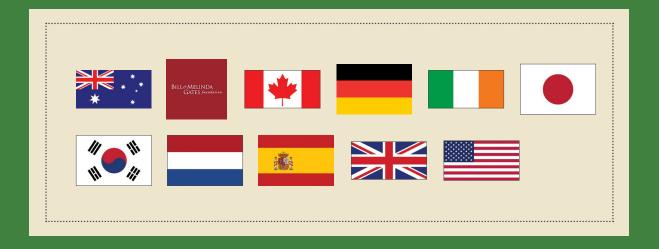




## Empowering Smallholder Farmers

ANNUAL REPORT 2018

#### DONORS



Launched in 2010, the Global Agriculture & Food Security Program is a transformative approach to development aid that pools donor funds to make lasting improvements through technically sound, country-led plans and investment in sustainable, inclusive small- and medium-sized enterprises. The inaugural donors—Bill & Melinda Gates Foundation, Canada, the Republic of Korea, Spain, and the United States—were joined by Australia, Germany, Ireland, Japan, the Netherlands, and the United Kingdom. In the past five years, Australia, Bill & Melinda Gates Foundation, Germany, the United Kingdom, and the United States have all committed additional funds. GAFSP's donors **work in partnership with recipients, civil society organizations, and other stakeholders** to improve the lives of smallholder farmers and their families. Millions of poor and vulnerable people around the world will directly benefit from GAFSP's continued commitment and support.

GAFSP looks to engage other donors and stakeholders in this important initiative.

Reporting Period: January 2018 – December 2018



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### Dear Friends,

It is hard to write this letter knowing that the number of hungry people around the world has risen for the third year in a row, from 784 million in 2014 to 821 million people in 2018. New evidence clearly links this trend to the growing threats of climate change and conflict, as well as slowing economic performance. Over the past decade climate change has increased global temperatures and the frequency of extreme weather events. Climate change is poised to get worse, especially affecting disadvantaged and vulnerable populations, local communities dependent on agricultural livelihoods, and Least Developed Countries. If we continue business as usual, poverty and disadvantage will increase across the global.

There is good news. We know how to fix this, and there is still time to do so. But we must act fast. Smart investments in agriculture can do the double duty of helping smallholders adapt to the changing climate, while also working to slow and stop climate change in its tracks. Agricultural investments can eradicate of hunger and poverty, while enabling broader structural transformation in many economies. Agriculture is essential for all aspects of life, from producing the food that we eat to providing incomes to encouraging stability to maintaining a healthy planet.

More smart, targeted investments in agriculture are key to reaching the SDGs by 2030. Addressing these complex and interlinked challenges requires taking a holistic approach to development. So, over 2018, we, at Global Agriculture and Food Security Program (GAFSP), have been preparing the groundwork to grow this program through 2030.

#### AGRICULTURE IS FUNDAMENTAL TO SUSTAINABLE DEVELOPMENT

Farmers are central to efforts to get progress towards achieving the SDGs back on track, as 80 percent of the world's extreme poor live in rural areas and depend on agriculture for their livelihoods—many of them managing micro and small agricultural enterprises. To date, GAFSP has helped support and empower more than 10.3 million farmers and their families—1.1 million more than in 2017 and we are well on track to reach 12 million people by 2022.

This has led to positive impacts on food security and nutrition, climate, jobs and incomes, and gender equality. GAFSP projects vary widely, depending on what countries need and where GAFSP funds can have catalytic impacts—from absorbing 200,000 tons of CO2 from the atmosphere per year in Bhutan, to supporting 2,000 livestock herders and their families in Mauritania, to increasing productivity fivefold in Rwanda.

In 2018, our investments in both the public and private sector have continued to expand with three new private sector projects in Afghanistan, Madagascar, and Kenya, and the launch of the remaining four Missing Middle Initiative pilot projects in Bangladesh, East Africa, Senegal and Mali.

#### GAFSP CAN DO MORE

New reports are indicating that half of the world's poor live in fragile or conflict-affected countries; that conflict exacerbates chronic and acute hunger, malnutrition, and poverty; and that many of these countries are particularly vulnerable to climate threats. Given that, the GAFSP Steering Committee

#### LETTER FROM THE CHAIRS

decided to launch a Special Call for Proposals in 2019 that focuses on eligible countries affected by fragility and conflict to target our available funding and support to countries that are investing in agriculture and food security as a pathway out of the situation.

