

KINGDOM OF CAMBODIA

CAMBODIA AGRICULTURAL SECTOR DIVERSIFICATION PROJECT (CASDP)

INDIGENOUS PEOPLE PLANNING FRAMEWORK (IPPF)

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LIST OF ABBREVIATION

BP	Bank Policy
CASDP	Cambodia Agricultural Sector Diversification Project
CERD	International Convention on the Elimination of All Forms of Racial Discrimination
CSO	Civil Society Organizations
DRFI	Disaster Risk Financing and Insurance
DRM	Disaster Risk Management
EIA	Executive Implementing Agency
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
IAIA	International Association for Impact Assessment
ICCPR	International Convention on Civil and Political Rights
ICESCR	International Convention on Economic, Social and Cultural Rights
IDA	International Development Association
IP	Indigenous Peoples
IPDP	Indigenous Peoples Development Plan
IPO	Indigenous Peoples Organization
IPPF	Indigenous Peoples Planning Framework
IRC	Inter-Ministerial Resettlement Committee
MEF	Ministry of Economy and Finance
MLMUPC	Ministry of Land Management, Urban Planning, and Construction
MND	Ministry of National Defence
MOE	Ministry of Environment
MPWT	Ministry of Public Works and Transportation
MRD	Ministry of Rural Development
NGO	Non-Governmental Organizations
OP	Operational Policy
PAD	Project Appraisal Document
PAH	Project Affected Households
PAP	Project Affected People
PDRD	Provincial Department of Rural Development
RAP	Resettlement Action Plan
SEO	Social and Environmental Safeguard Office
SIA	Social Impact Assessment
SMMP	Social Management and Monitoring Plan
TA	Technical Assistance
USD	United States Dollar
WB	World Bank
WBG	World Bank Group

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This safeguards on Indigenous People Planning Framework (IPPF) report was prepared as part of the Cambodia Agricultural Sector Diversification Project (CASDP) to be financed by the World Bank Group (WBG) through an International Development Association (IDA) loan and the Royal Government of Cambodia. It has been designed to ensure that Bank-financed projects do not result in adverse impacts to Indigenous People (IP) and ethnic minorities or when avoidance is not possible, to minimize, mitigate and/or compensate for such impacts. Its aim is to promote sustainable development benefits and opportunities for IP in a manner that is accessible, culturally appropriate and inclusive.

The report was prepared by the project preparation team of the Ministry of Rural Development (MRD) with inputs from Ministry of Agriculture, Forestry and Fisheries, Ministry of Water Resources and Meteorology (MoWRAM) under the direction of H.E. Dr. Chan Darong, Director General for Technical Affairs of MRD with effective coordination with relevant departments under MRD, specially the Department of Ethnic Minority, H.E. Dr. Ty Sokhun, Secretary of State, MAFF, and Co-Chair of the Technical Working Group on Agriculture and Water (TWGAW), and Mr. Chan Sinath, Deputy General Director, General Department of Technical Affairs, MoWRAM. The authors would like to express their gratitude to the World Bank Group for their support, in particular Ms. Mudita Chamroeun, Task Team Leader and Senior Rural Development Specialist; Mr. Martin Lenihan, Senior Social Safeguards Specialist; Mr. Bunlong Leng, Senior Environmental Safeguards Specialist, Mr. Makathy Tep, Environmental Safeguards Specialist; and Mr. Pheakkdey Nguon, Social Safeguards Consultant.

1.0 INTRODUCTION OF IPPF

1. This document is the Indigenous People Planning Framework (IPPF) for the proposed Cambodia Agricultural Sector Diversification Project (CASDP) prepared in conjunction with the Ministry of Agriculture Forestry and Fishery (MAFF), Ministry of Water Resources and Meteorology (MOWRAM), and Ministry of Rural Development (MRD) for possible financing by the World Bank (WB or Bank).

1.1 PURPOSE OF IPPF

2. This Indigenous Peoples Planning Framework (IPPF) applies to all targeted CASDP's receiving financial or technical assistance from Cambodia Agriculture Sector Diversification Project (CASDP) and describes the principles that MAFF, MRD, MoWRAM and MEF has decided to follow in order to avoid or mitigate adverse impacts by the CASDP project on indigenous peoples.

2.0 THE CASDP PROJECT

2.1 PROJECT DEVELOPMENT OBJECTIVES

3. The proposed Project Development Objectives are to facilitate the development of a diversified and competitiveness agriculture sector in selected geographical areas in Cambodia, and to provide immediate and effective response in case of an eligible crisis or emergency. The achievement of the project development objective would be measured through the following indicators: (a) Increase in the value of gross sales at benefiting farm level; (b) increase in the value of gross sales of benefiting agribusiness.

2.2 PROPOSED PROJECT DESIGN AND COMPONENTS

4. **Project Description.** The CASDP comprises the following four components: (i) Enabling Agriculture Diversification; (ii) Improving Agriculture Information Systems and Quality Control Management; (iii) Project Management and Monitoring & Evaluation; (iv) Contingent Emergency Response.

5. The proposed project is designed to enhance market opportunities and the diversification of agriculture through an inclusive, beneficiary-led approach. The project will have three components, plus a fourth zero-allocation component for the case of an eligible crises or emergency. The first component represents the large part of the investments, and will be modular and scalable and adaptable to geographical areas and commodity/value chains. The second component focuses on institutional strengthening and is supposed to enhance the impact of the investments made under the first component in the medium and long term, ensuring sustainability and expansion of benefits across Cambodia.

6. The compilation of value chain support, including TA, infrastructure and financial services under component 1 emphasizes the project's close ties between direct support to farmers, producer groups, and SMAs and the investments in roads and irrigation infrastructure. All infrastructure investments will be implemented as parts of support to eligible subprojects linked to specific productive alliances.

Component 1: Enabling Agriculture Diversification.

7. Component 1 will use a holistic value chain approach that is market and demand driven to build diversified competitive value chains, in which POs and its members can access lucrative domestic

and international markets, and small and medium agribusinesses (SMAs) can have access to better quality raw material on a consistent basis, while increasing their absorption capacity and achieving the quality standards that the markets require. This component is private sector driven, with the Government having mainly a facilitating role. It would also support government/public actors providing needed services such as market-linked agricultural extension, where private sector services are not available or accessible.

8. **Subcomponent 1.1: Preparation and Implementation Support for Diversification Plans (total estimated cost US\$7 million; to be fully financed by IDA Credit).** This subcomponent aims at making the project known to all stakeholders, support the formation of teams, the identification of business opportunities and their translation into comprehensive Diversification Plans, including viable Business Proposals (BPr) and Business Plans (BPI) and their evaluation and selection, and finally strengthen the capacity of selected POs and their members, as well as SMAs. The subcomponent would finance: (a) awareness raising campaigns and teaming up of stakeholders; (b) support for the preparation and evaluation of viable Diversification Plans and profitable BPr; and (c) support for the preparation and evaluation of full Diversification Plans, including BPI for selected BPr; and (d) BPI implementation support.

9. **Subcomponent 1.2: Financing Agriculture Diversification (total estimated cost US\$40 million; to be fully financed by IDA Credit).** To facilitate the financing of the productive investments and TA identified in the approved BPI, the project will set up a matching grant facility and a credit line, with the objective to financing on-farm investments, such as farming equipment, fixed infrastructure and other related inputs farm level irrigation infrastructure, as well as productive investments at PO and SMA level. The credit line will not be restricted to SMAs with selected BPIs, and will further promote SMAs operating in Cambodia's agri-food sector and enhance their competitiveness, increase production and quality, and improve technologies.

10. **Subcomponent 1.3: Public Infrastructure (total estimated cost US\$29 million; US\$23 million financed by IDA Credit).** The project will support public infrastructure, off-farm irrigation infrastructure and rural roads, to improve the PO's ability to diversify crop production through improved and on-demand water availability and to transport produce to the markets in an efficient manner that speeds up delivery and minimizes losses.

(a) Irrigated Agriculture. Many of the POs are expected to develop agricultural areas in existing irrigation schemes. The project will finance selective rehabilitation or upgrading of irrigation water conveyance and distribution systems identified in the Diversification Plan prepared under subcomponent 1.1. The project will not invest in large-scale irrigation infrastructure and investment support will be provided only in combination and coordination with other value chain diversification measures. Thus, investments under the project will be limited to selective canal lining, construction of control structures, installation of new gates, etc., to ensure that the water can reach the irrigation blocks of the POs on a demand rather than supply-driven basis. It will also include the TA and training to water user communities and municipalities to strengthen their capacity to operate and maintain the financed irrigation infrastructure, and will finance consulting services as needed to design and supervise the infrastructure investments. Finally, the project will support MoWRAM and MAFF with the introduction of modern technologies such as remote sensing, drones, etc., to improve irrigation water management and its monitoring.

(b) Agriculture Roads. The project will support enhancing connectivity through improving farm to market roads (rural roads). Existing rural roads will be improved, either paved or unpaved, to increase the impact on productivity and market access of investments delivered as part of subcomponent 1.2, and to contribute to the overall competitiveness of the

agriculture sector. It is estimated that 330 km of road will be improved under the project that will link the production areas with all-weather roads. The subcomponent will also finance consulting services for design and construction supervision.

Component 2: Improving Agriculture Information Systems and Quality Control Management.

11. The objective of Component 2 is to strengthen foundational knowledge, data analysis capacities, and regulatory delivery systems within the public sector and their implementation and enforcement. These will contribute to broad and transparent knowledge and improved decision-making of public sector and private actors, with impacts reaching beyond the supported PA subprojects. Agriculture information and quality management systems will benefit direct stakeholders as well as farmers, PO, and SMAs, that operate in other than project communes and provinces. The component will also fund analytical and policy advisory work to guide government investments in support of agriculture sector development.

