A. Project Introduction

1. The Agribusiness Infrastructure Development Investment Program (AIDIP) is a Program of Asian Development Bank in the agriculture sector in India; it is in line with the 11th Five Year Plan objectives of the government of India. The AIDIP aims to address three main constraints to agriculture growth: (i) outdated technologies and management, (ii) lack of public investment in linking infrastructure (such as roads from production areas to collection points), and (iii) lack of private investment and management in modern marketing infrastructure (such as cold chains, controlled atmosphere storages, and automated grading). Using an Integrated Value Chain (IVC) approach, the program invests in physical and institutional linkages along horticultural value chains, through support of:
   (i) site development and agribusiness infrastructure;
   (ii) linking infrastructure to ensure connectivity and basic services across the value chain;
   (iii) backward value chain linkages to the production areas through contract farming and producers’ companies; and
   (iv) capacity building on technical and managerial skills along the value chain.

2. The program aims to achieve accelerated investment in agriculture and to support related infrastructure in rural areas, along IVCs. Integrated Value Chains may comprise several or all of the following:
   (i) Aggregation facilities
   (ii) Sorting, grading, packaging
   (iii) Storage (ambient and controlled temperature)
   (iv) Value addition and market intelligence
   (v) Distribution facilities including logistics
   (vi) Value chains for end-to-end linkages

3. The Program area covers selected regions of Bihar and Maharashtra, two States that have adopted different agri-marketing policies, with Bihar promoting the provision of agri-marketing as a private sector led function, and Maharashtra enabling greater private sector participation but leaving the role of regulator and market manager with the public sector. The project will therefore provide the opportunity to test different modalities to fit the differing circumstances and commodity flows. The Project is built on the use of public private partnerships for project implementation and operation. The selection of crops has prioritized perishable due to their higher value and potential for value addition and the opportunities these create for increasing smallholder incomes. Grains and pulses are included as they remain an important component of traded agricultural outputs.

B. Need for a Public Consultation and Participation Framework (PCPF)

4. Consultation and Participation (C&P) is a process through which stakeholders influence and share control over development initiatives, and the decisions and resources that affect them. It is a two way process wherein the EA, policy makers, beneficiaries and affected persons listen to each other and discuss their views and concerns in a project process. C&P seeks to increase the level of support for the Project and related activities from a range of stakeholders, which can speed up processing and reduce challenges during implementation. C&P hence can improve the effectiveness, relevance, and sustainability of

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1 The term “value chain (VC)” is used to characterize the interconnected, coordinated set of links and steps that take place as agricultural products’ transformations and transactions take place along a chain of interrelated activities between primary production and the final consumer.
development activities in the long run. In line with the above, a detailed Public Consultation and Participation Plan (PCPF) has been prepared for the project.

C. Key Objectives of the PCPF

5. The PCPF is designed to ensure that adequate and timely information is made available to the project beneficiaries, including small and medium farmers, small traders, communities providing opportunities to voice their opinions and concerns in influencing project decisions. The PCPF is intended to define objectives and establish the framework necessary to provide understandable information to all stakeholders involved. The main objective of the PCPF is to ensure timely, effective and multi-directional communications between the EA and the affected persons and communities.

6. The specific objectives of PCPF are as follows:
   
   (i) Analyze household and community level issues and draw early attention for mitigations and/or resolution of the same.
   (ii) Promote participation of the local people, local level government stakeholders, elected representatives and other community representatives to create opportunity to play a role and express their views.
   (iii) Acquire suggestions of the community for mitigating any anticipated adverse environmental and social impacts and increasing expected benefits of the Project.
   (iv) Obtain the views of various categories of vulnerable groups within the vicinity of the project area, to discuss the Project’s associated impacts and benefits on those groups, and to ascertain those groups’ expectations regarding project benefits.
   (v) Develop strategies to minimize potential social and environmental impacts in conjunction with government stakeholders.
   (vi) Facilitate the community to be prepared with enhanced confidence and capacity for meaningful engagement in the project.

7. To meet the above objectives, the PCPF provides the following:
   
   (i) Defines and lays down the key guiding principles for C&P to be followed in the Project.
   (ii) Identification of key stakeholders in the project.
   (iii) Provides the details of the public participation and consultation processes undertaken in the Project so far and the associated outcome.
   (iv) Elaborates strategy for public consultation and participation to be adopted over the life of the Project in the subsequent stages.
   (v) Description of resources and responsibilities for PCPF implementation.
   (vi) Framework for monitoring and reporting on the effectiveness of the PCPF.

