loan appraisals. As in the SACEP, such loans will be guaranteed by the Small Business Enterprise Center (SBEC). Partial guarantees will be



encouraged according to the international best practices of the credit guarantee schemes.<sup>11</sup> Among other areas of technical support to the grant beneficiaries, the project intends to provide financial literacy training and facilitate the access to financial services including payments, savings, and credit by the project beneficiaries. In this context, support to the financial institutions including technical assistance will also be provided by the project.

30. Operational and procedural specificities (including the two windows grants sizes, percent matching contribution required from beneficiaries, eligibility criteria, conditionality of grant, ineligible expenditures notably on fisheries) of the MGP will be described in a detailed Matching Grant Operating Manual that will constitute a disbursement condition for this sub-component 2.2 once the project is effective.
31. **Component 3: ASCD establishment and project management, M&E and communications.** As part of a government request for centralized project support, this component will support the establishment of the Agriculture Sector Coordination Division (ASCD) to sit within MAF, which will be staffed by a Sector Coordinator at Assistant CEO level, and four Principal Officers for Financial Management, Procurement, Monitoring & Evaluation and Safeguards. The ASCD will coordinate the SAFPROM implementation, collaborate with the other relevant MAF Divisions and will support the coordination of other development projects in the sector. The ASCD will be the core division responsible for the overall coordination of the project's implementation including the day-to-day project activities, compliance with the provisions of the Financing Agreement and government policies and guidelines, project administration, preparation of grant withdrawal applications, and maintenance of records<sup>12</sup>. The ASCD (and notably the M&E Principal Officer) will ensure the monitoring of project's activities and coordination of reports from agencies, organizations and beneficiaries that will be part of the SAFPROM execution. The ASCD will be absorbed into MAF operating costs during SAFPROM implementation, becoming a sustainable coordination division for future projects, the implementation of the ASP 2016-2020 and the development of the next ASP (2021-2025) together with the Policy and Planning Division.
32. To ensure knowledge dissemination, support Citizen Engagement, increased uptake of the MGP, and spur more demand for locally produced, high-quality produce, the ASCD will also carry out a range of communications activities. These may include, but are not limited to, radio shows/interviews, media articles and press releases, TV documentaries and short videos, as well as social media outreach through both national and World Bank Pacific channels. These will keep the general public aware of project activities and progress, and more targeted campaigns will encourage certain behaviors such as improved nutrition (building on the 'Eat a Rainbow' campaign conducted under SACEP with the Ministry of Health (MoH), encouraging kids and schools to eat F&V from all the colors of the rainbow.
33. **Component 4: Contingency Emergency Response (CERC).** Following an eligible crisis or emergency, the Recipient may request the Association to re-allocate project funds to support emergency response and reconstruction. This component would draw from the uncommitted grant resources under the project from other project components to cover emergency response. A CERC Project Operations Manual, acceptable to the Association, for the implementation of the Contingency Emergency Response Plan, will be prepared and constitute a disbursement condition for this sub-component.

<sup>11</sup> World Bank. 2015. "Principles for Public Credit Guarantee Schemes for SMEs". One of the principles is risk sharing between the lenders, borrowers and the guarantors.

<sup>12</sup> While WB is funding Safeguards and Procurement Principal Officers, they will be only work on WB-financed agriculture projects. More details are in III. Implementation Arrangements.