12. **Subcomponent 2.1: Agriculture Information System.** Funding will be provided for investments in the further development and improved use of soil/agro-ecological maps, agricultural early warning systems, food production and agricultural statistics/census data (agricultural market intelligence and marketing information systems) and potentially others. New technologies in ICT will be promoted to ensure broadest dissemination and best use of available data and information for public and private sector stakeholders' planning and decisions regarding production, processing, marketing of agriculture products and services and support will be given for market intelligence to identify medium and long-term opportunities for suitable products. The project will also fund technical strengthening and dissemination of information from and through MoWRAM's Water Accounting Framework.

13. The subcomponent will also fund analytical and policy planning works through the Supreme National Economic Council (SNEC) and in collaboration with MAFF. Support will include the funding of studies, policy planning and consultation workshops. Specific research and studies will include a study on the identification of Cambodia's medium and long-term competitive and comparative advantage for agriculture value chains/products and production systems; and the preparation of a feasibility study for the establishment of a wholesale market for quality controlled products in Phnom Penh.

14. **Subcomponent 2.2 Quality Management.** Investments to strengthen the effectiveness of plant protection and phytosanitary, animal health and food safety surveillance, reporting and inspectorate systems, and systems to enforce agricultural input regulations will be supported. This will include support for the development of certification, licensing and other quality control and management services, and the development and application of regulations on good agricultural practices (GAP) and organic products, good animal husbandry practices (GAHP), use of geographic indicators, etc.

Component 3: Project Management and Monitoring & Evaluation.

15. MAFF will be the main executing agency for implementation and the overall coordination arrangements. MAFF will closely cooperate with the technical units of the Ministry of Rural Development (MRD) and the Ministry of Water Resources and Meteorology (MoWRAM) as implementing partners that will take responsibility for the construction of rural infrastructure. Support will be provided for the establishment of a MAFF-led project coordination and implementation support team, attached to the (Secretariat of the) Technical Working Group on Agriculture and Water (TWGAW). The establishment of a high-level Steering Committee is envisaged to advise on and deal with emerging cross-sectoral issues.

16. The component will provide support for the operation of Coordination and Project Team Offices in MAFF, MRD, MoWRAM, and MEF with respect to the management and coordination of their respective parts of the project, including: (i) payment of incremental operating costs; (ii) provision of office equipment and materials; (iii) provision of training and carrying out of knowledge sharing and peer-to-peer learning activities; (iv) provision of consulting services for safeguards monitoring, monitoring and evaluation of the Project, etc.; (v) development and implementation of a communication strategy; and (vi) managing a grievance redress mechanism.

Component 4: Contingent Emergency Response Component

17. The objective of the contingent emergency response component, with a provisional zero allocation, is to allow for the reallocation of financing in accordance with the IDA Immediate Response Mechanism in order to provide an immediate response to an eligible crisis or emergency, as needed. An Emergency Response Manual (ERM) will be developed for activities under this component, detailing streamlined FM, procurement, safeguard, and any other necessary implementation arrangements. In the event that the component is triggered, the results framework would be revised through formal restructuring to include appropriate indicators related to the emergency response activities.

2.3 PROJECT BENEFICIARIES AND LOCATION

18. **Geographical Targeting.** The project will operate in 12 provinces, plus in Phnom Penh. The provinces have been chosen for their suitable agroecological conditions for high-value products, with Phnom Penh as the location of many potentially participating SMAs. The locations include: Battambang, Mondulakiri, Stoeung Treng, Ratanakiri, Preah Vihear, Kampong Cham, Tbong Khmum, Kratie, Siem Reap, Kandal, Kampong Speu, Kampong Chhnang and Phnom Penh. Within the provinces, eligible project sites are expected to be located in areas with (i) existing, organized and active producer groups; (ii) with reliable multi-season water availability, and (iii) with existing tracks with a length of maximum 10km to an all-weather road.

19. **Beneficiary targeting.** The project's direct beneficiaries are small and medium farmers, organized in producer organizations or cooperatives, and showing potential and interest to develop their farming business; and small and medium agribusinesses (SMA) that are interested in a direct cooperation with farmers to jointly develop their business/value chain. Additional indirect beneficiaries are all users of improved infrastructure improvements in market linkages, roads, and irrigation water. Improvements in data and information availability and access; and in quality assurance mechanisms (regulatory framework, infrastructure) will have sector-wide benefits.

3.0 LEGAL AND REGULATORY FRAMEWORK CONCERNING INDIGENOUS PEOPLES

3.1 RELEVANT CAMBODIA LAWS

3.1.1 Cambodia's Constitution Law (1993)

20. The Cambodian Constitution (1993) guarantees all Khmer citizens the same rights regardless of race, color, language and religious belief. The Royal Government of Cambodia also acknowledged the importance of having a multi-cultural Cambodian society in its political platform for the third legislature of the national assembly.

21. Article 31 states that every Khmer citizen shall be equal before the law, enjoying the same rights, freedom and fulfilling the same obligations regardless of race, color, sex, language, religious belief, political tendency, birth origin, social status, wealth or other status.

3.1.2 Land Law (2001)

22. The Cambodian Land Law (2001) grants collective land ownership rights to indigenous communities. Article 25 states that ownership of immovable properties is granted by the state to indigenous minorities as collective ownership. This collective ownership includes all of the rights and protections as enjoyed by private owners. The exercise of collective ownership rights is subject to the responsibility of traditional authorities and decision-making mechanisms of the indigenous community, according to their customs and subject to the laws of general enforcement related to immovable property such as the law on environmental protection (Article 26).

23. In Article 23, an indigenous community is defined as “A group of people that resides in Cambodia whose members manifest ethnic, social, cultural and economic unity and who practice a traditional lifestyle, and who cultivate the lands in their possession according to the customary rules of collective use.”

3.1.3 National Policy on the Development of Indigenous People (2009)

24. The Policy promotes the use of local languages in multilingual primary education, the media, and public consultation. It also lists 10 brief sector strategies for culture; education and vocational training; health; environment; land; agriculture; water resources; infrastructure; justice; and industry, mines, and energy. And it calls for the conduct of impact assessments for all infrastructure projects.

25. According to this policy, government institutions and ministries recognize the land occupied and used by indigenous peoples communities on a customary basis, including residential land, as well as land used for shifting cultivation, rotational cropping, burial grounds, and spiritually significant lands. The Royal Government also acknowledges customary cultivation as well as the collection of various natural resource products of indigenous people, via the development of agricultural production to achieve food safety and increase nutrition quality and family incomes.

3.2 APPLICABLE WORLD BANK SAFEGUARD POLICIES

26. Various levels and magnitude of potential social impacts are expected from the implementation of sub-projects and activities financed by this project depending on their scale and location, which are yet to be detailed.

27. The Indigenous Peoples (OP/BP 4.10) safeguard policy applies to the sub-projects and training activities because ethnic minorities may be directly or indirectly impacted and, therefore, subject to the eligibility criteria of OP/BP 4.10.

28. This policy recognizes that the distinct identities and cultures of Indigenous Peoples (IP) remain inextricably linked to the lands they inhabit and the natural resources they depend upon to survive. OP/BP 4.10 has been designed to ensure that Bank-financed projects do not result in adverse impacts to IP and ethnic minorities or when avoidance is not possible, to minimize, mitigate and/or compensate for such impacts. Its aim is to promote sustainable development benefits and opportunities for IP in a manner that is accessible, culturally appropriate and inclusive. OP/BP 4.10 establishes processing requirements: screening, social assessment, consultation with communities involved, preparation of plan or framework, and disclosure. It also requires the borrower to seek broad community support of IP through a process of free, prior and informed consultation before deciding to develop any sub-project that targets or affects IP, and to maintain an ongoing relationship based on meaningful consultation with the affected IP throughout the sub-project's life-cycle. Lastly, OP/BP 4.10 strives to recognize, respect and preserve the culture, knowledge, and practices of IP, and to provide

them with an opportunity to adapt to changing conditions in a manner and in a timeframe acceptable to them.

29. The OP/BP 4.10 does not provide a definition of the term “Indigenous Peoples” because there is no universally accepted definition. For purposes of this policy, the term “Indigenous Peoples” is used in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees:

- a) Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- b) Collective attachment to geographically distinct habitats or ancestral territories in the sub-project area and to the natural resources in these habitats and territories;
- c) Customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and
- d) An indigenous language, often different from the official language of the country or region.

30. The OP/BP 4.10 also applies to communities or groups of IPs who, during the lifetime of members of the community or group, have lost collective attachment to distinct habitats or ancestral territories in the sub-project area, because of forced severance, conflict, government resettlement programs, dispossession of their land, natural disasters, or incorporation of such territories into an urban area. The policy also applies to forest dwellers, hunter-gatherers, pastoralists or other nomadic groups, subject to satisfaction of the Special Considerations’ criteria in paragraph 16 of the WB policy on Indigenous Peoples (OP/BP 4.10).

3.3 RELEVANT INTERNATIONAL INSTRUMENTS

31. Cambodia is a signatory to a number of international instruments that protect the rights of IPs. These include the International Convention on Economic, Social and Cultural Rights (ICESCR), International Convention on Civil and Political Rights (ICCPR) and the International Convention on the Elimination of All Forms of Racial Discrimination (CERD). Cambodia is also a party to the Convention on Biological Diversity (1992) that recognizes the role of IPs in the protection of biodiversity.

