



Moldova Agriculture Competitiveness Project GEF Additional Financing

Part I: Project Information

GEF ID

10191

Project Type

FSP

Type of Trust Fund

GET

CBIT/NGI

CBIT

NGI

Project Title

Moldova Agriculture Competitiveness Project GEF Additional Financing

Countries

Moldova

Agency(ies)

World Bank

Other Executing Partner(s)

Ministry of Agriculture, Regional Development and Environment

Executing Partner Type

Government

GEF Focal Area

Land Degradation

Taxonomy

Focal Areas, Land Degradation, Community-Based Natural Resource Management, Sustainable Land Management, Sustainable Livelihoods, Drought Mitigation, Improved Soil and Water Management

Techniques, Ecosystem Approach, Restoration and Rehabilitation of Degraded Lands, Sustainable Agriculture, Integrated and Cross-sectoral approach, Income Generating Activities, Land Degradation Neutrality, Land Productivity, Carbon stocks above or below ground, Land Cover and Land cover change, Influencing models, Strengthen institutional capacity and decision-making, Demonstrate innovative approach, Transform policy and regulatory environments, Convene multi-stakeholder alliances, Stakeholders, Type of Engagement, Participation, Information Dissemination, Partnership, Consultation, Local Communities, Beneficiaries, Civil Society, Non-Governmental Organization, Academia, Communications, Education, Behavior change, Awareness Raising, Private Sector, Financial intermediaries and market facilitators, SMEs, Individuals/Entrepreneurs, Large corporations, Gender Equality, Gender Mainstreaming, Gender-sensitive indicators, Gender results areas, Participation and leadership, Capacity Development, Knowledge Generation and Exchange, Access to benefits and services, Access and control over natural resources, Capacity, Knowledge and Research, Innovation, Knowledge Generation, Learning, Indicators to measure change, Adaptive management, Knowledge Exchange

Rio Markers

Climate Change Mitigation

Climate Change Mitigation 1

Climate Change Adaptation

Climate Change Adaptation 1

Submission Date

11/29/2020

Expected Implementation Start

5/1/2021

Expected Completion Date

12/31/2024

Duration

36In Months

Agency Fee(\$)

294,977.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
LD-1-1	Maintain or improve enabling environment and flow of agro-ecosystem services to sustain food production and livelihoods through sustainable land management	GET	3,105,023.00	25,000,000.00
Total Project Cost(\$)			3,105,023.00	25,000,000.00

B. Project description summary

Project Objective

Enhance the competitiveness of the country's agro-food sector by supporting the modernization of the food safety management system, facilitating market access for farmers, and mainstreaming agro-environmental and sustainable land management practices.

Project Component	Component Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Enhancing Food Safety Management	Technical Assistance	Enhanced food safety and quality systems with deep integration of sustainable land management and land degradation neutrality aspects.	Methodological and analytical activities aimed at fine-tuning the LDN enabling environment within the national regulatory framework for food safety and quality assurance.	GET	100,000.00	14,700,000.00
Enhancing Land Productivity through Sustainable Land Management	Investment	Enhanced application of sustainable land management practices by private farmers through increased investments and increased area of protected agricultural land.	LDN policy and programming initiatives; Increased area of agricultural land under sustainable land management; Increased land area under protection from erosion vectors	GET	2,857,165.00	10,000,000.00

Project Component	Component Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
				Sub Total (\$)	2,957,165.00	24,700,000.00

Project Management Cost (PMC)

	GET		147,858.00		300,000.00	
	Sub Total(\$)		147,858.00		300,000.00	
	Total Project Cost(\$)		3,105,023.00		25,000,000.00	

C. Sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
GEF Agency	World Bank	Loans	Investment mobilized	15,000,000.00
Recipient Country Government	State Forestry Enterprises	Public Investment	Investment mobilized	2,000,000.00
Beneficiaries	Participating Agricultural Enterprises	Loans	Investment mobilized	8,000,000.00
Total Co-Financing(\$)				25,000,000.00

Describe how any "Investment Mobilized" was identified

A fourth additional World Bank Loan has been secured in 2020 to finance the Moldova Agriculture Competitiveness Project (parent project) for activities that will have a direct impact on the country's land degradation neutrality targets by virtue of establishing systems for safe and environmentally friendly disposal of biological waste from the livestock sector. Government contributions will come as public investments during the period of 2021-2024 through and from the state forestry enterprises involved in the implementation of the project's anti-erosion shelterbelt rehabilitation activities (as confirmed in the co-financing letter dated November 25, 2020) in the amount of \$2 million. In regards to beneficiary contributions, these will be mobilized as mandatory co-investments to GEF resources that are provided as matching investment grants. In line with the prior implementation experience of the parent project, the project documents and legal agreements will contain strict and binding provisions that will ensure that contributions are mobilized prior to the dispensation of GEF resources. Such an approach would be in line with the co-financing policy for GEF 7 projects, which includes the option to waive the requirement for the private sector and beneficiary cofinancing if arrangements are made in the PAD.