#### **INCREASING FUTURE IMPACT**

In 2018, GAFSP finalized an independent global program evaluation. The evaluation found that both the Public and Private Windows have successfully delivered in line with their original goals, however, they operate almost independently. Given that the people we work with-the farmers, their families, and their businesses-have needs that are addressed by both sectors, solutions often require that the public and private sectors—and everyone in between—work together to address them. Based on the evaluation, the GAFSP Steering Committee focused on adjusting GAFSP's operational model to be better aligned with the SDGs, in particular SDG2, and to improve the sequencing of public and private sector finance in the delivery of Agenda 2030.

This will be the program's core mission until its scheduled end date of 2030. It will have an increased focus on explicitly tailoring and complementing public and private sector solutions in order to tackle the challenges the world faces—feeding a growing population nutritious food in a sustainable manner in times of climate crisis and increasing incomes and livelihoods for the long term.

#### LOOKING AHEAD

As co-chairs, Germany and the United Kingdom strongly support this impactful program. With only a little over a decade remaining to achieve the SDGs, we must double current efforts, including through GAFSP. Despite global development aid being at record levels, there remains a large financing shortfall for agriculture, in particular in poor countries, in spite of the clear evidence of its efficacy. We invite others to join us in supporting this important initiative and work towards achieving the SDGs.

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Stefan Schmitz Chair of the Steering Committee

Iris Krebber Chair of the Private Sector Window Donor

With only 12 years remaining to achieve the SDGs, it will require doubling current effortsas significant gaps remain in terms of progress, resources, and data.



GAFSP supports resilient and sustainable agriculture that benefits and empowers poor and vulnerable smallholder farmers, particularly women and youth.

### What is GAFSP?

#### Committee

The Global Agriculture and Food Security Program (GAFSP) is a **demand-led and recipient-owned global partnership** as well as a **cost-effective** and **flexible** multilateral financing mechanism dedicated to fighting hunger, malnutrition, and poverty in low-income countries. In line with Sustainable Development Goal 2 (SDG2), GAFSP supports resilient and sustainable agriculture that benefits and empowers poor and vulnerable smallholder farmers, particularly women and youth.

GAFSP **pools** development assistance resources and uses a common framework to selectively allocate them to where they are most needed, most effective, and most catalytic in line with country priorities and private sector opportunities.

GAFSP is **collectively governed** by agricultural development stakeholders. Smallholder farmers' organizations and civil society organizations (CSOs) **participate in decision-making** alongside donors and recipients, and contribute through their local knowledge and expertise. This unique setup allows GAFSP to align donors and **harmonize** their approaches behind a common framework as well as to foster mutual accountability, information exchange, and learning within and beyond GAFSP.

**GAFSP projects are led by governments, the private sector, and CSOs.** To ensure quality, GAFSP has **partnered** with the world's leading development institutions to enable access to their experience, capacity, and quality assurance systems as well as to assist recipients in preparing, implementing, and coordinating relevant and successful projects. GAFSP recipients determine the leading development institution with which they want to work.

GAFSP offers a range of public and private investment tools including grants, concessional loans, blended finance, technical assistance, and advisory services. With a combination of public and private investments, GAFSP projects deliver strategic support to agricultural systems that expand the horizon of agricultural financing by increasing its reach and impact.

GAFSP is strategically positioned for tailored responses to agriculture's most urgent development challenges. NEWS

### The Case for GAFSP

GAFSP stands as a proven, effective mechanism that already works to deliver on the Sustainable Development Goals (SDGs) by channeling funds to stakeholders through differentiated tools that are adapted to their needs—to countries through their governments; to private sector enterprises and agribusiness through innovative financing packages; and to farmers' organizations through creative pilot projects.

**GAFSP is unique in** *how* **it targets funding,** delivers support, and responds to global interests. The Program provides support for country-led agricultural and food security interventions that are technically robust, focused on long-term development goals, and supervised by experienced development finance institutions.