4.0 INDIGENOUS PEOPLE IN CAMBODIA

32. The population of Cambodia is 16.3 million¹ of which about 90% are Khmer. The remaining 10% is composed of ethnic minorities such as the Muslim Cham, Chinese and Vietnamese, and seventeen indigenous ethnic minority groups also called “Khmer Loeu” or “hill tribes” who are ethnically non-Khmer. These groups are estimated to comprise around 264,600 persons and constitute about 4% of the Cambodian population. There are twenty-four indigenous minority groups which range from 15 to 41,321 members and include in table 1 below. Indigenous groups constitute the majority in the provinces of Ratanakiri (41.7%) and Mondulakiri (14.4%). Under CASDP and for the purpose of the World Bank’s OP 4.10 on Indigenous People, only the ethnic minority groups belonging to the “Khmer Loeu” or “hill tribes” are considered indigenous people.

¹ Source: MFMOD Database, May 2018

Table 1: Statistic of Indigenous People in Cambodia

No	Type of IP	RTK	MDK	KT	PVH	KGT	ST	OM	KGC	PS	KGS	BMC	BTB	SV	SR	KK	KP	TK	KD	PV	SVR	TKM	KGCN	KEP	PP	Total
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
1	Kuy			5,939	16,731	13,044	1,644	2,203				1,712	8													41,321
2	Phnong	267	26,866	12,454	24		430	699					3													40,743
3	Tumpoun	31,088	388		5		4	281					16													31,782
4	Charay	20,170	84				12	158					14													20,438
5	Kroeng	18,442	57				278	124																		18,901
6	Steang		648	10,593				27	2,564																	13,832
7	Prov	7,968					444																			8,412
8	Kavet	2,379					2,710	18																		5,107
9	Kroul		659	3,411				29																		4,099
10	Meul			3,172																						3,172
11	Kachak	2,887					1	52																		2,940
12	Por				1,329					1,207																2,536
13	Khornh			1,529									433													1,982
14	Chornng									774																1,838
15	Souy										1,833															1,833
16	Thmon		148	448				5																		601
17	Lorn	289					251																			540
18	Sa Och													106												106
19	Roder	2						16																		18
20	Khek							15																		15
21	Ro Ang																									0
22	Skung																									0
23	La En																									0
24	Samrer																									0
Total		83,492	28,850	37,566	18,089	13,044	5,774	3,627	2,564	1,981	1,833	1,712	474	106	0	0	0	0	0	0	0	0	0	0	0	200,216

ជនជាតិដើម មាននៅស្រុកកែវសីមា ភូមិខ្សុំ និងភូមិប្តី - Ro Ang Indigenous People is existed in Khsom and Laveu Villages of Keo Seima District, Mondulkiri Province

ប្រភព : នាយក្សានុបក្សជនជាតិដើម – Source of Information: Department of IP Development

Note: Ratanakiri (RKR), Mondulkir (MDK), Kratie (KT), Peah Vihear (PVH), Kampong Thom (KGT), Stung Treng (ST), Oddar Meanchey (OM), Kampong Cham (KGC), Pursat (PS), Kampong Speu (KGS), Banteay Meanchey (BMC), Battambang (BTB), Sihanouk Ville (SV), Siem Reap (SR), Koh Kong (KK), Kampot (KP), Takeo (TK), Kandal (KD), Prey Veng (PV), Svay Rieng (SVR), Tboung Khmum (TKM), Kampog Chhnang (KGCN), Kep, Phnom Penh (PP)

5.0 INDIGENOUS PEOPLES IN THE PROJECT AREAS

33. In the nine selected projects municipal and provinces, indigenous people constitute about 0.85% (around 138,038 persons) of the rural population in 24 provinces, and about 1% (around 200,216 persons) in the 15 provinces. The 24 groups of indigenous with the population approximately one percent of total population live in 15 provinces in which there are 7 provinces covered by the CASDP project as indicated in table 2 below:

Table 2 Indigenous groups in the project area by province

Ethnic Groups	Province												
	BTB	MDK	RTK	ST	PVH	SR	KGS	KD	KGCHN	TKM	KT	KGC	PP
Stieng	8			1,644	16,731						5,939		
Kraol	3	26,866	267	430	24						12,454		
Mil	16	388	31,088	4	5								
Phnong	14	84	20,170	12									
Kuoy		57	18,442	278									
Thmaun		648									10,593	2,564	
Raang			7,968	444									
Roder			2,379	2,710									
Tumpuon		659									3,411		
Charay											3,172		
Kroeuung			2,887	1									
Prov					1,329								
Lun	433										1,529		
Kavet													
Kachak							1,833						
Khe		148									448		
Por			289	251									
Suoy													
Spung			2										
Samre						√							
Chorng													
Laeun													
Khaonh													
Thmaun													
Total	474	28,850	83,492	5,774	18,089	0	1,833	0	0	0	37,566	2,564	0

Note: Battambang (BTB), Mondulkir (MDK), Ratanakiri (RTK), Stung Treng (ST), Peah Vihear (PVH), Siem Reap (SR), Kampong Speu (KGS), Kandal (KD), Kampog Chhnang (KGCHN), Tboung Khmum (TKM), Kratie (KT), Kampong Cham (KGC), Phnom Penh (PP)

6.0 POTENTIAL PROJECT IMPACTS ON INDIGENOUS PEOPLES

34. This project is not expected to adversely affect IP, including ethnic groups. However, indirect effects may be induced from sub-project implementation. For instance, mobility and accessibility to various services is a problem if rural infrastructures are in disrepair.

35. Access to health care is a priority for IP because their communes are located far away from the district hospital or health center. Children's education is a priority for IP, however at least ten

percent primary school-age children do not attend an education facility either because of the distance to school or the time that it takes to come to the school. There is also a high rate of dropouts due to a number of factors, including time to travel to school and/or disrepair of rural infrastructures.

During preliminary consultations conducted in IP communities and with IP organizations, it was possible to identify the following impacts of the project activities on indigenous communities.

- Risk of exclusion or lack of uptake of business planning services by indigenous people due to literacy constraints
- Risk of exclusion or lack of uptake of financial support services among indigenous people organizations and farmers due to concerns around the risk of increased indebtedness.
- Related secondary risk of SMA activities financed by the credit line negatively impacting the land and environment of indigenous communities.
- Possible land acquisition and labour influx impacts due to construction related impacts
- Risk of self-exclusion from training due to literacy challenges.
- Difficulty in accessing market intelligence by indigenous communities
- Risk of excluding indigenous people's organizations from the consultation process

36. For more details, please see the preliminary social analysis presented in Annex 2

7.0 POSSIBLE MITIGATION MEASURES FOR RISKS IDENTIFIED

37. For the impacts and risks identified above, potential mitigation measures identified in the preliminary social analysis (see annex 1) included:

- Use of audio-visual awareness campaign to overcome literacy barriers in awareness campaigns
- Additional intensive support for indigenous communities, including the use of business mentors, to overcome challenges in accessing business advisory services
- An Indigenous Support Worker for project, available to advise IP credit line users on implications of using the credit line
- Free, Prior and Informed Consultation leading to broad community support for infrastructure activities.
- Tailored training program (relying on audio-visual) for indigenous communities

7.1 SCREENING FOR THE PRESENCE OF INDIGENOUS PEOPLE

38. The World Bank has undertaken a screening of the project area of intervention and confirmed the presence of indigenous people as required by the Operational Policy on Indigenous People. During the implementation of sub-projects the implementing agencies will complete environmental and social screening forms, which include questions on the presence or otherwise of indigenous people. These forms will be reviewed periodically by the World Bank to determine whether or not they have correctly screened for the presence of indigenous people. Activities with a national scope (e.g. training or awareness raising) will automatically require the application of the provisions of this framework as indigenous people will be beneficiaries by default.

7.2 SOCIAL IMPACT ASSESSMENT

39. A Social Impact Assessment (SIA) is the process of identifying and reviewing the social effects of current or proposed infrastructure projects and other development interventions. According to the International Association for Impact Assessment (IAIA), this includes the processes of analyzing, monitoring and managing the intended and unintended social consequences, both positive and

negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions.

40. The breadth, depth, and type of analysis in the social assessment are proportional to the nature and scale of the proposed sub-projects' potential effects on a community, whether such effects are positive or adverse. The SIA should be integrated into the project's Environmental and Social Management Plan (ESMP) as described in the Environmental and Social Management Framework (ESMF) and results used to develop the Social Management and Monitoring Plan (SMMP).

41. In the case where the screening process described in Section 5.1 identifies the presence of IP in the project areas, a dedicated process of social assessment will be undertaken in accordance with the principles outlined in OP 4.10. This will include the following elements:

- a) Depending on the scale of the project, a review of the legal and institutional framework applicable to IP in the affected community.
- b) Collection and analysis of relevant baseline information on the cultural, socio-economic and political characteristics of the impacted indigenous communities, and if relevant the land and territories they traditionally occupy and natural resources they depend on.
- c) Using this baseline information, key project stakeholders will be identified within the affected communities, and a culturally appropriate process for consulting with the IP during sub-project preparation and implementation will be identified with those stakeholders (see paragraph 9 of OP 4.10).
- d) An assessment based on free, prior, and informed consultation, with the affected IP communities, of the potential adverse and positive effects of the sub-project. This assessment will be sensitive to the unique vulnerabilities of IP communities, considering their distance circumstances, ties to the land and natural resources, and potentially limited access to development opportunities within the broader society.
- e) The identification and evaluation, based on free, prior, and informed consultation with the affected IP communities, of measures necessary to avoid adverse effects, or if such measures are not feasible, the identification of measures to minimize, mitigate, or compensate for such effects, and to ensure that the IP receive culturally appropriate benefits under the sub-projects.