D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)
World Bank	GET	Moldova	Land Degradation	LD STAR Allocation	3,105,023	294,977
Total Grant Resources(\$)					3,105,023.00	294,977.00

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)

PPG Required

PPG Amount (\$)

PPG Agency Fee (\$)

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)
Total Project Costs(\$)					0.00	0.00

Core Indicators

Indicator 3 Area of land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
2000.00	2000.00	0.00	0.00

Indicator 3.1 Area of degraded agricultural land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
2,000.00	2,000.00		

Indicator 3.2 Area of Forest and Forest Land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
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Indicator 3.3 Area of natural grass and shrublands restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
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Indicator 3.4 Area of wetlands (incl. estuaries, mangroves) restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
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Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
100000.00	100000.00	0.00	0.00

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
100,000.00	100,000.00		

Indicator 4.2 Area of landscapes that meets national or international third party certification that incorporates biodiversity considerations (hectares)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.4 Area of High Conservation Value Forest (HCVF) loss avoided

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Documents (Please upload document(s) that justifies the HCVF)

Title	Submitted

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	391309	0	0	0
Expected metric tons of CO ₂ e (indirect)	0	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	391309			
Expected metric tons of CO ₂ e (indirect)				

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Anticipated start year of accounting	2020			
Duration of accounting	20			

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)				
Expected metric tons of CO ₂ e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	8,000	2,000		
Male	12,000	3,000		
Total	20000	5000	0	0

Part II. Project Justification

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.



2. Stakeholders

Please provide the Stakeholder Engagement Plan or equivalent assessment.

The Stakeholder Engagement Plan is attached

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

The Government of Moldova has prepared and published a draft SEP (uploaded in the GEF portal roadmap)

Despite the Covid-19 lockdown in Moldova during the preparation of this AF, the continuous consultation and stakeholder engagement process under the parent project ensured that the project team was fully aware about the stakeholder view on the past and continued SLM investments in Moldova. Specifically, CAPMU, the implementing agency for the parent project and additional financing, has engaged with key stakeholders to discuss the results of the soil conservation investments:

- Regional conferences with farmers and local government representatives (2014-2018);
- Informal communication with government agencies (throughout 2014-2020);

In addition, the AF is based on the National Land Degradation Neutrality Targets Program developed by national authorities in 2018 with extensive consultations of the civil protection and private sector.

? *The National LDN Program 2018-2030*

The National Working Group (LDN WG) was established for steering the LDN TS process and LDN mainstreaming into national planning documents. The national LDN WG provided a high-level multi-stakeholder platform to secure active participation of key stakeholders. The national LDN WG includes 20 experts and policy specialists, who were delegated as representatives from governmental organizations (line ministries, national land use planning, agriculture, environment and forestry, statistics), the private sector (farmer organizations, land-based companies), CSOs. Government leadership and multi-stakeholder engagement created a collaborative and synergetic framework for monitoring and evaluation of the LDN implementation.

? *Regional Conferences with Farmers and Local Governments*

CAPMU organized three regional workshops in the northern and southern regions (Basarabeasca, Donduseni and Taraclia) to discuss the implementation experience and detailed methodological guides developed during the implementation of the parent project that could be replicated by other farmers and local governments. The overwhelming conclusion from these conferences was that the demand for such investments exceeds the supply and there was need to continue to systematically invest into and share more widely information about SLM practices.

Moreover, CAPMU organized also regional events for local community representatives that were largely informed about agro-forestry practices implemented within the parent project with the support of which more than 2,200 ha of forestry shelterbelts have been rehabilitated. As a result of this intervention, the project published and disseminated with local communities more than 1,000 copies of a technical guide on agro-forestry practices implemented in the central and southern regions of Moldova. As a result of such events and sharing of best practices, central and northern communities expressed strong interest also to conduct rehabilitation works of shelterbelts.

? *Meetings with Government Agencies*

Meetings with government agencies, such as Ministry of Agriculture, Regional Development and Environment, Moldsilva, the national forestry agency, and the Institute for Forestry Development indicated that there was continued interest to invest in SLM practices following demand from key stakeholders and constituencies which resulted in an official letter from the Government of Moldova requesting \$3.45 million GEF financing to scale up SLM activities from the parent project.

Stakeholder Identification

The World Bank Environmental and Social Standard 10 on Stakeholder Engagement defines stakeholders as follows:

Project Affected Parties

Project-affected parties includes those likely to be affected by the project because of actual impacts or potential risks to their physical environment, health, security, cultural practices, well-being, or livelihoods. These stakeholders may include individuals or groups of agricultural producers/farmers and other land users, including local communities (World Bank, 2018b). They are the individuals or households most likely to observe changes from the environmental and social impacts of the project.

In the context of this particular AF, the project-affected parties are those farmers who stand to benefit from matching grants for the implementation of SLM practices on their farms as well as rural communities, including LPA which will benefit from the shelterbelts planted on the public lands to prevent erosion on the private lands of community residents.

Other Interested Parties

Other interested parties refers to individuals, groups, or organizations with an interest in the project, which may be because of the project location, its characteristics, its impacts, or matters related to public interest. For example, these parties may include regulators, government officials, the private sector, the scientific community, academics, unions, women’s organizations, other civil society organizations, and cultural groups (World Bank, 2018b).