**Strategic Alignment:**

34. **Citizen Engagement.** Taking into account beneficiary needs and feedback will be an important part of SAFPROM, particularly under the MGP, where farmers and fishers are expected to take the lead in developing their business plans. For public infrastructure, pre-feasibility studies will include extensive consultation with potential beneficiaries through focus group discussions and even participatory planning, notably on fisheries related plans. The project's communication and outreach strategy and tools will also support effective citizen engagement. The ESMF has included consultation with key project stakeholders to provide information on the proposed project, the potential social and environmental risks and has contributed to overall project design. SAFPROM will ensure that citizen engagement during implementation is effective and monitor whether beneficiary feedback is indeed considered. The Result Framework includes two intermediate indicators: (i) Beneficiaries that feel project investments reflect their needs (disaggregated by gender), which will be informed by satisfaction surveys conducted at key project delivery intervals; and (ii) Grievances registered related to project delivery of project benefits that are addressed (disaggregated by gender).
35. **Climate change and Co-benefits.** Samoa, like many PICs, is facing rising vulnerability from climate change. Increasing periods of drought during and outside the dry seasons are already impacting the agriculture sector and ocean acidification is also affecting Samoa's fisheries. SAFPROM investments in the agriculture and fisheries sectors will need to adopt 'climate smart' practices, and mainstream a disaster risk reduction approach, to reduce the vulnerability of rural communities. The pasture forage supplies for ruminant livestock is one example. Estimated pasture forage supplies were calculated at decrease to 30 percent of optimal yield during long periods of drought, leaving an only limited safety margin. With increasing cattle and sheep populations, these deficits will increase over time. Three interventions will be required to counter this trend: (i) pasture improvement to increase yields on existing pasturage; (ii) introduction of new, drought-resistant forage and legumes; and (iii) measures to ensure dry-season forage supplies through the planting of fodder banks for sheep and developing addition feed by-products from existing plant materials. As stated above, and to encourage further farmer and fisher-led adoption of improved practices and technologies, the MGP will include stricter conditions for investments, requiring a level of innovation and climate-resilience.
36. SAFPROM proposed interventions are also designed to maximize mitigation potential. GHG accounting demonstrates that the project can constitute a sizeable net carbon sink of slightly over 40,000tCO<sub>2</sub> eq per year over 20 years, thus -803,000tCO<sub>2</sub> eq in total, mainly due to sustainable land use change, the introduction of improved management practices in existing grasslands and agricultural management practices such as water conservation techniques (especially for perennials crops). On the contrary, sources of GHG emission are: (i) the increase livestock herd size, despite better productivity, and (ii) the increased fish catches, even if more sustainable and with lower post-harvest losses.
37. **Nutrition.** Samoa's growth is constrained by high instances of obesity and non-communicable diseases, with more than 40 percent of deaths the result of diabetes, stroke and heart disease. Food and live animal imports remain significant and these low-cost, low-quality imports often crowd-out local produce. The SACEP initially included activities targeting improvements of Samoan diets and while the SACEP Market Survey has shown reasonable success in import substitution for beef, continued efforts for both market supply and dietary change is needed under SAFPROM. While diversifying the production at farm level contributes to availability of more diversified food, it is alone insufficient to drive changes in HHs' consumption behavior. Intensified communication and awareness campaigns about the importance of consumption of local products, and their



impact on nutrition will be conducted under SAFPROM. To align with the MoH strategy, close collaboration will take place with the IDA-funded Samoa Health Systems Strengthening Program, currently under preparation, to:

- a. Co-finance vegetable gardens in the primary schools with MAF providing a coach and support to the school staff, students and parents to maintain the garden, while MoH and Ministry of Education, Sports and Culture (MEST) will drive the education and communication associated with consuming these gardens' produce.
- b. Co-finance a household/consumer survey on consumption of tobacco, alcohol, unhealthy food, vegetables and healthy local agriculture products, from which behavior-change communication priorities will be developed and monitored during project implementation. SAFPROM will specifically ensure that the survey sample includes rural and agriculture-based HHs, notably some supported by the project.
- c. Finance a socio-economic study for coastal fisheries to enhance understanding of the use and consumption of marine resources by HHs.

#### E. Project Beneficiaries

38. **Direct beneficiaries.** According to the 2015 Samoa Agriculture Survey, over 28,000 HHs are engaged in agriculture or fisheries, but only about 5,500 are defined as "*farm households*" (HH with main source of income being growing crops, raising livestock or fishing) and slightly over 1,000 are producing for sale. The direct project beneficiaries will include those subsistence and semi-commercial livestock, crops and fisheries producers and processors moving towards more commercial operations. The project will also support appropriate producers' organizations and MSMEs in the farming and fishing subsectors and their value chains, to improve the productivity and linkages to markets.
39. For the purposes of the project (using the 2012 Cyclone Evan Post-Disaster Needs Assessment (PDNA) definition), *subsistence* farmers/fishers are HHs that produce for home consumption but do not sell; *semi-commercial* produce largely for home consumption but also sell small amounts in the market; and *commercial* producers produce primarily for sale either in local markets or for export – most of the three categories being, again, considered as smallholder producers. The project will primarily target those subsistence or semi-commercial smallholder producers motivated to become commercial. With an estimated 1,500 farming or fishing HHs and value-chains actors that will benefit from the project, notably through the two windows of the MGP, the project has the capacity to impact positively the agriculture and fisheries sectors and benefit to a significant share of semi-commercial farming and fishing HHs.
40. Finally, the entire MAF and other key partners will benefit from the project. Firstly the SAFPROM will operationalize the approved institutional reform through the establishment of the ASCD in MAF which shall coordinate initiatives from partners and the Government's programs. Secondly MAF staff will benefit from the implementation of a capacity building and training program developed on the basis of a capacity assessment and gap analysis. Training of subject-matter specialists (entomologist, pasture management expert, veterinarian – as per identified need) will strengthen the Ministry's service delivery and thus indirectly benefit all farming and fishing HHs in the country.
41. **Gender.** While there are traditional male/female roles in the production cycle, agricultural labor in Samoa is usually shared. The exception is fishing, where women and older men glean the lagoons and inner reefs while