D. Guiding Principles for PCPF

8. The key guiding principles for effective consultation and participation for this Project shall include the following:
   
   (i) Consultations will be premised on and facilitate access to information. Access to information provides an important guard against arbitrariness in public decision-making and also helps to enhance transparency and accountability. Information dissemination at all levels will hence be a critical pre-requisite for meaningful consultations.

(ii) **Consultations will facilitate meaningful participation at all levels.** The consultation process adopted in the Project would be an inclusive process. PCPF will therefore establish structures and mechanisms to manage this process so that all the relevant stakeholders at the national and local level are included. At the state level, representatives from relevant line ministries and organization and at the local level—district level local government bodies, NGOs and civil society representatives and organizations and representatives of the affected people are some important stakeholders who have been included so far in the C&P Process and will continued to be consulted during the life of the Project.

(iii) **Consultations will facilitate dialogue, exchange of information and consensus building.** Inviting community peoples, civil society organizations, NGOs and local government bodies to participate in the project process will develop a sense of ownership among all relevant stakeholders.

(iv) **Mechanisms for grievance, conflict resolution and redress will be established and made accessible during the consultation process, and throughout the implementation of the project civil works and the social and environmental mitigation measures.**

(v) **Recognizing diverse stakeholders and strengthen the voice of vulnerable groups.** Different stakeholders have different interests in the project and some may be positively or negatively impacted, so the consultation will be held at various levels. Special emphasis will be given to the issue of vulnerable affected people in relation to resource use rights.

(vi) **Linking consultation processes to planning and decision-making processes.** To have a feedback loop information gleaned from the consultation process has to be incorporated into policy design and decision making processes. It is also important to ensure the public disclosure of all information and analysis gathered from the consultation process. It will be clearly, publicly documented how views gathered through the consultation process have been taken into account and where they have not, explanations provided as to why they were not incorporated.

9. The Asian Development Bank’s (ADB) Safeguard Policy Statement (2009) also stresses upon the significance of public consultation and participation for ensuring formulation and execution of development projects compliance to environmental and social safeguards. The Policy stresses that the Project EA will conduct meaningful consultation with affected persons, and civil society for every project identified as having involuntary resettlement impacts. Consultation needs to be carried out throughout the project cycle and timely disclosure of relevant and adequate information has to be undertaken. All relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issue also need to be incorporated.

10. From the SPS point of view, the Project needs to ensure consultation is undertaken in an atmosphere free of intimidation or coercion and is particularly inclusive of and responsive to the needs of the disadvantaged and vulnerable groups especially those below the poverty line, the landless, the elderly, female headed households, women and children, Indigenous Peoples, and those without legal title to land.

E. **Key Stakeholders in the Project**

11. A stakeholder is any person, group or institution that has an interest in an activity, plan or program. This includes intended beneficiaries and intermediaries, winners and losers, and those involved or excluded from decision-making processes. These can be divided into two broad groups:
Primary stakeholders are those ultimately affected, either positively (beneficiaries) or negatively (for example, those involuntarily displaced).

Secondary stakeholders are those with some intermediary role including the executing agency, line ministries, financing institutions, consultants, construction contractors, suppliers and service providers.

12. The Table 1 below presents the classification of the key stakeholders of AIDP.

<table>
<thead>
<tr>
<th>Type of Stakeholder</th>
<th>Stakeholder Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary stakeholders</td>
<td>Project beneficiaries (farmers, traders) value chain agents and operators</td>
</tr>
<tr>
<td>Secondary stakeholders</td>
<td>Project owner and EA, Local government, Design and Management Consultants, Implementing Non-Government Organization (NGOs) and Independent External Monitor</td>
</tr>
</tbody>
</table>

F. Summary of the Consultations Undertaken during Project Preparation

13. All efforts have been made to ensure the participation of all the above stakeholders in the Project. The consultation processes adopted during the Project preparation have been inclusive and has ensured participation of all relevant stakeholders at the national as well as local level. PCPF further establishes structures and mechanisms to continue the C&P processes with these key stakeholders during the life of the Project. The various consultations that were held in Bihar are mentioned below in Table 2.