In the context of this AF, the following other interested parties can be identified:

Table - Other Interested Parties

Other Interested Parties	Interest in the Project
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Other Interested Parties	Interest in the Project
<p>Ministries and Government Agencies</p> <p>Ministry of Agriculture, Regional Development and Environment</p> <p>Moldsilva</p> <p>Ministry of Finance and Ministry of Economy and Infrastructure</p> <p>Institute for Forestry Development (ICAS)</p> <p>Agency for Land Relations and Cadaster</p> <p>The State Planning Institute for Land Management (IPOT)</p>	<p>Overall implementation success as this is a project that falls within the ministerial domain: protection and enhancement of the soil productivity for higher yields; compliance with environmental requirements</p> <p>Implementation of afforestation activities through shelterbelts and contributing to Moldova meeting national LDN targets</p> <p>Promotion of overall economic development</p> <p>Implementation of afforestation activities through shelterbelts and contributing to Moldova meeting national LDN targets</p> <p>Interest in the general proper management and registration of private and public lands as well as interest in soil protection and improvement activities</p> <p>successor of the institutions "Kolhozvinsadproiect" and "Moldghiprozem", founded for the intensification of agriculture and the acute need to implement a complex organizational system, has the task of forming a sustainable basis both for the regulation of land ownership and organization of the territory, and for the development of integral management system and effective monitoring of the territory of Moldova.</p> <p>Over the years, the Institute has succeeded to implement programs of state and district importance, intended to meet the challenges facing rural areas, in particular, thus occupying the leadership position on land market in Moldova on state regulation of land ownership regime, cadaster and land monitoring.</p>
<p>Private sector actors other than farmers Financial intermediary institutions, manufacturers/suppliers of equipment and inputs, service providers (including consulting)</p>	<p>General interest in the implementation success of SLM activities, as purveyors of essential goods and services to the farming community.</p>

Other Interested Parties	Interest in the Project
Non-governmental organizations (National Rural Development Agency-ACSA, Forum of Environmental NGOs, the Association of Women Entrepreneurs of Moldova and other NGOs involved in promoting gender equality). The MARDE maintains a list of environmental NGO database with contacts at: http://www.mediu.gov.md/ro/content/ong-uri-de-mediu	General interest in the implementation success of SLM activities; policy and technical implementation input/feedback; interest in representing local community interest or act as contractors under the AF
National and local media	Interest in reflecting project implementation and keeping the general public up to date on investment project progress
Bilateral and International Donors (UNDP, IFAD, USAID)	Information and coordination to maximize development impacts of other donors? interventions

Disadvantaged and Vulnerable Groups

?Disadvantaged / vulnerable individuals or groups? are potentially disproportionately affected and less able to benefit from opportunities offered by the project due to specific difficulties to access and/or understand information about the project and its environmental and social impacts and mitigation strategies.

The AF activities are focused entirely on the rural area where the majority of the poorest reside in Moldova. Almost 80 percent of the poor and 70 percent of the bottom 40 are employed in the agricultural sector. Farmers and agricultural workers, together, accounted for 40 percent of the poor. Hence, the AF investments that are aimed at protecting one of the main productive assets of the farmers, agricultural workers and rural residents contribute to poverty reduction and target directly the vulnerable.

While not all rural women are necessarily disadvantaged or vulnerable, the project will ensure that that women, local female leaders, female entrepreneurs and national and local civil society organizations representing women will participate in all stakeholder engagement activities to ensure that the rural women who represent 30 percent of Moldova's entire population have full information and the ability to influence decisions about the opportunities under the project to ensure a more equitable distribution of benefits under the additional financing activities.

Select what role civil society will play in the project:

Consulted only;

Member of Advisory Body; Contractor;

Co-financier; Yes

Member of project steering committee or equivalent decision-making body;

Executor or co-executor; Yes

Other (Please explain)

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assesment.

Moldova has made international commitments to promote gender equality and the empowerment of women by ratifying the Convention on the Elimination of All Forms of Discrimination against Women and other associated International Labor Conventions. The country has adjusted its legal framework in line with international standards and developed several national strategies and action plans to promote gender equality. The gender perspective is also applied in the Agriculture and Rural Development National Strategy for 2014-2020 , which envisages that MARDE would promote active policies for integration of gender aspects and women participation at all levels of the decision-making process in the agriculture/rural sectors. However, despite good progress on the legislative side, important gender-related socio-economic discrepancies are still prevalent. Women have lower labor market participation rates and are under-represented in higher-paying, higher-skill jobs, exacerbated by mobility barriers and patterns which prevent their access to better jobs. Women are also less likely to own a business and be employers in Moldova.

Recognizing that the future competitiveness of Moldovan agriculture and agribusiness depends upon the broad participation of both men and women as farmers and agri-business persons, the integration and promotion of gender equality became critical to the overall success and impact of MACP. Specific agricultural sector analyses on gender roles and constraints (see box below) informed the project's strategies for effectively promoting equal gender participation in, and benefits from, the project

Gender Roles and Relations Gender-based Constraints

Women are present throughout agriculture value chains in Moldova but with varying tasks and presence at different levels. They are highly concentrated in production (especially planting, weeding, harvesting and animal husbandry), as employees in processing plants, and as sellers in local markets. At the production level, men can fulfill the same tasks as women but dominate tractor/truck driving, loading, and spraying.

Men are more often owners and managers of agricultural businesses such as processing plants and cold storage units, transporters and intermediaries. However, women play an important role in management and decisions related to small agricultural enterprises.