younger men fish the outer lagoons, reefs, and sea.<sup>13</sup> Women also take an active role in various fisheries activities, including aquaculture (such as sea grapes), fish trade, surveillance of fish reserves, functioning of community associations, or in tourism activities. HHs which engage in subsistence activities require more than just agricultural activities though, and while many men and women undertake similar tasks, their time allocation and roles are often different. A recent gender assessment<sup>14</sup> found the top two subsistence activities for women were the production of clothing/furniture and collecting water and firewood, while for men they were construction/repair work and farm production, the latter of which is more likely to be income generating.

42. Female labor force participation remains approximately half that of men and, in the agricultural sector, women are predominantly involved in F&V farming, which is not as well remunerated as livestock and fishing. Across this sector, gender disparities vary in magnitude, but are consistently found in farm and land ownership, as well as in women's lack of visibility in agricultural decision making.
43. Under the SACEP, a clear difference was found in the proportion of female versus male semi-commercial or commercial farmers, compared to the proportion of subsistence farmers in Samoa. While 30 percent of subsistence farmers are female, only 20 percent of semi-commercial and commercial farmers participating in SACEP were female. Breaking it down further by commodity, for cattle the gender gap was the most extreme, where just 14 percent of cattle farmers were female, compared to fruits and vegetables where 37 percent were female. This is consistent with findings from the *Samoa Country Gender Assessment of Agriculture and the Rural Sector*.<sup>15</sup> This represents a gap in female-led/managed semi-commercial and commercial agricultural activities, as well as a gap in potential earnings. The project will pay special attention to women headed households in all intervention areas, including capacity building and skill development trainings which will help them to participate and benefit from the project. A targeted approach will be taken to increase the number of women participating in the MGP through cattle, sheep and piggeries, in order to reduce the gap that currently exists. A minimum of 30% of individual MG will be attributed to female farmers/fishers to help them upgrading to semi-commercial or commercial farming/fishing. The project will continue to work with the Samoan Women in Business Development Inc. to ensure the appropriateness of activities and support outreach to female farmers.
44. The *Samoa Country Gender Assessment of Agriculture and the Rural Sector* also provided the following recommendations for improved gender equality in agriculture, notably: (i) institute the first step in a four-step process for gender mainstreaming within MAF; (ii) selected staff receive training in gender mainstreaming and develop action plans; (iii) introduce a gender focal point; (iv) prioritize increasing women extension officers as outlined in the ASP to ensure more women have access to women extension officers; (iv) encourage more young women to develop careers in agriculture; and (v) work with the Samoan Farmers Association to provide support to women farmers who wish to develop floriculture businesses.
45. In particular, SAFPROM will contribute to recommendation (iv) *Encourage more young women to develop careers in agriculture*, which is aligned with the MAF Agriculture Sector Plan's target of increasing women's engagement in agriculture and rural livelihoods. The desired results include increased capacity among rural women to run successful chicken farming enterprises; improved skills and knowledge in fruit growing,

<sup>13</sup> Samoa Post Disaster Needs Assessment (2013)

<sup>14</sup> Samoa Country Gender Assessment of Agriculture and the Rural Sector, June 2018 (Ref. SAP 2017/37)

<sup>15</sup> This report is currently in draft and has been produced by the Pacific Community (SPC) with support from IFAD.



processing, preservation, business enterprise and marketing; increased capacity to develop viable small-scale fisheries value added and marketing enterprises and increased women providing and receiving training and provision of extension services.