42. In the case of IP communities are impacted by an infrastructure sub-project, this social assessment will be presented as a separate chapter of the ESMP, that can also be presented as a stand-alone document for the purposes of consultation and disclosure.

In the case where IP communities are affected by training or awareness raising activities, then the need to conduct a social assessment at a national or provincial level will be part of the terms of reference of the service provider.

7.3 FREE, PRIOR AND INFORMED CONSULTATION PROCESS

43. The WB policy on IP requires a process of free, prior and informed consultation leading to broad community support from indigenous peoples benefiting from, or affected by, Bank-financed sub-projects. The principle of free, prior and informed consultation recognizes IPs' inherent and prior rights to their lands, territories and resources and respects their legitimate authority and requires processes that allow and support meaningful choices by IP about their development path.

44. The borrower needs to use participatory consultative methods that are appropriate to the social and cultural values of the affected IPs' communities and their local conditions and, in designing these methods, gives special attention to the concerns of Indigenous women, youth, and children and their access to development opportunities and benefits.

45. The usual platform for consultations is part of the SIA, and the scope of the consultations required will vary depending on the specific project and the nature of effects to be addressed. The methodology used will depend on the type of communities affected by the specific project (e.g., their vulnerability, language and ongoing interactions with the dominant society or neighboring communities).

The consultation process needs to ensure:

- IP are not coerced, pressured or intimidated in their choices of development;
- IPs' consent is to be sought sufficiently in advance of any authorization or commencement of activities and respect is shown to time requirements of indigenous consultation/consensus processes; and
- IP have full information about the scope and impacts of the proposed development activities on their lands, resources and well-being. Information should be provided on the nature, size, pace, reversibility and scope of any proposed sub-project or activity; the purpose of the sub-project and its duration; locality and areas affected; a preliminary assessment of the likely economic, social, cultural and environmental impact, including potential risks; personnel likely to be involved in the execution of the project; and procedures the sub-project may entail. This process may include the option of withholding consent.

46. Consultation and participation are crucial components of a consent process, and the consultation process must be documented.

47. Arrangements for consultations should be carefully considered and tailored to the project context, the anticipated impacts and the context of the local communities. Consultations should be conducted in the ethnic language(s) when needed and sufficient lead time (minimum two weeks) should be given to ensure that all affected ethnic minority communities are able to participate in consultations fully informed of the project(s). Consultation approaches may include:

- Community meetings, both with the community as a whole and with sub-groups;
- Focus group discussions and participatory planning exercises;
- Distribution of project information in both full format (project documents, assessment reports, etc.), simplified formats such as posters and brochures, and audio-visual material using local languages;
- Identification of contact persons within the communities (some training may be appropriate to enhance their ability to engage meaningfully in the consultation process);
- Involvement of the affected IPs' communities, the Indigenous Peoples Organizations (IPO) if any, and other local civil society organizations (CSO) identified by the affected IP communities; and
- Opportunities for consultation at each stage of project preparation and implementation.

48. In the case where IP communities are affected by training or awareness raising activities, then the need to conduct consultations with IP representatives at a national or provincial level will be part of the terms of reference of the service provider.

7.4 PREPARATION OF AN INDIGENOUS PEOPLES DEVELOPMENT PLAN

49. According to OP/BP 4.10, when screening indicates that IP with their collective attachment to the project area are likely to be present, the findings from of the SIA and free, prior and informed consultation process will be used by the designated implementing partner to prepare an Indigenous Peoples Development Plan (IPDP) for the specific sub-project affecting ethnic minorities. The IPDP will establish the measures through which the borrower will ensure that (a) IP affected by the project receive culturally appropriate social and economic benefits; and (b) when potential adverse effects on IP are identified, those adverse effects are avoided, minimized, mitigated, or compensated for. The IPDP should be prepared in a flexible and pragmatic manner, and its level of detail will vary depending on the specific project and the nature of effects to be addressed. The borrower integrates the IPDP into the project design.

50. Where required, an IPDP should include the following elements, as needed (proportional to the scope, benefits, impacts and risks of the projects):

- a) Project description and summary description of issues relating to ethnic minorities;
- b) A summary of the legal and institutional framework applicable to ethnic minorities;
- c) A summary of the social assessment including baseline information on the demographic, social, cultural, and political characteristics of the affected ethnic minorities, the land and territories that they have traditionally owned or customarily used or occupied, and the natural resources on which they depend;
- d) A summary of the results of the free, prior and informed consultation, with the affected ethnic minorities that led to broad community support for the project;
- e) A framework to ensure free, prior and informed consultation, with the affected ethnic minorities during the implementation of project activities;
- f) Measures to ensure that the affected ethnic minorities receive social and economic benefits that are culturally appropriate;
- g) A description of the institutional arrangements for the implementation of the IPDP;
- h) Measures to avoid, minimize, mitigate, or compensate for adverse effects;
- i) The cost estimates and financing plan for the IPDP;
- j) Grievance redress mechanisms accessible to the affected ethnic minorities, and
- k) Monitoring, evaluating and reporting on the implementation of the IPDP, along with specific monitoring indicators (disaggregated by ethnicity).

51. When IP are the sole or the overwhelming majority of direct sub-project beneficiaries, the elements of an IPDP should be included in the overall project design, and a separate IPDP is not required. In this case, the key elements of the IPDP (see b-k above) will be integrated into the ESMP for the relevant projects along with the findings of the social assessment. ESMP's prepared along these lines will be only be accepted when these elements have been integrated to the satisfaction of the PMU and the World Bank's Task Team Social Development Specialist.

52. In the case where IP communities are affected by training or awareness raising activities, then the need to conduct an indigenous peoples development plan which describes special measures or training approaches, at a national or provincial level will be part of the terms of reference of the service provider.

8.0 INSTITUTIONAL ARRANGEMENTS

53. The projects will be implemented following the government systems. MAFF will be the main executive agency for implementation and the overall coordination arrangements. MAFF will be responsible for overall project management/coordination and for the implementation of all 4 components. MAFF will closely cooperate with the technical units of the Ministry of Rural Development (MRD) and the Ministry of Water Resources and Meteorology (MoWRAM) as

implementing partners that will take responsibility for the construction of rural infrastructure. Support will be provided for the establishment of a MAFF-led coordination and implementation team, preferably attached to the (secretariat of the) Technical Working Group on Agricultural and Water (TWGAW). The establishment of high-level steering committee is envisaged to advise on and deal with emerging cross-sector issues.

54. The social and environmental safeguards officer(s) (SEO) will be responsible for implementing and monitoring safeguards for Agricultural Sector Diversification and rural infrastructures improvement. Although the level of understanding of environmental and social safeguards issues is limited and requires more capacity through implicit safeguards guideline and procedures documents, the Ministry of Environment (MOE) will be responsible for providing safeguard training, ensuring effective mainstreaming of safeguard requirements into road development project cycle, and undertaking research activities as necessary. In addition, the Ministry of Economy and Finance (MEF) General Department of Resettlement (formerly, Inter-Ministerial Resettlement Committee [IRC]) will be involved as there inevitably and unavoidably will be acquisition of land required on a temporary or permanent basis.

55. MAFF is the EIA for the CASDP Project in Cambodia. MAFF and their concerned ministries (MRD and MoWRAM) will be jointly responsible for the environmental and social performance of the sub-projects implemented with the technical support of MOE and IRC. The MAFF and concerned ministries should be staffed for this purpose with environmental and social safeguards officers. Depending upon training and professional experience in environmental and social safeguards implementation and monitoring, it is likely that these staff will require additional training and support. They should be supported by a technical assistance (TA) consultant team that will assist in the implementation of the ESMF requirements while building staff capacity to address safeguard issues.

56. As projects are identified, the EIA (under MAFF and their concerned ministries) will jointly clarify tasks and responsibilities regarding implementation of specific sub-projects. MAFF and their concerned ministries will jointly review screening reports prepared by local EIA of MAFF and their concerned ministries and prepare draft terms of reference for an environmental and social management plan (ESMP) and requirements to prepare an IPDP. The ESMP and planning documents (i.e., Resettlement Action Plan [RAP] and IPDP) will be shared with stakeholders and different populations during consultations. Issues and observations noted in the consultations will be incorporated. Documentation will be released for public disclosure and submitted to the Bank for review.

9.0 MONITORING AND EVALUATION ARRANGEMENTS

57. The projects will conduct monitoring and evaluation of IP and, in particular, how the rehabilitated roadworks affect them both positively and adversely. If IP are impacted adversely due to acquisition of land or other assets then, monitoring and evaluation will examine land acquisition, demolition and relocation of IP and procedures documented in the RAP.

58. In addition, as required by the ESMF, monthly, quarterly- and semi-annual monitoring reports will be undertaken as per specific activities in order to:

- Improve environmental and social management practices;
- Ensure the efficiency and quality of the environmental and social assessment processes;
- Establish evidence- and results-based environmental and social assessment for the sub-projects; and
- Provide an opportunity to report the results of safeguards, impacts and proposed mitigation measures' implementation.

With respect to project implementation, the MAFF and their concerned ministers will jointly conduct internal monitoring activities during the design and feasibility studies and ESMPs to determine the extent to which mitigation measures are successfully implemented. The SEO will also conduct internal quarterly monitoring activities and the report will be submitted to the IRC and WB for review through MAFF and their concerned ministries. Monitoring will focus on three key areas, including:

- a. *Compliance Monitoring*: to verify that the required mitigation measures are considered and implemented. During the sub-project preparation phase, compliance monitoring activities will focus on ensuring effective ESMF implementation and respect of procedures. The MAFF and their concerned ministries Environmental and Social Specialist staff will ensure that project studies are properly and expeditiously conducted in compliance with RGC law and the WBG regulations.