Gender differences in employment opportunities and tasks were linked to differences in access to productive resources, beliefs and perceptions about appropriate roles for men and women, and institutional practices.

Women are often constrained from improving on-farm productivity because of time poverty linked to their household responsibilities and off-farm employment.

Women are often constrained from improving overall quality and quantity of agricultural crops/products because they lack access to information, training and services.

Women are often constrained in decision-making in socio-economic matters related to communal life (representation in decision-making remains below international benchmarks).

The involvement of women has been diligently tracked in all relevant project activities. From the outset, MACP focused on the need to eliminate information asymmetries in rural areas in relation to women as direct participants in, and beneficiaries of, rural economic development programs. Impact evaluation reports (under previous WB agricultural projects in Moldova) elucidated as misguided the assumption that messaging to male clients would also reach women in the community, leading to potential exclusion of many prospective women clients. To overcome this challenge, the project has been using communication and outreach channels that specifically target prospective women stakeholders.

Hence, one of the most effective ways of attracting women as direct participants and beneficiaries under MACP's investment matching grant programs have been project awareness campaigns that allowed direct communication with women and their close involvement in project specialized training. Through 212 outreach campaigns conducted over 2013-2020 in all districts, 2,543 agricultural producers have been informed with 20 percent of women representation. To date, 39 producer groups have received matching investment grants in the amount of US\$10.9 million for a variety of investments in post-harvest processing of apples, table grapes, vegetables, nuts and berries. These 39 groups bring together 214 farmers, and 25 percent of them are women. Furthermore, 35 regional training courses and 350 training courses at local level on best SLM practices gathered 8,257 participants, 36 percent of which were women. Out of 192 grant recipients under the SLM investment program, 30 women received matching grants for piloting and adoption of SLM practices. Finally, 10 women (out of total 60 participants) attended specialized training on M&E aspects with respect to social, economic and environmental impact of SLM.

Under the proposed AF, efforts for gender-sensitive inclusion of women in SLM activities would be continued and strengthened. Inclusive gender mechanisms for management and support vis-à-vis women's needs, burdens and constraints would be maintained to ensure maximum access to, and participation in, SLM activities. To this end, in synergy with the citizen engagement approaches described in paragraph 61, the proposed AF would promote gender activities that not only target and involve women in awareness-building activities, but also ensure their participation in the planning, decision-making and monitoring of the project's SLM activities.

The gender gap in voice over the use of the opportunities and resources offered by the proposed AF will be addressed in the following ways: (i) the project's awareness-raising activities will use communication and outreach channels that ensure pervasive access by women to information, e.g., the information posters will be located in places often attended by women such as the village churches and

local shops; (ii) female leaders that are influential in the community will be invited to join the participatory planning and monitoring events; and (iii) timing and methods of participatory planning and monitoring events will accommodate specific needs of women, which generally can afford less time to spend outside of their households due to their care functions. Gender-based activities will be monitored and reported on by CAPMU, which has solid experience in this area. Regular collection of gender-disaggregated data will feed into the reporting on the project's gender-specific indicator: number of women reached with targeted information and gender-based activities.

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?

Yes

Closing gender gaps in access to and control over natural resources;

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

Does the project's results framework or logical framework include gender-sensitive indicators?

Yes

4. Private sector engagement

Elaborate on the private sector's engagement in the project, if any.

The proposed AF will continue MACP's original efforts to integrate private sector participants and maximize finance for development in the switch towards SLM practices and technologies, ensuring that the proposed AF is well-aligned with the GEF 7 Land Degradation strategic vectors along the cross-cutting objective of harnessing private capital and expertise to finance SLM investments. The proposed AF would also be well-aligned with the World Bank's strategic direction for mobilizing finance for development and would incentivize private sector growth and participation in the SLM space. Private sector actors would invest significant resources in matching financial incentives provided by the proposed AF and would catalyze adoption by other private sector players of SLM practices through participation in know-how/technology dissemination activities. In addition, domestic private sector participants involved in the production and distribution of pertinent SLM technologies would contribute substantive funding for the development, production and distribution of equipment and know-how.

5. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

Overall Project/Program Risk Classification*

PIF	CEO Endorsement/Approva I	MTR	TE
Medium/Moderate			

Measures to address identified risks and impacts

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

The proposed AF would provide supplementary resources for Component 1: Enhancing food safety management and Component 3: Enhancing Land Productivity Through Sustainable Land Management in order to scale up the project's original activities aimed at the proliferation and broad-based application of SLM practices and promoting LDN principles in the country's agriculture systems. More specifically, the proposed AF would sustain the original project's broader push to increase the competitiveness of the agriculture sector through continued strengthening of human, institutional and technical capacity (both locally and nationally) for the implementation of SLM activities; (ii) financial incentives to farmers for the adoption of sustainable land management; and (iii) investment support for the rehabilitation of forested anti-erosion shelter belts for the purpose of maintaining and enhancing the productivity of agricultural land.

The original project has triggered the following three WB OPs: OP 4.01 on Environmental Assessment, OP 4.09 on Pest Management and OP 4.11 on Physical Cultural Resources. No additional WB OPs are triggered under the proposed AF.

OP 4.01 has been triggered as the original project supports a series of activities which generate environmental and social impacts. The required mitigation measures for the project activities are standard and widely used in construction practices. They are comprehensively described in the current version of the project's Environmental and Social Management Framework (ESMF).