Gender gap	Activities	Measurement
The difference between female-male led/managed agriculture or fisheries activities on a subsistence level (30:70), compared to a semi-commercial or commercial level (20:80). This gap is particularly apparent in livestock, where remuneration is higher.	(i) Training on business plan development, commercial agriculture, productivity gains, market access, cooperatives management focusing on women (ii) Awareness activities about the MGP focusing on women (iii) At least 30% of MG attributed going to women-led farms.	Increased ratio of women in semi-commercial and higher-value agriculture or fisheries activities within project areas.  Baseline: 20% (based on women-led projects supported under SACEP)  Target: 30%

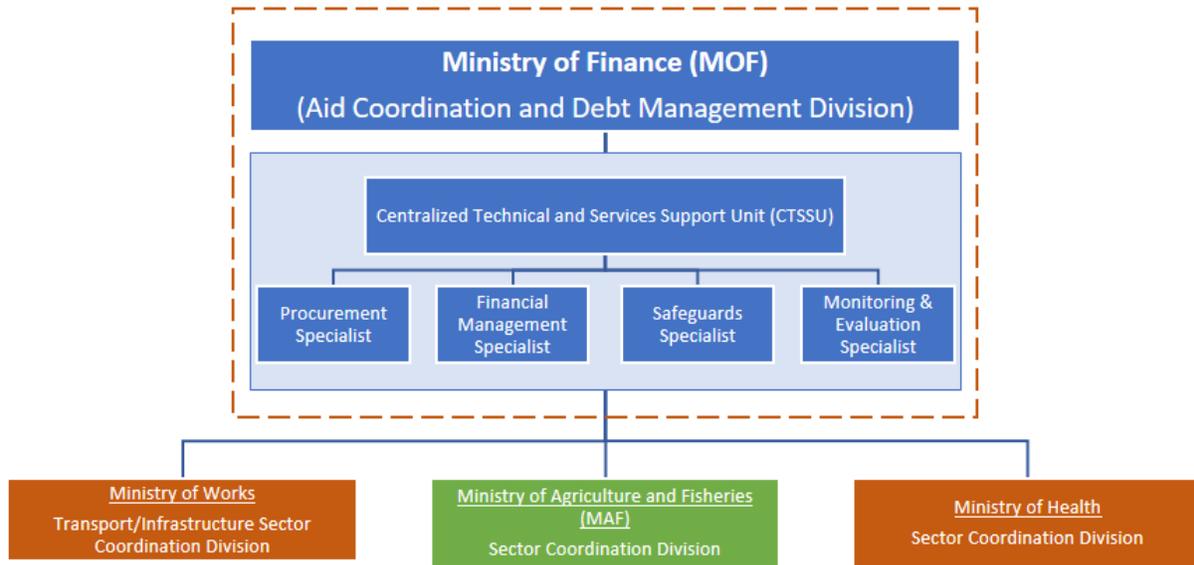
46. **Scope: Target Value Chains and geographical coverage.** Given the size of the country, the geographical coverage of the SAFPROM will consolidate the model of the SACEP and remain national, using a demand-driven approach, notably for the MGP. The SAFPROM will continue to focus on livestock and F&V – with the new addition of the fisheries sub-sector and mixed tree-crops farming systems, notably cocoa and coconut in Savai'i, with support from the IFAD co-financing. Options to expand the scope of the SAFPROM to additional commodities such as taro or other cash tree crops (coffee) were explored during preparation. However, given the presence and involvement of other development partners in similar or identical areas (notably the UN agencies, the Ministry of Foreign Affairs and Trade (MFAT) New Zealand, the Department of Foreign Affairs and Trade (DFAT) Australia, China, and the European Union (EU)), and the agreed objective of the SAFPROM to consolidate results from the SACEP, the decision was taken not to include them. In the crop sub-sector, high-value spices and honey value-chains may be included, as they are a diversification option for F&V and mixed tree-crops producers using the same production systems. During preparation, value-chain analyses were undertaken to point out the existing gaps in the value-chains and clearly assess the market opportunities.