The feasibility studies will also include an assessment of the conditions for implementation of the ARAP/RAP and IPDP related activities;

- Grievances, especially those that have not yet been resolved at the local level and which may require resolution at the higher levels as initially determined in the ESMF;
- Document completion of sub-project resettlement and compensation if these are applicable, including for all permanent and temporary losses;
- Evaluation of the quality of compensation or other relevant mitigation measures that would be applied in accordance with the requirements of the potential future investment projects that have been initially identified, including impacts on livelihoods; and
- Mitigation measures when there are significant changes in the indicators that may require strategic interventions, for example, if different populations (ethnic peoples and vulnerable groups – women and female/male youth and children, men, the elderly and disabled, landless, and poor, etc.) are not receiving sufficient support from the potential project.

During the implementation phase, compliance monitoring would include inspections during construction of the sub-project initiatives and/or activities to verify the extent with which conditions and licenses are issued and adhered. The effective sub-project construction, operational and decommissioning phases will be the full responsibility of MAFF and their concerned ministries and compliance monitoring ensured by MOE.

- b. *Impacts Monitoring*: once the CASDP Project is under implementation, monitoring of sub-project initiatives and/or activities' impact mitigation measures should be the duty of the EIA and SEO. It is expected that the environmental and social safeguards documents will be given to the contractor and the EIA will monitor to ensure that works are proceeding in accordance with the agreed (between RGC and WBG) mitigation measures.

Monitoring and evaluation of the social impacts will measure the following:

- Impacts on affected individuals, different populations, households and communities to be maintained at their pre-project standard of living, or better;
- Gender differentiated impacts to be avoided, minimized or addressed;
- Post project socio-economic status of communities affected by the sub-projects; and
- Management of disputes or conflicts.

In order to measure these impacts, the pre-feasibility studies will identify:

- Specific indicators to be monitored with gender disaggregated data;

- Define how indicators will be measured on a regular basis; and
- Identify key monitoring milestones (e.g., at mid-point of the ARAP/RAP implementation process, if applicable).

An independent monitor may be recruited by the IRC to assess potential sub-project-related impacts depending on the nature and extent of impacts. Their report will be submitted to the IRC and WB.

- c. *Cumulative Impacts Monitoring*: impacts of the sub-project initiatives and/or activities on the environmental and social resources for the six respective provinces will also be monitored in consideration of other developments which might be established.

59. In order to ensure IP are engaged in the monitoring and evaluation process, a monitoring group will be established among a beneficiary village. The composition of this committee will be subject to a process of free, prior and informed consultation and will build on the unique decision making structures of individual indigenous communities, as well as requirements for gender and intergenerational balance. These monitoring groups will review the environmental and social monitoring reports described above, as well as the quarterly reports produced by the commune council on the status of sub-project implementation. In addition, each year the village chief will review sub-project activities being implemented within village boundaries to confirm whether construction, contracting arrangements, and other aspects have been implemented appropriately. Sub-project authorities regularly inspect and monitor the implementation of an IPDP.

10.0 GRIEVANCE REDRESS MECHANISM

60. The Provincial Authority is expected to establish grievance redress committee(s) at the local (provincial, district, and commune) levels to be headed respectively by the Provincial Governor or Provincial Vice-Governor, Chief of District, and Chief of Commune. At the GRM commune level, the membership of the GRM a representative from project affected households (PAH) who shall be chosen from among the PAPs. In the case of indigenous communities, village level committees will be established and subject to a process of free, prior and informed consultation and will build on the unique decision making structures of individual indigenous communities, as well as requirements for gender and intergenerational balance. These committees will receive, evaluate and facilitate the resolution of PAP and PAH concerns, complaints and grievances. The grievance redress committees will function, for the benefit of PAP and PAH, during the entire life of the project(s), including the defects liability periods. Details of the GRM will be made publicly available at the village level; including through posters and visual materials. There is no charge for filing a grievance.

61. In projects where IP are affected directly or indirectly, all complaints shall be discussed and negotiations carried out in the community where the PAP and PAH reside. In the case that the PAH lodging the complaint is from an indigenous community, they can request that they are accompanied by a facilitator - paid for by the sub-project and agreed to by the PAH - who is conversant in the relevant language(s), who will serve as an advocate for the aggrieved PAH during the process and ensure the rights of indigenous minorities are protected.

62. Grievances from PAP and PAHs in connection with the implementation of the RP will be handled through negotiation with the aim of achieving consensus. Complaints have the option of passing through four stages (described below) before potentially being elevated to a court of law as a last resort.

First Stage, Commune Level

63. An aggrieved PAH may bring his/her complaint to the commune leader. The commune leader will call for a meeting of the group to decide on a course of action to resolve the complaint within 15 days, following the lodging of complaint by the aggrieved PAH. The group meeting should consist of the commune leader, representative(s) from PRSC-WG district offices, and the aggrieved PAH. The commune leader is responsible for documenting and maintaining files of all complaints that are processed. If after 15 days the aggrieved PAH does not hear from village or commune authorities, or if the PAH is not satisfied with the decision taken during the first stage, the complaint may be brought to the district office either in writing or verbally.

Second Stage, District Office

64. The district office has 15 days within which to resolve the complaint to the satisfaction of all concerned. If the complaints cannot be solved in this stage, the district office will bring the case to the Provincial Grievance Redress Committee.

Third Stage, Provincial Grievance Redress Committee

65. The Provincial Grievance Redress Committee, which consists of the Provincial Governor or Deputy Governor as the committee chairman and Directors of relevant Provincial Departments as members (which will be established in each province prior to DMS), meets with the aggrieved party and tries to resolve the complaint. The Committee may ask the PRSC-WG for a review of the DMS by the External Monitoring Agency (EMA). Within 30 days of the submission of the grievance to the Provincial Grievance Redress Committee a written decision must be made and a copy of the decision sent to IRC, MRD and the PAH.

Final Stage, the Court Procedures

66. If the aggrieved PAH is not satisfied with proposed remedies developed by the Provincial Grievance Redress Committee based on agreed policies in the RF-RP, the committee shall file administrative procedures against the PAH with the participation of provincial prosecutors. The case will be brought to the Provincial Court and the same will be litigated under the rules of the court. At the same time, the PAH can bring the case to the Provincial court. During litigation of the case, RGC will ask the court that the project proceed without disruption while the case is being heard. If any party is not satisfied with the ruling of the provincial court, that party can bring the case to a higher court. The RGC shall implement the decision of the court.

67. In addition to the above mechanisms, and at the prerogative of the PAP and PAH, grievances may be taken to other mediating bodies, such as a council of elders, monks at a local pagoda, or any other dispute resolution body recognized by the PAP and PAH.

11.0 DISCLOSURE ARRANGEMENTS FOR THE IPDP TO BE PREPARED UNDER THE IPPF

68. In the case where the projects are likely to directly impact or benefit indigenous communities, this project will not receive final approval until such time as the SIA-IPDP have been fully disclosed in a culturally appropriate manner at the level of the affected community. The means of disclosure will be discussed during the process of free, prior and informed consultation, but could involve making hard copies of the relevant documentation available in the local language in public meeting spaces (e.g. community centers), distributing one page summaries (in the appropriate language) of the relevant documents at public gatherings, as well as oral presentation in the appropriate language by the consultants contracted to prepare and consult on these instruments. Once these instruments have been fully disclosed and discussed at the community level, and this process has been documented in the relevant instrument, they will subsequently be reviewed by the project social specialist and disclosed on the project website. They will also be sent to the World Bank for review and disclosure on the Bank's website.

12.0 BUDGET

69. Table 2 provides the estimated costs for the implementation of the IPPF and related activities of the sub-projects. The source of financing for preparing and implementing the project IPPs will be provided in Component 3 Project Management of the CASDP Project.

Table 1 Estimated costs for implementation of the IPPF and related activities for the sub-projects.

Activity	Description	Indicative Cost (USD)
1	Consultation with IP in the project provinces at preparation for ESMP and Indigenous Peoples Development Plan (IPDP)	20,000
2	Recruitment of national consultant(s) (part-time) to prepare IPDPs and relevant sections of EMSPs	30,000
3	Recruitment (as needed) of bilingual facilitators to support IP PAH during the grievance redress process	5,000
4	Recruitment of national consultant to conduct participatory evaluation of IPDPs	20,000
	Total	75,000

ANNEX 1. SOCIAL ANALYSIS FOR THE PREPARATION OF CAMBODIA AGRICULTURAL SECTOR DIVERSIFICATION PROJECT

Introduction

1. The Kingdom of Cambodia is preparing an Agricultural Sector Diversification Project. The objective of this report is to provide background knowledge that can serve as inputs for the preparation of social safeguard instruments, in particular the Ethnic Minority Planning Framework. This report has four sections. The first summarizes key information from the latest Project Appraisal Document dated May 2, 2018 (PAD2505), which includes the proposed project development objective, provinces, beneficiaries, components and sub-components. The second part focuses on analysing the potential risks associated with the implementation of project activities in ethnic minority communities. The third and fourth part of this report proposes some recommendations for the preparation of the Ethnic Minority Planning Framework and the Resettlement Policy Framework, respectively. Note that a writing workshop was held with safeguards focal points from the Ministry of Agriculture, Forestry and Fisheries (MAFF), Ministry of Water Resources and Meteorology (MoWRAM), Ministry of Rural Development (MRD) and Ministry of Economy and Finance (MEF) to discuss results of this social analysis and to prepare relevant social safeguard instruments.