OP 4.09 has been triggered for to reflect the possible increase in pesticide use due to the increased intensity of cropping supported by the original project's grant schemes and/or due to the promotion of conservation agriculture. The ESMF includes measures (section VI) to raise awareness and educate potential beneficiaries regarding safe pesticide handling and use of integrated pest management practices to enhance sustainability and reduce human and environmental exposure to dangerous products.

OP 4.11 has been triggered to accommodate a GoM decision to house the then newly established Food Safety Agency in a building which was on the National Registry of State-Protected Monuments. The building required essential reconstruction and restoration works and the project provided necessary support to ensure its functionality.

The original project's safeguards, and stakeholder and citizens engagement arrangements are compliant with Bank requirements. Throughout implementation both safeguards performance, stakeholder and citizens engagement activities have been evaluated as satisfactory. CAPMU possesses solid capacity for environmental and social safeguards work, as demonstrated by compliant implementation of complex activities, such as the restoration of a national cultural monuments and the construction of BIPs and food safety laboratories.

Environmental safeguards performance was significantly enhanced by the activities of Component 3: Enhancing Land Productivity through Sustainable Land Management, under which considerable financing was provided for methodological and practical implementation of good agriculture practices, which empowered farmers to proliferate sustainable land management practices, and, among other, reduce the use of pesticides and other agricultural chemicals.

The project has a fully functional Grievance Redress Mechanism (GRM) operated by the National Rural Development Agency (ACSA), that meets the requirements of the World Bank and registers grievances at the national, regional and local levels. The GRM has been extensively advertised to project beneficiaries and stakeholders as part of the project's public outreach and communication campaign. A GRM-related section is available on the project website. A total of 1,895 grievances/claims were received, mainly under Component 5: Compensatory Sales Support Grants, of which 161 were settled in favor of the claimants. The high number of grievances was caused by the large pool of farmers who have claimed a right to be compensated under the project's compensatory grant schemes; nearly 10,000 farmers presented claims for compensations in 2015. Most of the grievances were in fact determined to be ineligible against the project's eligibility criteria, and in many cases fraudulent attempts to cash in. In fact, even many farmers who have received compensations, were subsequently disqualified as beneficiaries and related expenditures were declared ineligible. The data on eligibility and the overall credibility of the grievances was thoroughly verified by ACSA, a non-government and non-affiliated third-party entity, and eventually rechecked through another layer of monitoring. Subsequently, the World Bank did not receive any complaints from rejected grievants.

There have been no grievances registered or reported over the last 36 months. This could be explained by the fact that the project completed implementation of those components that were more grievance-prone, with the remaining activities are mostly focused on TA and investments with fewer institutional clients. The GRM has recently been strengthened and repurposed for the project's AFs.

The proposed AF is expected to have primarily positive environmental and social outcomes. Improved land

Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
project information document- integrated safeguards data sheet - P170853 (6)	CEO Endorsement ESS	

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

The full project Results Framework is on page 38 of the World Bank Additional Financing Project Paper. Below are the GEF relevant indicators:

<i>Relevant GEF Indicators</i>	<i>Baseline</i>	<i>End-target</i>
Increased on-farm area benefitting from sustainable land management practices supported by the project (Hectare(Ha))	60,000.00	100,000.00
Increased area protected by robust anti-erosion shelterbelts rehabilitated under the project (Hectare(Ha))	74,000.00	122,000.00
Number of direct beneficiaries of GEF investments (disaggregated by gender) (Number)	0.00	5000.00
Anti-erosion shelterbelts rehabilitated (Hectare(Ha))	4,242.00	4,242.00
Beneficiaries reporting positively on the project's citizens engagement actions (Percentage)	0.00	70.00
Number of women reached with information and gender-based activities (Number)	0.00	3,500.00

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comments Response Matrix for the

Moldova Agriculture Competitiveness Project GEF Additional Financing

Ulrich Apel, Program Manager (Comments for the World Bank Decision Meeting)	
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<p>The project remains in line with the GEF Land Degradation focal area objectives and the provided documentation is adequate. However, I consider the budgeted \$1,025,000 of GEF grant funding to be utilized for the procurement of specialized agro-forestry machinery and equipment for the creation of technical capacities in regional (Raut river basin) forestry enterprises of the State Forestry Agency (Moldsilva) as ineligible for GEF support. The purchase of this type of machinery and equipment should come out of co-financing. GEF grant funding is supposed to fund the incremental costs of creating global environmental benefits. In addition, the Land Degradation focal area has also the mandate to create socio-economic benefits for local benefits. In line with that, I would expect that GEF grant funding is used primarily for the purpose of matching grants and community-based rehabilitation of communal shelterbelts.</p>	<p>Following the Decision Meeting, during the appraisal mission of November 13-18, 2020, the World Bank team has discussed this issue with the project stakeholders in Moldova. It was agreed that no equipment procurement for the needs of the State Forestry Agency (Moldsilva) will take place with funding from the GEF grant financing. GEF grant financing would be directed for the purpose of matching grants and community-based rehabilitation of communal shelterbelts.</p>
<p>STAP Screening Comments</p>	