<table>
<thead>
<tr>
<th>District</th>
<th>Date</th>
<th>Profile of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vaishali</td>
<td>13.11.2009</td>
<td>15 participants who included the Mukhiya (Village Headman), Ward Members, local villagers and women.</td>
</tr>
<tr>
<td>Darbhanga</td>
<td>14.11.2009</td>
<td>10 participants who included the Mukhiya (Village Headman), Ward Members, local villagers and women.</td>
</tr>
<tr>
<td>Muzaffarpur</td>
<td>15.11.2009</td>
<td>20 participants who included the Mukhiya (Village Headman), local villagers and women.</td>
</tr>
<tr>
<td>Samastipur</td>
<td>16.11.2009</td>
<td>25 participants who included the Mukhiya (Village Headman), Ward Members, local villagers and women.</td>
</tr>
<tr>
<td>Begusarai</td>
<td>17.11.2009</td>
<td>15 participants who included the Mukhiya (Village Headman), Ward Members, local villagers and women. It also included the participation of formal leaders like political leaders of the area.</td>
</tr>
<tr>
<td>Nalanda</td>
<td>18/19.11.2009</td>
<td>20 participants who included the Mayor and Mukhiya (Village Headman), Ward Members, local villagers and women.</td>
</tr>
<tr>
<td>Bhojpur</td>
<td>20.11.2009</td>
<td>15 participants who included the Mukhiya (Village Headman), Ward Members, teachers, local villagers and women.</td>
</tr>
<tr>
<td>Buxar</td>
<td>21.11.2009</td>
<td>10 participants who included the informal leaders, local villagers and women.</td>
</tr>
<tr>
<td>Rohtas</td>
<td>22.11.2009</td>
<td>12 participants who included the Mukhiya (Village Headman), Ward Members, local villagers and women.</td>
</tr>
</tbody>
</table>

Source: SES, November 2009.

14. The following table presents the consultations held in Maharashtra:
Table 3: Consultations held in Maharashtra

<table>
<thead>
<tr>
<th>District</th>
<th>Date</th>
<th>Profile of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amravati</td>
<td>22.11.2009-23.11.2009</td>
<td>10 participants who included the Sarpanch (Village Headman), other members of the Panch, informal leaders of the community, local villagers and women.</td>
</tr>
<tr>
<td>Akola</td>
<td>24.11.2009</td>
<td>17 participants who included the Sarpanch (Village Headman), informal leaders of the community, big traders, local villagers and women.</td>
</tr>
<tr>
<td>Buldhana</td>
<td>25.11.2009</td>
<td>15 participants who included the Sarpanch (Village Headman), other members of the Panch, informal leaders of the community, local villagers and women.</td>
</tr>
<tr>
<td>Jalgaon</td>
<td>26.11.2009-27.11.2009</td>
<td>10 participants who included the Sarpanch (Village Headman), other members of the Panch, informal leaders of the community, local villagers and women.</td>
</tr>
<tr>
<td>Nashik</td>
<td>28.11.2009-29.11.2009</td>
<td>20 participants who included the Sarpanch (Village Headman), other members of the Panch, informal leaders of the community, office bearers of the Sugar Mill and Co-operative society local villagers and women.</td>
</tr>
<tr>
<td>Aurangabad</td>
<td>30.11.2009</td>
<td>17 participants who included the Sarpanch (Village Headman), informal leaders of the community, local villagers and women.</td>
</tr>
<tr>
<td>Jalna</td>
<td>1.12.2009</td>
<td>7 participants who included the Sarpanch (Village Headman), local villagers, and women.</td>
</tr>
<tr>
<td>Ahmednagar</td>
<td>2.12.2009</td>
<td>14 participants who included the Sarpanch (Village Headman), other members of the Panch, informal leaders of the community, local villagers and women.</td>
</tr>
</tbody>
</table>

G. Key Responses by stakeholders

1. Lack of infrastructure

15. Basic infrastructure facilities like regular supply of power, roads, transportation, cold storage facilities especially for vegetables like tomatoes are the needs of the farmers. Lack of these facilities has deterred the farmers from producing the optimal amount of the same and the sale of it. Poor conditions of roads have prevented access to bigger markets. Also since currently lack of storage facilities has led to selling of the produce as soon as possible, the prices fetched for the same are low and as negotiated by the buyer. The farmer has no say in it and is at the mercy of the buyer. Thus facilities like the above mentioned are essential so that the primary producer has an advantage to negotiate prices for his produce.