**F. Implementation**

*Institutional and Implementation Arrangements*

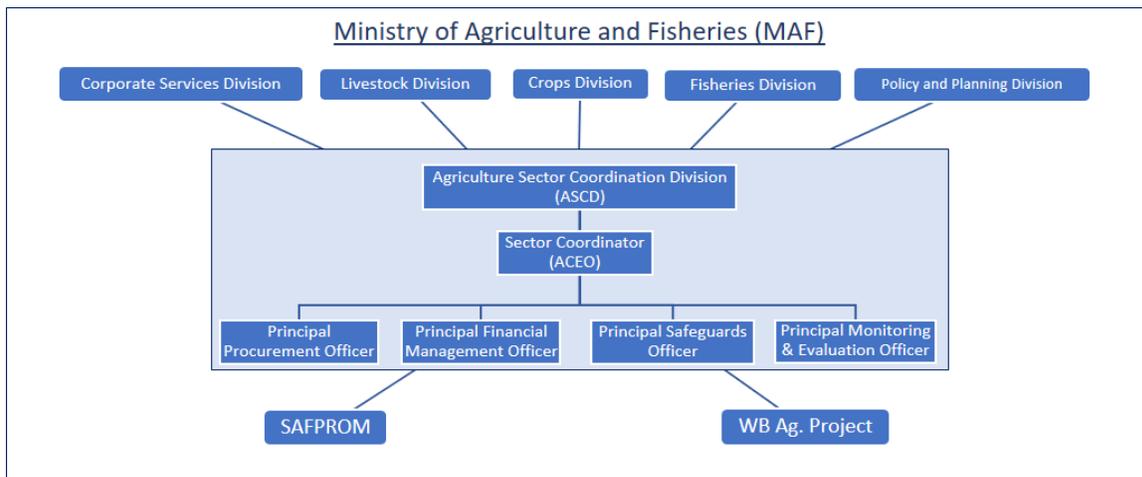
- 47. The Ministry of Agriculture and Fisheries (MAF) will be the implementing agency (IA) for the project. Should the CERC be activated (component 4), the MoF will be the implementing agency.
- 48. The government of Samoa is establishing a Centralized Technical Services and Support Unit (CTSSU) to sit within the Ministry of Finance. The CTSSU will be staffed with international experts in Safeguards, Procurement, Financial Management and Monitoring and Evaluation who will provide advice, as well as capacity building and guidance for the different government Ministries implementing World Bank-funded projects. It has been indicated that this unit may support all donor-funded projects in the future. Diagram 1 outlines the CTSSU.

**Diagram 1: Centralized Technical and Services Support Unit organizational chart.**



49. A part of this transition, new World Bank projects, including SAFPROM, will no longer establish their own Project Management Units. Instead, those tasks will be undertaken by each lead Ministry through a Sector Coordination Division. In SAFPROM’s case, the Agriculture Sector Coordination Division (ASCD) will sit within the MAF and will be staffed by a Sector Coordinator at Assistant CEO level, and four Principal level officers for Monitoring and Evaluation (M&E), Safeguards, Procurement and Financial Management (FM). These staff will be local hires with permanent government contracts (as opposed to the length of any one individual project). The project budget will fund these positions for the first two years, after which they will progressively be integrated into the national budget, so that the ASCD continues post-SAFPROM completion. The ASCD will be responsible for the day-to-day coordination of the project’s implementation, oversee fiduciary and safeguards compliance, monitoring and coordination of the project, as well as coordination between the project and the different Divisions within MAF. Diagram 2 outlines the ASCD.

**Diagram 2: Agriculture Sector Coordination Division organizational chart.**





50. These arrangements were approved by the Cabinet Directive FK (17) Special 13 dated 22 November 2017. By Letter dated 2 May 2018, the Public Service Commission (PSC) conveyed its approval for the establishment of the ASCD and the recruitment of the 5 keys positions described above.
51. However, based on SACEP experience, a team of only five will be insufficient to coordinate the implementation of the SAFPROM as efficiently and effectively as required, particularly with other projects running parallel. The ASCD theoretical structure already includes three additional Senior Specialists (Procurement, FM and M&E) and the SAFPROM will finance their recruitment for the length of the project. It will also integrate additional staff financed by the project through term contracts, and notably: (i) an Operations Officer for the general running and management of project activities; (ii) an MGP Manager in charge of monitoring and supervising the implementation of sub-component 2.2; (iii) one M&E Officer to report to the Principal M&E Officer; (iv) a Junior Accountant to report to the Principal FM Officer; and (v) some support staff (Secretary, driver).
52. Project oversight will be ensured by the *Agriculture Sector Advisory Committee* chaired by the CEO of the MAF and comprising representatives from the MoF, the Ministry of Foreign Affairs & Trade (MFAT), the Ministry of Commerce, Industry & Labour (MCIL), Ministry of Natural Resources & Environment (MNRE), the Scientific Research Organization of Samoa (SROS), the Ministry of Women, Community & Social Development (MWCSD), the Samoa Tourism Authority (STA), the Ministry of Health (MOH), one Civil Society Representative and one Private Sector Representative.