STAP's Overall Assessment: Minor issues to be considered during the project design. STAP acknowledges the World Bank's project "Moldova Agriculture Competitiveness Project GEF Additional Financing". The project seeks to enhance the country's agro-food sector by increasing farmers' access to markets, improve land productivity through sustainable land management, and modernize the food safety system. Although the document provides an overview of the environmental and social challenges in Moldova, this analysis is missing at the project site level. Therefore, STAP recommends analyzing the problems, and their underlying drivers, for the target site(s). STAP welcomes the description of the theory of change. It encourages the World Bank to develop in full the theory of change by mapping the various impact pathways that lead to the project's objective. The assumptions described in the narrative need to be integrated into the theory of change. The theory of change also should identify the barriers to scaling (e.g. governance), and the strategies to overcome these obstacles. Accounting for these barriers is important because scaling is a key feature of the project. The risks were identified briefly in the project documentation, including environmental and social risks. When developing the project, STAP recommends that the World Bank describe the risks in greater detail, and determine a response to each of the risks. Furthermore, STAP recommends describing how climate change might affect the proposed activities and outcomes. The project documents highlight Moldova's "substantial vulnerability to climate-related shocks". It is therefore very important that climate change and climate scenarios be incorporated into the theory of change, and into the risk analysis. STAP supports the global environmental outcomes the project seeks to achieve, and encourages the World Bank to identify indicators and metrics to track progress. In this regard, STAP recommends that the World Bank strengthen the evidence that 2,000 hectares of land will be restored, and that a further 100,000 hectares of land (and biodiversity) will benefit from improved land management. Currently, the project documentation lacks scientific evidence to ascertain the feasibility of achieving these metrics, and outcomes. During the project design, STAP urges the project team to consider the LDN framework to establish the baseline, and determine land potential, i.e. define the interventions following the LDN hierarchy of avoid and reduce degradation, and restore land productivity. The LDN framework also contains elements of adaptive management and learning which could assist the project, thereby enhancing project effectiveness and the durability of outcomes. Furthermore, STAP recommends applying the checklist for Degradation Neutrality (LDN) Transformative Projects and Programmes (TPP). This tool has been devised to help project developers design effective interventions through the identification of the "enabling environment for LDN" in the country. A proper characterization of the LDN enabling environment would greatly assist in programming the proposed gender-responsive interventions, e.g. "on a pilot basis, gender-sensitive training to loan officers from willing-to-participate private banks to ensure equal treatment for women in defining loan conditions".

The World Bank team agreed with the STAP's Overall Assessment and incorporated most of them into the design. However, in some instances, the team has been limited in heeding advice by the fact that in the World Bank processing track, this project is presented as an Additional Financing for scaling up prior activities/results, for example interventions can't be changed as this would not constitute scaling up.

In addition, the Bank Team continues to believe that achieving the project's metrics is feasible, based on the demonstrable and verifiable results of the implementation of the original activities under the World Bank Loan/GEF 5 Grant. The monitoring and evaluation systems that were put in place during this initial phase had the necessary quantitative and qualitative rigor to pass the "scientific evidence" test. As the proposed GEF7 Grant will aim to scale the initial activities and results, it makes eminent sense that the same methods, models and assumptions for monitoring and evaluation are applied.

<p>The problem is well defined at the national level. STAP suggests revisiting the problem analysis, and describing the problem and its underlying drivers at the target site level. Additionally, STAP recommends referencing papers to support the problem analysis and contextual information provided in the project. The following paper can be useful to describe (in a general manner) the problem of land fragmentation that may characterize the project site: Van Holst, F. et al. (2018). "Land governance for development in central and eastern Europe: Land fragmentation and land consolidation as part of SDGs?". Paper prepared for presentation at the "2018 World Bank Conference on Land and Poverty". The World Bank - Washington DC, March 19-23, 2018.</p>	<p>A target site-level definition/statement of the problem is not possible <i>a-priori</i> due to the demand-based nature of the activities.</p>
<p>A baseline narrative is not included in the project document. STAP recommends describing what projects (GEF and non-GEF projects) this initiative will build on.</p>	<p>A baseline narrative has been included. The baseline is the results that were achieved (verifiably so) as part of the implementation of the original World Bank Loan/GEF 5 Grant sustainable land management activities. The team believes strongly that this makes eminent sense, since the proposed GEF 7 Grant comes to scale up prior activities. In addition, no other donor initiative has provided this type of support to the rural space in the Republic of Moldova, thus limiting the baseline to the one mentioned above.</p>
<p>STAP welcomes the narrative description of the theory of change, and the illustration of the activities, outputs and outcomes. To plan for the desired change the project seeks to achieve, it would be valuable to develop an illustration depicting the various impact pathways to reaching the project objective. STAP also suggests building in to the pathway the assumptions that were described in the narrative.</p>	<p>The team has developed further the theory of change and added an illustrative diagram depicting the impact pathways. Again, the impact pathways are the same as for the original World Bank Loan/GEF 5 Grant, and this project comes to scale up the successful</p>
<p>The proposed incremental activities have the potential to result in global environmental benefits. As previously recommended, STAP encourages the project team to develop a theory of change identifying the various impact pathways that can be pursued to meet the project objective. Also suggest defining indicators that measure the outcomes, and the benefits.</p>	<p>The project will track the same set of socio-economic and environmental monitoring indicators that it has tracked through a multi-year impact assessment effort during the implementation of the original GEF5 Grant.</p>