2. Timely and Relevant Information and Extension Services

16. The participants unanimously voiced their dissatisfaction on the quality and extent of the extension services provided by the Government machinery. They opined that they need regular and relevant information related to better agricultural practices, soil testing, use of appropriate amounts and type of fertilizers and pesticides and about the prevailing prices of produces. Lack of such vital information has prevented them from increasing the productivity of their cultivable lands.

3. Availability of Good Quality Agricultural Inputs

17. Even in the state of Maharashtra known for its agriculture sector, availability of good quality seeds, fertilizer and pesticide are a chance occasion. The government stores and private suppliers often run out of stock or in some instances people are believed to be hoarding and charging increased prices due to a lack of competition in the supply market. The farmer has no option but to buy such inferior and spurious inputs which not only affect
the fertility of the land but also the produce. This was especially the concern among the women cultivators who find it extremely difficult to buy pesticides particularly in Bihar as the common perception is that they would consume the pesticide for suicide. Such stereotypical views deter them from accessing farm inputs.

4. **Fair Prices for their Produce**

18. The participants report that whatever limited quantity of produce they intend to sell, they wanted fair prices for it. Currently due to lack of infrastructure, bargaining power, information and presence of middlemen or agent, the farmers were unable to get fair prices for their produce. Many of the farmers opined that they should be directly linked to the end user so that they can avoid the multiple layers of intermediaries in the supply chain as it exists now.

5. **Need for the Project**

19. The participants of the consultations opined that there is definitely a need for such projects. However, they raise their concern that there are many projects which have been implemented on paper and otherwise for the benefit of the primary producer. But none of it has helped the primary producer the way it should have. Hence they worry if this project too, would turn out to be another such project aimed at the benefit of the few rich and influential farmers leaving the small and needy ones outside the gambit of it all.

H. **Public Consultation and Participation during Project Implementation**

20. The PCPF is aimed at informing the stakeholders of the project plans and activities in an ongoing manner. Consultations will be an integral part of the project. To ensure the same, this section details the C&P processes that shall be undertaken during the Project implementation.

1. **Key activities to be undertaken**

21. The major C&P process that will be undertaken during the Project implementation will include the following:

(i) **Information Dissemination through Project Website.** The nature and details of the Project will be made available in easily understood terms and local languages to inform as many stakeholders as possible. To maintain transparency and keep the communities informed on program details including procurement, EA/IA/Concessionaire will establish Project Websites for each supply chain. These websites will have a key role in disseminating project-related information. These centers will be managed by the NGOs which will be hired by EA/Promoter as their implementing agency. The NGO staff will be available at each of the PIC for interacting with the Project communities and providing them with necessary information. A register will be maintained at each of the PICs for registering the queries, suggestions and grievances of the Project communities and the PAPs. PCPF shall ensure that the Project process is inclusive of vulnerable and excluded groups, such as women, disabled and poor and such groups shall be actively targeted, consulted and involved in the Project processes.

(ii) **Public Disclosure of Project-related documents.** The directly affected persons, irrespective of their legal title and communities will be fully disclosed the extent of Project impacts on their communities and individual households. The policies for mitigation of adverse social and environmental impacts will be disclosed to the influence area peoples particularly the affected persons.
(iii) **Consultation with small farmers.** One of the major challenges for any project is to reach to the bottom of pyramid. The service provider for the backward linkages of the IVCs will consult with specific groups like female cultivators and traders, and small farmers. This is to ensure that project is inclusive in nature and gives equal opportunity and access to vulnerable target groups.

I. **Institutional Arrangement**

1. **Role of EA**

22. EA, as the project proponent, will have the overall responsibility for consultation with stakeholders and ensuring their participation in the project process. EA / PMU will design the structure of all consultation activities. EA will take responsibility for the organization of all aspects of consultation meetings and workshops as required. All implementing groups or entities will be responsible for distribution of disclosures instruments among the various stakeholders including the affected persons. In addition, the concessionaire will be responsible for managing and running the Public Information Center (PIC).

K. **Reporting Arrangement**

23. Consultation and participation process will be well documented for each and every sessions (workshops, FGDs, open meetings, and any other procedures) including records of participation, disclosure issues, concerns raised by the participants, options provided and opinions referred to by the stakeholders. The records and recommendations will be reported in the periodical monitoring reports, mid-term reports and all evaluation reports.