#### **F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)**

The project would be implemented over a period of five years on Upolu and Savaii islands. Samoa is made up of nine islands with four main inhabited islands (Upolu, Savaii, Manono and Apolima) and has a total land area is 2,830 km<sup>2</sup>. The islands are of volcanic origin dominated by olivine basaltic rocks. The area is generally mountainous. Samoa has a population of approximately 197,000 people, of which 97% are Polynesian. The majority of people live on Upolu and Savaii. Settlements and agricultural activity on these islands are concentrated on the coastal plains and rolling slopes. Approximately 60,000 ha or 21% of the total land area is under crops or grazing regimes. Forest cover is approximately 60%. Samoa's 12 terrestrial national parks, reserves and community conservation areas are located on Upolu and Savaii. The country's reef area is approximately 10,000 km<sup>2</sup> and its exclusive economic zone is approximately 131,000 km<sup>2</sup>. The main fishery landing sites in Samoa include Apia (Upolu), Salelologa (Savaii) and Apolima-uta (Upolu) with local subsistence landings scattered in coastal villages around inhabited islands. Samoa has three (3) protected marine areas (inshore). As for offshore fishery, Samoa's Exclusive Economic Zone (EEZ) is the smallest in the Pacific region and tuna longline fishery, particularly albacore, is the main offshore fishery. While tuna used to be the country's largest export earner, recent years have seen a decline in the overall tuna catches, with a more than 50 percent reduction between 2009 and 2013. Transshipment operations by Taiwanese longliners began in Apia, Samoa in 2010. As of April 2012, there had been 34 such operations, with 6 occurring in 2012. Numerous smaller domestic longliners also transship in Samoa with the target



market being the cannery in neighboring American Samoa. In 2014 Samoa signed onto the Tokelau Arrangement, a joint approach to managing the South Pacific Longline Fishery.

**G. Environmental and Social Safeguards Specialists on the Team**

Thomas John Callander, Social Specialist  
Nicholas John Valentine, Environmental Specialist

**SAFEGUARD POLICIES THAT MIGHT APPLY**

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The project would finance a number of small-scale, household-based farming (i.e. livestock development and crop development) and community fisheries production/marketing subprojects through a small grants scheme. Negative environmental and social impacts associated with these activities are expected to be minor, localized and temporary primarily because of their small-scale and household/community focus.</p> <p>The project would finance district level integrated land management planning accompanied by environmental and social assessments. The project would also support community-based fisheries management planning activities. These activities will seek to ensure sustainable production and the protection of natural habitats. Negative impacts are expected to be minor and readily managed through effective and inclusive planning processes.</p> <p>The project would support the development and improvement of small collective infrastructure and/or equipment (i.e. completion of the static slaughter unit, rehabilitation of government offices, construction of a small veterinary laboratory, rehabilitation of rural feeder roads, rehabilitation of a fruit and vegetable (F&amp;V) packhouse, renovation of local fish markets and small boat ramps). These</p>



small to medium-scale investments have the potential to cause some minor adverse environmental and social impacts however these are readily managed through activity-specific mitigation measures.

The project would finance the development and implementation of strategies to enhance the competitiveness of the domestic longline tuna fleet and the value of oceanic fishing activities within the Samoa's EEZ including enhancing transshipment and related services.

An Environmental and Social Management Framework (ESMF) has been prepared as the specific locations of the investments will not be known until implementation. The ESMF will incorporate the requirements of the World Bank Group's Environmental, Health and Safety Guidelines (EHSGs) and industry specific guidelines for agribusiness, food production and pesticides management.

An environmental and social assessment (ESA) was prepared for the Static Slaughter Unit (SSU) under the Samoa Agriculture Competitiveness Enhancement Project (SACEP). This ESA will be updated to ensure that potential impacts from solid waste disposal and wastewater treatment are minimized. Enabling works for the SSU have commenced under SACEP; however the design of the wastewater treatment system is continuing. Under the SAFPROM, an associated wastewater rendering plant will be established to produce high-protein animal feed, therefore diminishing the quantity of waste to be treated from the SSU.

The project also includes a Contingency Emergency Response Component to support emergency activities that ensure continued achievement of the project development objective. The ESMF outlines the approach and principles for managing potential E&S impacts and risks of the CERC including a screening process in accordance with the World Bank's Rapid Response to Crises and Emergencies: Procedural Guidelines.