<p>STAP recommends applying the 'Scientific conceptual framework for Land Degradation Neutrality (LDN)'. The framework provides guidance on how to pursue LDN through land use planning. The framework is strongly based on multi-stakeholder engagement and governance, which are two important elements to embed in the project. The report can be accessed at: https://knowledge.unccd.int/knowledge-products-and-pillars/guide-scientific-conceptual-framework-land-degradation-neutrality STAP recommends identifying indicators that measure the proposed environmental variables on soil carbon and biodiversity. For soil management activities (component 3), the project developers may wish to draw from the following paper as it focuses on climate smart activities in semi-arid regions, including Moldova: Garcia-Franco, N., Hobley, E., Hübner, R., & Wiesmeier, M. (2018). Climate-Smart Soil Management in Semiarid Regions. In Soil Management and Climate Change (pp. 349-368). Academic Press.</p>	<p>The team has taken note of this comment and welcomes the guidance which will be essential during implementation. This will also be salient in the project's effort to apply principles of improved land-use planning in conjunction with the newly a relatively new World Bank Project on the rural cadaster.</p> <p>While the project will continue to track soil carbon sequestration through its <i>ex-post</i> impact assessments, the Bank team believes it to be unfeasible for methodological and cost reasons to have an indicator that measures soil carbon.</p>
<p>The project has the potential to be innovative in strengthening an enabling environment for LDN. This aspect comes through in component 1, but would require further development in terms of defining the gaps on LDN's enabling environment, and how the project proposes to address them. The LDN framework (link provided above) describes how to establish an enabling environment. In addition, a key focus of the project is to scale SLM activities successfully implemented since 2012 with GEF financing. STAP recommends identifying possible barriers to scaling (e.g. institutional arrangements, governance, vested interests among stakeholders) and strategies to overcome these obstacles when developing the proposal.</p>	<p>This comment was addressed by the team in the Project Paper.</p>
<p>The map coordinates of the project site were not provided. The team should provide this information in the final document.</p>	<p>A map has been added to the project documentation, as well as a description in the Project Paper of the primary geographic focus of the project's activities that can be geographically 'placed' at this time ' shelterbelt rehabilitation. Matching grants for Sustainable Land Management activities will be available without any geographic limitations (with the exception of urban locations), and therefore cannot be mapped <i>a priori</i>.</p>

<p>Currently, the project document does not specify the stakeholders. STAP recommends for the project team to develop a stakeholder engagement plan that also assigns governance responsibilities.</p>	<p>The team has worked extensively with the Ministry of Agriculture, Regional Development and Environment of Moldova to identify all key stakeholders and ensure that their opinions/interests are captured in the project design. A Stakeholder Engagement Plan has been prepared and approved by the Ministry of Agriculture, Regional Development and Environment of Moldova.</p>
<p>STAP recommends differentiating the risks by gender and asking a gender specialist to advise on how to integrate gender in the project ? and ideally throughout the theory of change.</p>	<p>The team has worked extensively with the gender specialist of the Food and Agriculture Global Practice to parcel out gender differences in relation to the proposed activities. A Gender Management plan has been prepared and approved by the Ministry of Agriculture, Regional Development and Environment of Moldova to tackle proactively gender issues and eliminate women-related vulnerabilities.</p>
<p>The risks were identified briefly in the project documentation. These included environmental and social risks. When developing the project, STAP recommends for the World Bank to describe the risks in greater detail, and to determine a response for each of the risks. Furthermore, STAP recommends describing how climate will affect the activities and outcomes. In this regard, STAP recommends applying these questions during the project design: ? How will the project's objectives or outputs be affected by climate risks over the period 2020 to 2050, and have the impact of these risks been addressed adequately? ? Has the sensitivity to climate change, and its impacts, been assessed? ? Have resilience practices and measures to address projected climate risks and impacts been considered? How will these be dealt with? ? What technical and institutional capacity, and information, will be needed to address climate risks and resilience enhancement measures? Additionally, the project developers are recommended to consider climate change when developing the theory of change. This will ensure that climate risks (which are certain to happen) are considered from the start, rather than in a post-design risk assessment process. The World Bank's Climate Change Knowledge Portal is one tool that can be used to identify the temperature and precipitation projections for Moldova, and possibly the target areas if this information is available in the portal: https://climateknowledgeportal.worldbank.org/country/moldova</p>	<p>The risks section has been significantly extended in the Project Paper, in line with the latest World Bank guidance on recalibrating risks. The recalibration exercise allows to assess risks from a residual perspective. On climate risks, these have also been developed in greater detail, while also using the Climate Risks and Disaster Screening Tool that the World Bank has developed for projects in the agriculture sector.</p>

<p>This section is missing in the project documentation. Suggest specifying how the project will build on knowledge and learning generated from other initiatives in the region.</p>	<p>The project paper now contains mentions to a concurrent GEF project (prepared by FAO), indicating the approach to coordination during future implementation. Several elements of the design, have been informed by the Tunisia Natural Resource Management Project 2 (co-financed by GEF). Beyond this, as mentioned earlier, the project is building on its earlier success and looks to scale up activities that have worked well under the GEF5 Grant.</p>
<p>STAP suggests elaborating further how knowledge and learning will be used, particularly to adapt the project if needed so that it remains on track to deliver its objective.</p>	<p>Under the proposed project knowledge management is central to the overall success and long-term sustainability of the proposed activities. The project paper contains multiple references that define the knowledge management approach. It continues to rely, for the most part, on the principles and techniques that were tested during the implementation of the initial GEF5 Grant and will now be scaled up.</p>

ANNEX C: Status of Utilization of Project Preparation Grant (PPG).