**GAFSP is strategically** *positioned* for tailored responses to agriculture's most urgent development challenges. The Program channels funds along the entire value chain—from farm to market to table.

**GAFSP** *invests* **in projects that increase** productivity, improve market access, support innovation, and develop new ideas in financing and technology—projects that are complementary to and mutually reinforcing of development partners' efforts.

GAFSP focuses on long-term development goals	GAFSP channels funds from farm to market	GAFSP projects reinforce development partners'
goals	to market to table	partners' efforts

Growth in agriculture has been shown to be two to three times more effective at reducing extreme poverty than growth in any other sector.

## Why Agriculture

The causes of poverty and food insecurity are complex, vary from country to country and region to region, and have no "one size fits all" solution. The need for action has been made more urgent by phenomena such as climate change variability and political instability, which have together exacerbated poverty, hunger, and food insecurity and, in some cases, led to massive movements and displacement of vulnerable people. Improved food systems can raise farm incomes, generate employment on and off the farm, reduce local food prices, and provide the diverse and nutritious diets that people require to advance economically and socially.

#### POVERTY

Given that 80 percent of the world's extreme poor live in rural areas and depend largely on farming to make a living, gross domestic product (GDP) growth originating from agriculture has been **two to four times more effective** at reducing poverty as growth originating in other sectors. Agriculture accounts for one-third of global GDP, and 60 percent of jobs in Sub-Saharan Africa alone.

#### HUNGER

Trends show that despite progress in parts of the world, global hunger is on the rise again after a decade of decline. Due to conflict- and climate-related shocks, more than 820 million people are now estimated to be hungry. Low-income countries in Asia and Africa bear the greatest share of malnutrition, and the situation continues to worsen in both South America and most regions of Africa.

#### SUSTAINABLE DEVELOPMENT GOALS

In 2015, world leaders adopted an ambitious set of 17 global Sustainable Development Goals (SDGs), making a bold commitment to inclusive and sustainable development. The SDGs offer a major opportunity to place smart, **sustainable agriculture and food systems** front and center of the development agenda and provide a guide for action. GAFSP is a dynamic partner that can directly help countries reach the SDGs—particularly SDG2, which commits to ending hunger, to achieving food security and improved nutrition, and to promoting sustainable agriculture.

## \$1.5 Billion 41 Countries

By the end of 2018, the GAFSP portfolio had grown to US\$1.5 billion. GAFSP was active in 41 countries, with approximately 64 percent of funds allocated to projects in Africa with other projects located across Asia, Latin America, and the Middle East. The portfolio stretches along the entire value chain supporting public sector investments, private sector development, and increased capacity for producers' organizations and smallholder farmers.

Nicaragua

Honduras

Haiti

Guyana

R

### Eligible for GAFSP Funding

Public Sector Window Recipients

Private Sector Window Projects

Missing Middle Initiative (MMI) Pilot Projects

Federated

States of

Micronesia

Vanuatu

Marshall

Islands

uvalu

Samoa

onga

Kiribati

Solomon Islands



# **SYNANI**

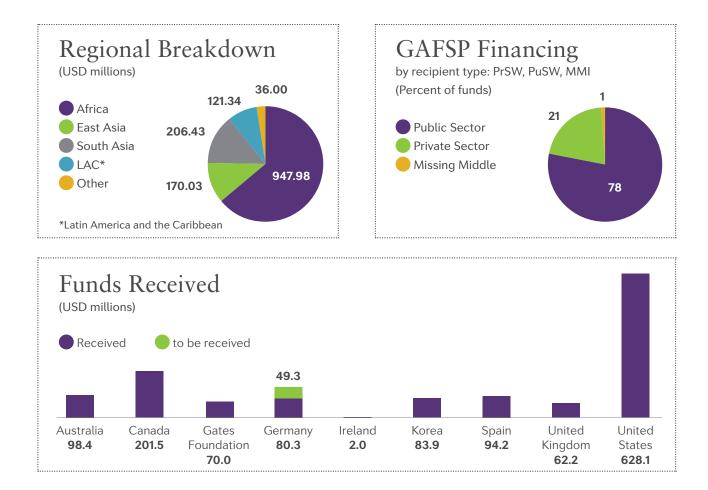
GAFSP stands as a proven, effective mechanism that works by channeling funds to stakeholders through differentiated tools that are adapted to their needs.