Performance Standards for Private Sector Activities OP/BP 4.03	No	<p>The borrower is the Government of Samoa. No private sector activities will be financed.</p> <p>The project activities will interact with natural habitats through the agroforestry (cocoa and coconut in Savai'i island) and aquaculture activities. The project will not finance any activities that significantly convert or degrade any protected areas or natural habitats as the screening procedures in the ESMF exclude all subprojects with these impacts.</p>
Natural Habitats OP/BP 4.04	Yes	<p>However, given the close interactions with natural habitats this policy is triggered to ensure that the ESMF (and subsequent environmental management regimes) adequately assesses and protects natural habitat integrity. Natural habitats and agroforestry/aquaculture productivity are interdependent so ensuring that habitat integrity is maintained will promote the sustainability of these enterprises.</p>
Forests OP/BP 4.36	Yes	<p>This policy is triggered as a precaution. The agroforestry interventions – cocoa and coconut production – will focus on rejuvenation/rehabilitation of existing agroforestry activities and will not permit further expansion of crop footprints. It will important therefore to ensure that the ESMF has rigorous assessment and management processes to ensure that forest values are not impacted as a result of the project investments. Similarly it will be important to ensure that feeder roads are constructed to ensure minimal impacts on forest habitats. Healthy forest ecosystems are critical to agroforestry productivity so there is an incentive to minimize impacts; however it will be important to closely regulate grant investment to ensure there is no incremental impact on forest cover.</p> <p>The integrity of upland forest cover in Samoa is also critical in protecting reef communities from erosion and sedimentation impacts resulting from forest clearing.</p>
Pest Management OP 4.09	Yes	<p>The client will review and update the current SACEP Integrated Pest Management (IPM) plan following the standards and requirements in OP4.09 and the World Group's Environmental, Health and Safety</p>



		<p>Guidelines (EHSGs) for agribusiness and food production. The project will include measures to strengthen the institutional capacity for implementing IPM in project areas. This will include a stronger focus on health and safety.</p>
Physical Cultural Resources OP/BP 4.11	No	<p>The project will not finance any activities that will have impacts on physical cultural resources; screening and chance find procedures are included in the ESMF to exclude all subprojects with these impacts (and to manage them in case of a chance find).</p>
Indigenous Peoples OP/BP 4.10	No	<p>The ethnic structure in Samoa is predominantly ethnic Samoan (92.6%) with a minority of Europeans and biracial European/Polynesian people.</p>
Involuntary Resettlement OP/BP 4.12	Yes	<p>No involuntary resettlement is expected under the project. The majority of sub-projects will be undertaken on customary land with the voluntary participation of grants scheme recipient landowners. The only exceptions will be the siting of collective infrastructure facilities and feeder road rehabilitation which will be either on Government-owned land or land secured via voluntary land donation (VLD). In the context of Samoa, VLD can refer to either the donation of the land or the donation of the use of the land for specific purposes. A Resettlement Policy Framework (RPF) has been prepared to address these potential scenarios.</p> <p>In fisheries and agro-forestry, certain activities may involve the restriction of access to natural resources and/or marine protected areas which local people may depend upon for their livelihood. A Process Framework has been developed to address these potential issues.</p>
Safety of Dams OP/BP 4.37	No	<p>The project will not finance any dams as defined under OP 4.37.</p>
Projects on International Waterways OP/BP 7.50	No	<p>The project does not impact or relate to any known international waterways as defined under the policy.</p>
Projects in Disputed Areas OP/BP 7.60	No	<p>The project is not located in any known disputed areas as defined under the policy.</p>



## KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

### A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The project interventions – particularly the agroforestry and aquaculture activities – will be interdependent with existing forest and marine habitats. The ongoing integrity of these natural habitats will be critical to the sustainability of these enterprises providing the incentive for ensuring minimal impacts on habitat values. Notwithstanding it will be important to ensure that agroforestry and aquaculture development management is closely monitored to ensure that habitat values are not inadvertently compromised.

The project will finance the development of feeder roads to provide access to agroforestry and other upland agriculture plots. The construction of these feeder roads has the potential for erosion and sedimentation impacts both locally and to coral reef communities. Hence, the project will ensure that the design prescriptions for these feeder roads integrate environmental mitigation measures to minimise run-off impacts during both construction and operation.

The Project is likely to have a positive impact on rural communities and local economies in Samoa by supporting the development of commercial and semi-commercial farming households and enterprises, improving the management of community and offshore fisheries, supporting linkages and access to local and international markets, supporting complimentary rural livelihood opportunities and promoting improved nutrition.

No involuntary land acquisition is expected under the project. The majority of sub-projects will be undertaken on customary land with the voluntary participation of grants scheme recipient landowners. The only exception will be the siting of collective infrastructure facilities which will be either on Government-owned land or land secured via voluntary land donation. These activities may also result in the minor damage/loss of food gardens, economic assets and small structures and in turn affect rural livelihoods. A Resettlement Policy Framework (RPF) has been prepared to address these potential scenarios. In fishery, certain activities may involve the restriction of access to natural resources and/or marine protected areas which local people may depend upon for their livelihood. A Process Framework has been developed in compliance with OP4.12 requirements to address these potential issues.