(Provide detailed funding amount of the PPG activities financing status in the table below:

N/A

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/CBIT Trust Funds or to your Agency (and/or revolving fund that will be set up)

N/A

ANNEX E: Project Map(s) and Coordinates

Please attach the geographical location of the project area, if possible.



ANNEX F: Project Budget Table

Please attach a project budget table.

Moldova Agriculture Competitiveness Project GEF AF (Indicative GEF resource allocation)										
Expenditure Category	Detailed Description	Component (USDeq.)					Total (USDeq.)	Responsible Entity (Executing Entity receiving funds from the GEF Agency/ies)		
		Component 1		Component 3		Sub-Total			M&E	PMC
		LDN framework	SLM in Farming Systems	Rehabilitation of Shelterbelts						
Works	Rehabilitation of 2,000ha of deteriorated communal shelterbelts			1,025,000.00		1,025,000.00			1,025,000.00	Ministry of Agriculture, Regional Development and Environment (MARDE); State Forestry Agency
Grants/ Sub-grants	Sustainable land management grants provided to private farmers		1,500,000.00			1,500,000.00			1,500,000.00	MARDE
Sub-contract to executing partner/ entity	Technical assistance to communities on rehabilitation of shelterbelts			100,000.00		100,000.00			100,000.00	MARDE; Forestry Research Institute
Contractual Services – Individual	Strengthening LDN targeting and regulatory framework; SUM technologies expertise	50,000.00	25,000.00			75,000.00			75,000.00	MARDE
Contractual Services – Company	LDN knowledge management and outreach; impact assessment; SUM technologies expertise	50,000.00	30,000.00			80,000.00	50,000.00		130,000.00	MARDE
Local Consultants	M&E expertise to support MARDE					0.00	60,000.00		60,000.00	MARDE
Salary and benefits / Staff costs	Project manager					0.00		40,000.00	40,000.00	MARDE
	Technical coordinator					0.00		27,000.00	27,000.00	MARDE
	Finance expert					0.00		20,000.00	20,000.00	MARDE
	Procurement expert					0.00		20,000.00	20,000.00	MARDE
Trainings, Workshops, Meetings	Knowledge management and outreach on SLM activities		45,000.00	20,000.00		65,000.00			65,000.00	MARDE
Office Supplies	Office supplies, consumables, and					0.00		23,000.00	23,000.00	MARDE
Other Operating Costs	Annual audits					0.00		20,000.00	20,000.00	MARDE
	Grievance redress mechanism		5,000.00			0.00			5,000.00	MARDE
Grand Total		100,000.00	1,605,000.00	1,145,000.00		2,845,000.00	110,000.00	150,000.00	3,105,000.00	9,217,000.00

Moldova Agriculture Competitiveness Project GEF AF (Indicative GEF resource allocation)

Moldova Agriculture Competitiveness Project GEF AF (Indicative GEF resource allocation)										
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		LDN framework	SLM in Farming Systems	Rehabilitation of Shelterbelts						
Works	Rehabilitation of 2,000ha of deteriorated communal shelterbelts			1,025,000.00		1,025,000.00			1,025,000.00	Ministry of Agriculture, Regional Development and Environment (MARDE); State Forestry Agency
Grants/ Sub-grants	Sustainable land management grants provided to private farmers		1,500,000.00			1,500,000.00			1,500,000.00	MARDE
Sub-contract to executing partner/ entity	Technical assistance to communities on rehabilitation of shelterbelts			100,000.00		100,000.00			100,000.00	MARDE; Forestry Research Institute
Contractual Services – Individual	Strengthening LDN targeting and regulatory framework; SUM technologies expertise	50,000.00	25,000.00			75,000.00			75,000.00	MARDE
Contractual Services – Company	LDN knowledge management and outreach; impact assessment; SUM technologies expertise	50,000.00	30,000.00			80,000.00	50,000.00		130,000.00	MARDE
Local Consultants	M&E expertise to support MARDE					0.00	60,000.00		60,000.00	MARDE
Salary and benefits / Staff costs	Project manager					0.00		40,000.00	40,000.00	MARDE
	Technical coordinator					0.00		27,000.00	27,000.00	MARDE
	Finance expert					0.00		20,000.00	20,000.00	MARDE
	Procurement expert					0.00		20,000.00	20,000.00	MARDE
Trainings, Workshops, Meetings	Knowledge management and outreach on SLM activities		45,000.00	20,000.00		65,000.00			65,000.00	MARDE
Office Supplies	Office supplies, consumables, and					0.00		23,000.00	23,000.00	MARDE
Other Operating Costs	Annual audits					0.00		20,000.00	20,000.00	MARDE
	Grievance redress mechanism		5,000.00			0.00			5,000.00	MARDE
Grand Total		100,000.00	1,605,000.00	1,145,000.00		2,845,000.00	110,000.00	150,000.00	3,105,000.00	9,217,000.00