## Program-Wide Portfolio Snapshot

As of December 2018, GAFSP's US\$1.5 billion portfolio was comprised of US\$1.2 billion in grant financing from the Public Sector Window, US\$311 million from the Private Sector Window, and US\$13.2 million from the pilot Missing Middle Initiative (MMI).

#### **OUR DONORS**

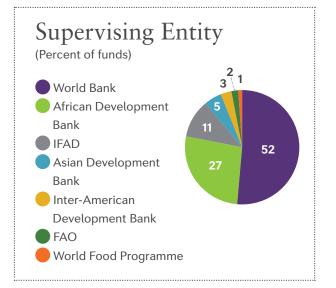
Australia, the Bill & Melinda Gates Foundation, Canada, Germany, Ireland, Japan, the Republic of Korea, the Netherlands, Spain, the United Kingdom, and the United States provide strategic oversight and work in equal partnership with representatives from our recipient countries.

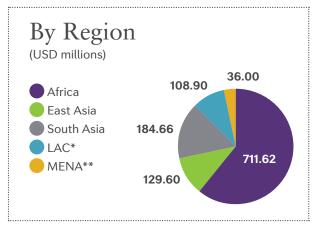


# Public Sector Window

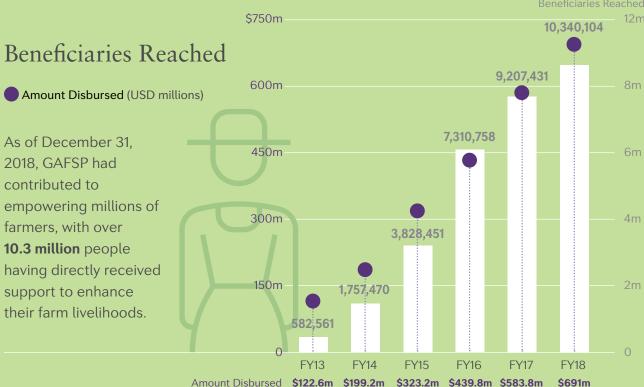
GAFSP provides grants to low-income country governments in support of national agriculture and food security investment plans that the governments have developed with their own farmers, agribusinesses, technical experts, and CSOs through a participatory and transparent process. As of December

2018, the Public Sector Window portfolio had financed over US\$1.2 billion, and the active portfolio included 47 projects in 31 countries. Combined, over their lifespans, these projects will impact more than 12 million rural people, of whom 5.1 million (36 percent) are expected to be women and girls.





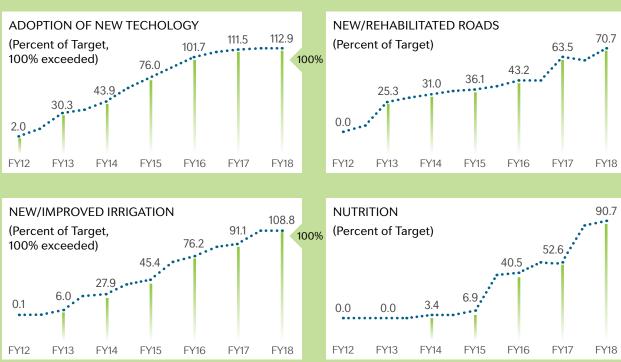
**48** Investment Projects Totaling BILLION US\$



Amount Disbursed \$122.6m \$199.2m \$323.2m \$439.8m \$583.8m







### **Missing Middle Initiative (MMI)**

MMI is a flagship pilot initiative that more directly supports smallholder farmers, their organizations, and partnerships between private sector actors in the agriculture value chain and producer organizations. Through this initiative, GAFSP promotes improved access to finance (grants and concessional or commercial finance) and complementary services (extension, capacity building, technology, and/or access to markets) to smallholder farmers as well as crowds in private resources. The first set of MMI pilot projects was selected on a competitive basis to test differentiated models and structures. As these projects are implemented, GAFSP will work with stakeholders to identify and to mainstream individual best practices into the larger portfolio. To date, GAFSP has awarded **US\$13.2 million** in grant funding for five projects with additional financing for monitoring, evaluation, and learning.