2. This analysis was informed by desk review of relevant documents and interviews with government and non-government stakeholders at the national level as well as focus group discussions with local communities, indigenous peoples and women in potential provinces. Documents included in the desk review were national strategies, policies and regulations related to agriculture, indigenous people and other social dimensions. The analysis also included studies, project documents, policy briefs and relevant materials from non-government sources such as ADB, AusAID/ CAVAC, FAO, IFAD, UNDP, and USAID/HARVEST. Where relevant, academic papers were also included in the desk review. Additional to desk review, semi-structured interviews were conducted from March 2 to April 19, 2018 with government and non-government key-informants based in Phnom Penh. In total, 21 interviews, approximately 45 minutes per interview, were conducted. Finally, field assessments were done in some of the potential provinces such as Preah Vihear, Mondulakiri, Stung Treng and Siem Reap. In each province, focus group discussions were conducted with relevant stakeholders such as local authorities, agricultural cooperatives, and local communities including indigenous people and women. Topics discussed during these focus groups consisted of livelihood options and challenges, suggestions on how to improve access to market, and reactions to potential project activities. Notes to file are recorded for both interviews in Phnom Penh and focus group discussions in the provinces.

Section I. Project Background

3. The Proposed Project Development Objective. The CASDP comprises the following four components: (i) Enabling Agriculture Diversification; (ii) Improving Agriculture Information Systems and Quality Control Management; (iii) Project Management and Monitoring & Evaluation; (iv) Contingent Emergency Response.

4. Geographical Targeting. The project will operate in 12 provinces, plus in Phnom Penh. The provinces have been chosen for their suitable agroecological conditions for high-value products, with Phnom Penh as the location of many potentially participating SMAs. The locations include: Battambang, Mondulakiri, Stoeug Treng, Ratanakiri, Preah Vihear, Kampong Cham, Tbong Khmum, Kraties, Siem Reap, Kandal, Kampong Speu, Kampong Chhnang and Phnom Penh. Within the provinces, eligible project sites are expected to be located in areas with (i) existing, organized and active producer groups; (ii) with reliable multi-season water availability, and (iii) with existing tracks with a length of maximum 10km to an all-weather road.

5. Beneficiary targeting. The project's direct beneficiaries are small and medium farmers, organized in producer organizations or cooperatives, and showing potential and interest to develop their farming business; and small and medium agribusinesses (SMA) that are interested in a direct cooperation with

farmers to jointly develop their business/value chain. Additional indirect beneficiaries are all users of improved infrastructure improvements in market linkages, roads, and irrigation water. Improvements in data and information availability and access; and in quality assurance mechanisms (regulatory framework, infrastructure) will have sector-wide benefits.

6. With an initially estimated overall investment requirement of US\$xxxxx, the project will have three components, plus a fourth zero-allocation component for the case of an eligible emergency. The first component represents the large part of the investments, and will be modular and scalable and adaptable to geographical areas and commodity/value chains. The second component focuses on institutional strengthening and is supposed to enhance the impact of the investments made under the first component in the medium and long term, ensuring sustainability and possible expansion of benefits across Cambodia.

7. The following encapsulates the proposed components and sub-components of the project:

a. Component 1: Enabling Agriculture Diversification. Component 1 will use a holistic value chain approach that is market and demand driven to build diversified competitive value chains, in which POs and its members can access lucrative domestic and international markets, and small and medium agribusinesses (SMAs) can have access to better quality raw material on a consistent basis, while increasing their absorption capacity and achieving the quality standards that the markets require. This component is private sector driven, with the Government having mainly a facilitating role. It would also support government/public actors providing needed services such as market-linked agricultural extension, where private sector services are not available or accessible.

i. **Sub-component 1.1: Preparation and implementation support for Diversification Plan.** This subcomponent aims at making the project known to all stakeholders, support the formation of teams, the identification of business opportunities and their translation into comprehensive Diversification Plans, including viable Business Proposals (BPr) and Business Plans (BPI) and their evaluation and selection, and finally strengthen the capacity of selected POs and their members, as well as SMAs. The subcomponent would finance: (a) awareness raising campaigns and teaming up of stakeholders; (b) support for the preparation and evaluation of viable Diversification Plans and profitable BPr; and (c) support for the preparation and evaluation of full Diversification Plans, including BPI for selected BPr; and (d) BPI implementation support.

ii. **Subcomponent 1.2: Financing Agriculture Diversification.** To facilitate the financing of the productive investments and TA identified in the approved BPI, the project will set up a matching grant facility and a credit line, with the objective to financing on-farm investments, such as farming equipment, fixed infrastructure and other related inputs farm level irrigation infrastructure, as well as productive investments at PO and SMA level. The credit line will not be restricted to SMAs with selected BPIs, and will further promote SMAs operating in Cambodia's agri-food sector and enhance their competitiveness, increase production and quality, and improve technologies.

iii. **Sub-component 1.3: Public Infrastructure.** The project will support public infrastructure, off-farm irrigation infrastructure and rural roads, to improve the PO's ability to diversify crop production through improved and on-demand water availability and to transport produce to the markets in an efficient manner that speeds up delivery and minimizes losses.

(a) Irrigated Agriculture. Many of the POs are expected to develop agricultural areas in existing irrigation schemes. The project will finance selective rehabilitation or upgrading of irrigation water conveyance and distribution systems identified in the Diversification Plan

prepared under subcomponent 1.1. The project will not invest in large-scale irrigation infrastructure and investment support will be provided only in combination and coordination with other value chain diversification measures. Thus, investments under the project will be limited to selective canal lining, construction of control structures, installation of new gates, etc., to ensure that the water can reach the irrigation blocks of the POs on a demand rather than supply-driven basis. It will also include the TA and training to water user communities and municipalities to strengthen their capacity to operate and maintain the financed irrigation infrastructure, and will finance consulting services as needed to design and supervise the infrastructure investments. Finally, the project will support MoWRAM and MAFF with the introduction of modern technologies such as remote sensing, drones, etc., to improve irrigation water management and its monitoring.

(b) Agriculture Roads. The project will support enhancing connectivity through improving farm to market roads (rural roads). Existing rural roads will be improved, either paved or unpaved, to increase the impact on productivity and market access of investments delivered as part of subcomponent 1.2, and to contribute to the overall competitiveness of the agriculture sector. It is estimated that 330 km of road will be improved under the project that will link the production areas with all-weather roads. The subcomponent will also finance consulting services for design and construction supervision

b. Component 2: Improving Agriculture Information Systems and Quality Control Management.

The objective of Component 2 is to strengthen foundational knowledge, data analysis capacities, and regulatory delivery systems within the public sector and their implementation and enforcement. These will contribute to broad and transparent knowledge and improved decision-making of public sector and private actors, with impacts reaching beyond the supported PA subprojects. Agriculture information and quality management systems will benefit direct stakeholders as well as farmers, PO, and SMAs, that operate in other than project communes and provinces. The component will also fund analytical and policy advisory work to guide government investments in support of agriculture sector development.

- i. **Subcomponent 2.1: Agriculture Information System.** Funding will be provided for investments in the further development and improved use of soil/agro-ecological maps, agricultural early warning systems, food production and agricultural statistics/census data (agricultural market intelligence and marketing information systems) and potentially others. New technologies in ICT will be promoted to ensure broadest dissemination and best use of available data and information for public and private sector stakeholders' planning and decisions regarding production, processing, marketing of agriculture products and services and support will be given for market intelligence to identify medium and long-term opportunities for suitable products. The project will also fund technical strengthening and dissemination of information from and through MoWRAM's Water Accounting Framework.

The subcomponent will also fund analytical and policy planning works through the Supreme National Economic Council (SNEC) and in collaboration with MAFF. Support will include the funding of studies, policy planning and consultation workshops. Specific research and studies will include a study on the identification of Cambodia's medium and long-term competitive and comparative advantage for agriculture value chains/products and production systems; and the preparation of a feasibility study for the establishment of a wholesale market for quality controlled products in Phnom Penh.

- ii. **Subcomponent 2.2 Quality Management.** Investments to strengthen the effectiveness of plant protection and phytosanitary, animal health and food safety surveillance, reporting and inspectorate systems, and systems to enforce agricultural input regulations will be

supported. This will include support for the development of certification, licensing and other quality control and management services, and the development and application of regulations on good agricultural practices (GAP) and organic products, good animal husbandry practices (GAHP), use of geographic indicators, etc.

- c. **Component 3: Project Management and Monitoring & Evaluation.** MAFF will be the main executing agency for implementation and the overall coordination arrangements. MAFF will closely cooperate with the technical units of the Ministry of Rural Development (MRD) and the Ministry of Water Resources and Meteorology (MoWRAM) as implementing partners that will take responsibility for the construction of rural infrastructure. Support will be provided for the establishment of a MAFF-led project coordination and implementation support team, attached to the (Secretariat of the) Technical Working Group on Agriculture and Water (TWGAW). The establishment of a high-level Steering Committee is envisaged to advise on and deal with emerging cross-sectoral issues.

The component will provide support for the operation of Coordination and Project Team Offices in MAFF, MRD, MoWRAM, and MEF with respect to the management and coordination of their respective parts of the project, including: (i) payment of incremental operating costs; (ii) provision of office equipment and materials; (iii) provision of training and carrying out of knowledge sharing and peer-to-peer learning activities; (iv) provision of consulting services for safeguards monitoring, monitoring and evaluation of the Project, etc.; (v) development and implementation of a communication strategy; and (vi) managing a grievance redress mechanism.