Other social risks of the project activities include community dissatisfaction/perceived inequities regarding allocation of household/community grants, and the potential to reinforce gender inequities within rural households and communities. These impacts are expected to be minor and readily managed through inclusive stakeholder consultation, communication and outreach, effective grievance redress and targeted gender and GBV risk management interventions.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

The project is not associated with any negative indirect or long-term impacts. The investments in agriculture productivity, sustainable fisheries and local infrastructure are expected to provide a long-term benefit for farming and fishing communities. Furthermore the productivity of these enterprises is dependent on the maintenance of healthy natural habitats; hence communities will be incentivized to ensure that habitat values are not compromised. Notwithstanding, coral reef communities in Samoa are under pressure from in-shore fisheries activities so it will be



important that aquaculture activities do not cause any further longer-term impact on reef integrity.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

Not relevant

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The current World Bank financed Samoa Agriculture Competitiveness Enhancement Project (SACEP) has addressed safeguards' capacity constraints within MAF through a Coordination group (PCG) which includes an environmental and social (E&S) officer. For SAFPROM, E&S capacity within MAF is expected to be further strengthened with the establishment of a dedicated Agriculture Sector Coordination Division (ASCD) including a Principal Safeguards Officer, to effectively coordinate and management agriculture sector activities, including environmental and social safeguards. This unit will be supported by a Centralized Technical Services and Support Unit (CTSSU) within the MOF which will also include an E&S Advisor. Her/his role will be to build capacity of E&S specialists within the line ministries, including the ASCD, and advise these teams on complex issues on an ad hoc basis.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The key stakeholders include subsistence and semi-commercial farmers and fishers and producer organizations that wish to improve their productive activities for commercial purposes. Other stakeholders include the Ministry of Agriculture and Fisheries and other relevant government agencies, the Development Bank of Samoa and commercial banks with an interest in investing in agriculture and fisheries, and other development agencies working in agricultural and fisheries sectors in Samoa including UN agencies, the Ministry of Foreign Affairs and Trade (MFAT) New Zealand, the Department of Foreign Affairs and Trade (DFAT) Australia, China, and the European Union (EU).

During preparation several consultations were held by MAF with broad participation from stakeholders. During these workshops, information on the project, both written and verbal was provided in English and Samoan and feedback sought on the project design and management of potential environmental and social impacts.

The ESMF has been disclosed publicly in-country on February 1st, 2019 and subsequent environmental and social assessments will also be publicly disclosed.

**B. Disclosure Requirements**

**Environmental Assessment/Audit/Management Plan/Other**

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
15-Jan-2019	01-Feb-2019	

**"In country" Disclosure**



Samoa  
01-Feb-2019

Comments

<https://www.maf.gov.ws/index.php/ascd>  
The document will also be translated in Samoan and version disclosed

**Resettlement Action Plan/Framework/Policy Process**

Date of receipt by the Bank  
15-Jan-2019

Date of submission for disclosure  
01-Feb-2019

**"In country" Disclosure**

Samoa  
01-Feb-2019

Comments

<https://www.maf.gov.ws/index.php/ascd>  
The document will also be translated in Samoan and version disclosed

**Pest Management Plan**

Was the document disclosed prior to appraisal?  
Yes

Date of receipt by the Bank  
15-Jan-2019

Date of submission for disclosure  
01-Feb-2019

**"In country" Disclosure**

Samoa  
01-Feb-2019

Comments

<https://www.maf.gov.ws/index.php/ascd>  
The document will also be translated in Samoan and version disclosed. SACEP IPMP will be updated during implementation to incorporate knowledge gained on OH&S

**If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.**

If in-country disclosure of any of the above documents is not expected, please explain why:



**C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)**

**OP/BP/GP 4.01 - Environment Assessment**

Does the project require a stand-alone EA (including EMP) report?

Yes

If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?

Yes

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?

Yes

**OP/BP 4.04 - Natural Habitats**

Would the project result in any significant conversion or degradation of critical natural habitats?

No

If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?

NA

**OP 4.09 - Pest Management**

Does the EA adequately address the pest management issues?

Yes

Is a separate PMP required?

Yes

If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?

Yes

**OP/BP 4.12 - Involuntary Resettlement**

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

**OP/BP 4.36 - Forests**

Has the sector-wide analysis of policy and institutional issues and constraints been carried out?

NA

Does the project design include satisfactory measures to overcome these constraints?



NA

Does the project finance commercial harvesting, and if so, does it include provisions for certification system?

No

### **The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?

Yes

### **All Safeguard Policies**

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

## **CONTACT POINT**

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**APPROVAL**

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Country Director:	Mona Sur	06-Feb-2019