- d. **Component 4: Contingent Emergency Response.** The objective of the contingent emergency response component, with a provisional zero allocation, is to allow for the reallocation of financing in accordance with the IDA Immediate Response Mechanism in order to provide an immediate response to an eligible crisis or emergency, as needed. An Emergency Response Manual (ERM) will be developed for activities under this component, detailing streamlined FM, procurement, safeguard, and any other necessary implementation arrangements. In the event that the component is triggered, the results framework would be revised through formal restructuring to include appropriate indicators related to the emergency response activities.

Section II. Social Analysis

8. Social risk for the project is currently classified as moderate. Various levels and magnitude of potential social impacts are expected from the implementation of sub-projects depending on their scale and location, which are yet to be detailed. Based on the initial consultations with the potential beneficiaries regarding possible investments, the Project will likely trigger the following two World Bank social safeguard policies: Indigenous Peoples (OP/BP 4.10) and Involuntary Resettlement (OP/BP 4.12) and the following seven environmental safeguard policies: Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Forests (OP/BP 4.36), Pest Management (OP 4.09), Physical Cultural Resources (OP/BP 4.11), Safety of Dams (OP/BP 4.37), and Projects on International Waterways (OP/BP 7.50).

9. Indigenous Peoples (OP/BP 4.10) policy applies because ethnic minorities may be directly or indirectly impacted. As such an indigenous people planning framework has been developed to guide the design and implementation of site specific activities. The preparation of this instrument was informed by a preliminary social assessment/ analysis of the barriers and risks (including insecure land tenure) to small producers from indigenous communities participating in agricultural value chains. MRD has a dedicated ethnic affairs unit that will advise on engaging with Ethnic Minority and Indigenous Communities while the training programs offered by the General Directorate of Agriculture, will be designed to be adaptable to the unique needs of the beneficiaries.

10. Cambodia's regulatory framework related to indigenous peoples is mostly in line with international environmental and social standards. The indigenous cultures are recognized despite the overall strong focus on the national Khmer culture and an unresolved status of ethnic minorities that have links with neighbouring countries. The National Policy on the Development of Indigenous Peoples, several laws and national strategies such as NSDP recognize indigenous communities, their cultures and their rights to land. Implementation of this framework however has only recently started. Awareness about indigenous peoples is low, and institutional capacity remains weak despite support from civil society. There is also a lack of operational documents to guide implementation of policies on indigenous peoples. Therefore, the risk of negative impacts from investment projects remains high in several sectors where upcoming World Bank projects may be present, including forestry and commercial agriculture. In other sectors, risks can be managed through the combined use of the national system and World Bank policies.

11. Involuntary Resettlement (OP/BP 4.12) policy applies because the project will finance some infrastructure investments (e.g. irrigation, agricultural roads, market infrastructure). Thus, it is possible that minor land acquisition or displacement of private assets (such as crops or productive trees) may be necessary. To this end a Resettlement Policy Framework is with the cooperation of the General Department of Resettlement and cleared by the Ministry of Economy and Finance's Inter-Ministerial Resettlement Committee, MRD also has experience in applying the ADB involuntary resettlement policy to rural infrastructure projects, and has established an office dedicated to social and environmental management.

12. The Constitution, the Land Law and the Law on Expropriation define the basic notions that govern land acquisition and involuntary resettlement in Cambodia. While many of their provisions display strong principles, there are three important gaps between this regulatory framework and international standards in relation to (i) the full inclusion of land issues in environmental impact assessments, (ii) affected persons without legal titles, and (iii) restoration of livelihoods after resettlement. Public disclosure and grievance redress are also weaker points in that framework. In contrast, the regulatory framework for protected areas overall limits unnecessary restrictions on land uses. With regards to implementation, the government, through its General Department of Resettlement (GDR) under the Ministry of Economy and Finance (MEF), has built capacity to plan and budget land acquisition and resettlement, while coordination challenges with implementing agencies and subnational levels appear to limit implementation effectiveness. GDR has recently finalized a standard operational procedure for land acquisition and resettlement to bridge part of the gap between the national framework and international donors' policies. With these new procedures, an updated approach is needed in project development and implementation.

13. In regard to potential environmental impacts, the project will likely induce small scale, temporary and irreversible impacts as it aims to develop agricultural and food information and risk management systems; diversify agricultural systems, increase productivity and develop processed and high value food product markets; provide supporting infrastructure, including tertiary road and irrigation structure rehabilitation and upgrade laboratories. The rating is mostly due to intensive supports to be provided by the task team and the legacy issues of the weak national environmental regulations. However, the adverse environmental risks can be managed with the necessary environmental safeguard instruments, and set-aside safeguards budget and continued capacity building to the environmental safeguards focal points, assigned by the implementing agencies.

14. Ethnicity in Cambodia. Based on the latest population survey (Ministry of Planning 2013), **there are 24 groups of indigenous minorities in Cambodia.** The predominant dwelling areas of the indigenous populations are in the extremities of sparsely populated areas of the north and northeast of Cambodia: Kratie (Stieng, Kraol, Mel, Phnong, Kuoy, Thmaun), Mondulkiri (Phnong, Stieng, Kraol, Roong, Rhade), Ratanakiri (Tampuon, Jarai, Kreung, Brao, Lun, Kravet, Kachac), Stung Treng (Kuy, Phnong, Kravet, Kreung, Khmer Khe, Lun, Brao), Preah Vihear (Kuy), and Kampong Thom (Kuy); as well as the mountainous massifs in Koh Kong (Poar), Pursat (Poar), Kampong Speu (Suoy) and Sihanoukville (Saoch). These areas are mainly along the national borders of Viet Nam, Lao People's Democratic Republic (Lao PDR), and Thailand. In contrast, the

central areas and the banks of the Mekong River are the domain of the Khmer. The lack of population studies leads to a difficult situation in quantifying the number of ethnic groups in Cambodia. MRD stated that indigenous ethnic minorities may either live in their own communities within the broader Khmer communities or have fully integrated into Khmer communities but still retain some of their ethnic character and in some cases language. Fieldwork in potential provinces confirmed that those who self-identified as indigenous stated that they can communicate using the predominant Khmer language while still are able to use their indigenous language. Most of them stated that they have been living in the broader Khmer communities for more than a generation.

15. As found in the population census, the Government stated that 264,600 people belonged to ethnic minority groups living in the country, or about 4% of the population. The Cham, also named Khmer Islam, were the second largest ethnic community in Cambodia after the Khmer majority. The Chinese community, with a population of 34,500, was the third largest group, and somewhat surprisingly, the fourth largest group was the highland ethnic peoples called the Phnong or Mnong. The Vietnamese community was classified as the seventh largest group. Until 1992, the ethnic Chinese and Vietnamese were classified as ethnic Cambodian groups alongside the indigenous minorities and the Cham.

16. Except for Phnom Penh, all proposed project provinces are areas where MRD recognized the presence of ethnic minority households, either living within or maintaining separate communities or agricultural lands within the broader Khmer communities. It is therefore very likely that during project implementation, some sub-project activities will include some ethnic minority households. However, given the nature of proposed project interventions and the livelihood patterns of ethnic minorities in the project provinces, potential social risks related to them are considered minor, and mainly relate to the need to consult on civil works and to adapt and translate training materials on issues such as pesticide use, agricultural related information as well as the various awareness raising packages.

17. Agricultural Sector in Cambodia. In realizing the importance of agricultural sector in supporting economic growth, ensuring equity and food security, and enhancing rural economic development, the government has adopted a three-pronged strategy: (1) productivity enhancement, diversification and agricultural commercialization through implementing a package of interrelated measures which include infrastructure building and enhancement (roads, irrigation, energy/ electricity, and Information and Communication Technologies; (2) improvement in the provision of extension services; and (3) improved agricultural inputs, land management reform, finance, marketing, farmer organization, and institutional building and coordination. The Agricultural Sector Strategic Development Plan 2014-2018 highlighted the government's goals of enhancing agricultural productivity, diversification and commercialization.

18. The Ministry of Planning and MAFF published the Census of Agriculture of the Kingdom of Cambodia in 2015. **The report found that 2.2 million households are engaged in agricultural activities.** Of these households, 85% (1.87 million) were reported to be growing crops in agricultural holdings. The agriculture sector contributes 34% of national GDP and employs 63% of the entire labour force (8.2 million persons). Total agricultural land (arable and permanent) is estimated at 4.5 million ha: 3.99 million of arable land and 0.51 million of permanent crops. The production areas of most crops (rice, vegetables, maize, black pepper) have increased continuously, with rubber and cassava tripling. The production areas of sugarcane, oil palm, rambutan, durian and maize have also markedly expanded, while some crops, such as sweet potato, mung bean, sesame, jute, coffee and guava have declined.

19. The cropping systems in Cambodia have been recorded mainly for rice, which is planted in both wet and dry seasons. Wet-season rice (2,567,723 ha) is mainly rainfed lowland (80%), upland (2%) and deep-water/floating (2%). Dry-season rice (484,697 ha, 16%) is planted largely in low-lying areas where irrigation is available, particularly in the areas flooded by the Mekong River (including the Tonle Sab Lake Zone). Cambodian farmers also plant other crops in the rice-based cropping systems—vegetables, legumes, fruit trees and so on—as part of crop rotation, mixed cropping and individual. Rice-mung bean or mung bean-rice

is the common rotation practiced by farmers in Kampong Speu, Takeo, Kandal and Kampong Chhnang. In the plateau and mountainous areas, there are industrial crops and fruit trees such as rubber tree, oil palm, sugarcane, black pepper, cassava, mango, rambutan, longan. At the early stage of growing rubber trees, farmers intercrop some legumes, particularly soybean, mung bean and peanut, which are also planted largely in the plateau area.

20. To improve productivity and diversification, there is still a large need for both technical and financial support, as well as the participation of all concerned stakeholders in order to promote and increase the access to agricultural extension services, irrigation systems, climate resilient seeds and cultivation techniques and appropriate uses of agricultural input supplies and credit supports. The selected 10 varieties of rice seed for productivity enhancement piloted by MAFF have not been extended comprehensively to all farmers. In addition, the quantity of those 10 rice seed varieties is still not sufficient for supplying to the farmers. MAFF and their concerned ministries aims to jointly overcome this over time by state research farms supplying seed to Seed Producer Groups who will supply farmers.

21. Cambodia suffers from frequent natural disasters, mainly floods, drought and severe storms, which claim lives and destroy infrastructure, houses and harvests. From 2010 to 2013, as many as 452,211 ha (equivalent to 15% of the rice crop) was destroyed by drought, flood and insects (MAFF 2006-2013). In 2011, Cambodia experienced the worst floods of the last decade. It was reported by the FAO (2012) that 60,000 households (roughly 25%) of flood affected families in 18 provinces were made food insecure, which was manifested in high levels of chronic and acute child malnutrition. In 2009, typhoon Ketsana hit Cambodia between September 29 and October 5. Fourteen out of 24 provinces were affected by the storm and subsequent flash floods. The typhoon left 43 people dead and 67 people severely injured. It destroyed the homes and livelihoods of some 49,000 families (about 1.4% of Cambodia's total population). The value lost due to this typhoon was around US\$ 56.5 million. Finally, the coastal area of Cambodia, located in the western part of the country (Kampot, Sihanoukville and Koh Kong provinces) where rice and other crops are grown, is experiencing the rising level of salinity in their soil resulting in the reduction of water uptake (similar to the effect of drought). Furthermore, the increase in sea level as a result of climate change means that more coastal rice fields will be exposed to sea water, which will also affect the production of other local crops.

22. Women in Agriculture. As reported in the 2015 Census, **agriculture is an important source of employment for the large group of men and women (75% women) who are mainly engaged in subsistence production in small farms.** The majority of rural Cambodian women work in agriculture on their own land or carry out unpaid agricultural work. There are 2.3 million agricultural households in Cambodia, of which 80% (1,618,588) are male headed and 20% female headed (412,510). Women farmers play a crucial role in the translation of the products of the agriculture sector into food and nutritional security for their households. Women are responsible for food production, selection and preparation and for the care and feeding of children and are the key to food security for their households. Women are increasingly involved in commercially-oriented agricultural production particularly in the horticulture value chain. Women in Cambodia are also central in wholesale and retail marketing of agricultural products. They are involved as collectors and/or traders and are the principal retail sellers, working in markets at local, provincial and national levels. In addition, women are active partners in input supply agro-business, dealing directly with clients, providing information and knowledge on use of inputs, fertilizers and pesticides.

23. Document reviews and interviews conducted confirmed that **gender-based constraints to land registration comprise:** problems accessing information about the land titling process, difficulties for female headed household to obtain paperwork that prove their single status hinder their ability to register land, gender imbalance in control and decision making. The 2015 Census found that around 85% of the total agricultural households in Cambodia have access to agricultural land, with an average area of agricultural land per agricultural household of 1.637 hectares. Men account for 1.4 million or 73% of all holders while women holders stand for 0.5 million or 27%.

24. The agricultural census also found that **women farmers increasingly supply local markets with traditional and high-value produce. However, compared to men, women still face a number of disadvantages, including lower mobility, lower level of literacy, less access to training, less access to market information, and less access to productive resources.** Lower financial literacy of women than men and travel safety are identified as main gender gaps in Cambodia to access to markets for women. Evidences also suggest that men may take over production and marketing when it becomes financially lucrative to do so. To market their produce, women farmers in Cambodia need timely, reliable and accessible market information. Loan finance and credit are also essential so that women smallholder farmers can pay for inputs, improve farming, and develop small business enterprises to empower themselves economically and support their families. Collective action can play a significant role for women stallholder farmers to increase productivity and access to markets. Furthermore, initiatives to facilitate access to market need to take account of and address the gender specific constraints on women smallholder farmers and agro-business entrepreneurs. Hence, strengthening their access to markets requires targeted value chain analysis and interventions.

25. Traditionally, the first stages of rice cultivation are male-designated and the latter stages are female designated. Men generally perform land preparation tasks, while seedling preparation and weeding are commonly assigned to women. Other activities - harvesting, uprooting, transplanting and marketing- are generally shared tasks. These roles are presently changing with the adoption of mechanized farming and migration of young men out of rural areas. Women therefore are increasingly more involved in all farming tasks such as land preparation, irrigation, threshing, and recruitment of labour, farm management and trading. Women farmers' contribution to growing secondary crops such as vegetables and raising livestock is even greater. Grown and raised mainly in the home gardens, these crops and livestock provide essential nutrients and contribute to households' food security. Hence, local markets increasingly offer a good opportunity to women to earn income through small scale sales of vegetable crops and livestock.

26. Indigenous People in Agricultural Sector. According to MRD, one of the most distinct characteristic of an ethnic indigenous community is their livelihood strategy, which is based on agricultural production, comprising slash-and-burn (swidden) cultivation, wetland rice cultivation, pig and chicken raising, gathering food from the forest, hunting, and fishing. They also undertake a little manufacture and sale of goods and labor work. Most indigenous farmers in north-eastern Cambodia are still using their traditional farming technique: semi-nomadic, slash-and-burn cultivation. Although some of them began lowland rice farming after the integration process in the 1960s, they still keep swidden fields where they farm upland rice and other crops as a form of food security. Very few crops are grown inside the village because it is difficult to protect them from domestic animals, which are usually allowed to roam free. Rice is the central staple crop of the swidden system, but other crops are also grown for subsistence use within the household, including vegetables, root crops, gourds, fruits, and non-food crops like tobacco and cotton. Animal raising, usually cattle, pigs, and chickens, is done either for sacrifices, income generation, or food.

27. During the Khmer Rouge period, indigenous people learned that the lowland rice farming technique of their neighbouring lowland Khmer provided higher yields and required less work than their highland technique. Some villagers have been developing lowland rice fields with help from NGOs or by imitating others. After 1979 some of them reverted to swidden agriculture because of technical or other problems. The indigenous communities have also been seeking other livelihood alternatives, such as growing fruit trees and other high-demand cash crops like coffee, cashew nuts, green beans, jackfruit, and durian. However, poor road infrastructure and market support have dampened their motivation.

28. Fieldwork in potential provinces found that **access to water** is top of the list in terms of challenge for farmers, both local communities and indigenous people. Other challenges identified by representatives of indigenous people in interviews include:

- a. Intensive forms of agricultural technology are replacing indigenous people's traditional farm practices. There has also been a rapid shift from common-property to private land ownership,

usually catalysed by private companies and influential personalities. This problem is also the result of the lack of indigenous people's participation in these decision-making processes; their communities not being aware of their rights as stated in the Cambodian laws and relevant international conventions.

- b.** In terms of agricultural value chain: lack of understanding of the market and value of their produce (i.e. Rice is normally 1,200 Riel per kg, but indigenous people often sell it for 700 Riel per kilo); meeting market requirement in terms of produce (i.e. not the right size, colour, etc) and thus cheaper price for produce; literacy (most indigenous people are illiterate and thus not able to access to market information – propose solution, use radio); inability to make plan.
- c.** Debt is highlighted many times as the major threat for indigenous people across Cambodia at the moment. Debt from micro-finance comes with 3% interest rate per month, much higher the standard 1.8% per month. Indigenous people are often not aware of this due to their inability to read contracts (illiteracy), they think 3% is low. Some indigenous people borrow from middlemen (loan shark), with the interest up to 15 to 20% a month. They often repay the middlemen with their produce at whatever price that is determined by the middlemen or with their lands, resulting in them moving further into the forest areas.

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Preliminary Social Impact Analysis

Sub-component	Potential Benefits	Adverse Risk and Impact	Inclusion / Mitigation Measure
1.1: Preparation and Implementation Support for Diversification Plans	More successful business operations when proposals are implemented, monitoring productivity to help facilitate agreement with buyers, with the benefit of a plan (in addition to access easier to finance)	Risk of exclusion or lack of uptake of business planning services by indigenous people due to literacy constraints	Use of audio-visual awareness campaign Additional intensive support for indigenous communities, including the use of business mentors
1.2 Financing Agriculture Diversification	Access to reasonably priced credit, with competitive interest rates	Risk of exclusion or lack of uptake of financial support services among indigenous peoples organizations and farmers due to concerns around the risk of increased indebtedness. Related secondary risk of SMA activities financed by the credit line negatively impacting the land and environment of indigenous communities.	Indigenous Support Worker for project, available to advise IP credit line users on implications of using the credit line Negative list in ESMF to include any activities that may harm indigenous communities as well as firms that may have harmed such communities in the past
1.3: Public Infrastructure	Improved access to markets, lower costs of transporting agricultural goods Improved productivity due to access to water (identified as a priority among indigenous communities consulted)	Possible land acquisition and labour influx impacts due to construction related impacts	Preparation of site specific resettlement plan and indigenous peoples plan, and evidence of broad community support (based on free, prior and informed consultation) for infrastructure
2.1: Agriculture Information System	Better ability to read and understand the market	Difficulty in accessing market intelligence by indigenous communities	Tailored communication campaign for IP communities
2.2: Quality Management	Improved plant and animal health	Difficulty in engaging with these systems due to literacy challenges	Tailored communication campaign for IP communities