In **Bangladesh**, 55 smallholder farmer organizations, working with the United Nations **Food and Agriculture Organization (FAO)**, were awarded US\$2.48 million for a pilot project to enhance access to finance and markets by strengthening their capacities in management, governance, and engagement with agriculture value chains. Based on performance and the extent of partnerships with private sector companies, the project will provide grants to MMI farmer organizations for a revolving fund to provide small loans to individual smallholder farmers. The project launched in May 2018.

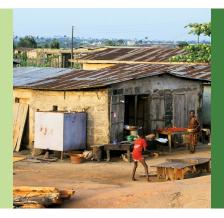
In **East Africa**, GAFSP has awarded US\$2.61 million to support the **Eastern Africa Farmers' Federation (EAFF)**, working with the International Fund for Agricultural Development (IFAD), to use mobile platforms to deliver economic services to farmers. The mobile platform is an innovative communication and payment system to create a virtual space for the brokering of commercial partnerships and contracts between farmers, off-takers, and input dealers as well as for the provision of financial services with low transaction costs. The project aims to increase access to and use of critical economic services such as marketing, financial services, and extension and advisory services by smallholder farmers in Rwanda, Tanzania, and Uganda. The project will leverage US\$1.90 from the private sector for every dollar invested by GAFSP. The project launched in November 2018.





In Senegal, a US\$2.48 million grant will support l'Association des Producteurs de la vallée du Fleuve Gambie (APROVAG) and Yacare Niani Wulli (YNW) in strengthening rural women's livelihoods for sustainable economic development in partnership with FAO. The project will improve agricultural productivity and market access for smallholder farmers, especially women and youth, who are members of producer organizations in the regions of Tambacounda and Kedougou, East Senegal. The project launched in October 2018.

In Mali, GAFSP has provided US\$2.61 million to support a project focused on the inclusion of rural youth in poultry and aquaculture value chains with the Association of Professional Farmers' Organizations (AOPP) and the National Coordination Agency for Farmers' Organizations in Mali (CNOP), with support from IFAD. This project enables the creation of sustainable economic activities benefiting rural youth including training in technical, organizational, and financial issues in the poultry and fish farming value chains. It is also expected to have a positive impact on rural jobs. The project launched in November 2017.





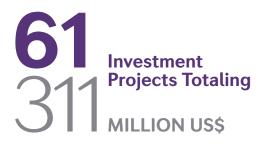
A second project in **Mali** awarded US\$3 million to strengthen four main rice producer organizations. **Socodevi and Malo**, working with the World Food Programme (WFP), will improve producer organizations' capacities to provide value-added services for members, ultimately improving the quality of paddy and milled rice, commencing fortified rice production, and attracting private sector investment in the rice supply chain. Launched in April 2018, the project will leverage US\$2.40 from local banks for every dollar invested by GAFSP.

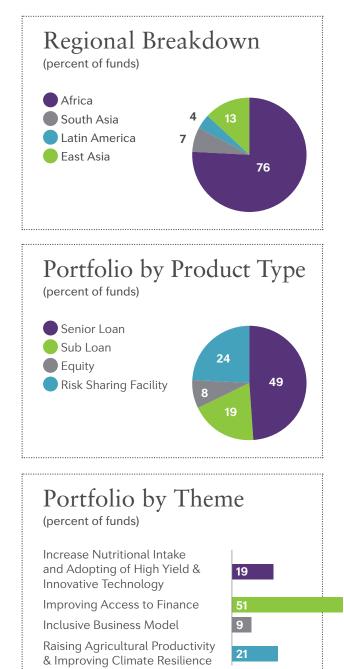
MMI is a flagship pilot initiative that more directly supports smallholder farmers, their organizations, and partnerships between private sector actors in the agriculture value chain and producer organizations.

# Private Sector Window

The Private Sector Window provides innovative products and financial solutions to support private sector companies that promote inclusive business models. As of June 2018, the Private Sector Window had approved 61 investment projects totaling US\$311 million. To date, GAFSP has disbursed a total of US\$134 million for 26 funded investments. Complementary advisory service engagements totaling US\$21.3 million have been deployed through 67 advisory projects.

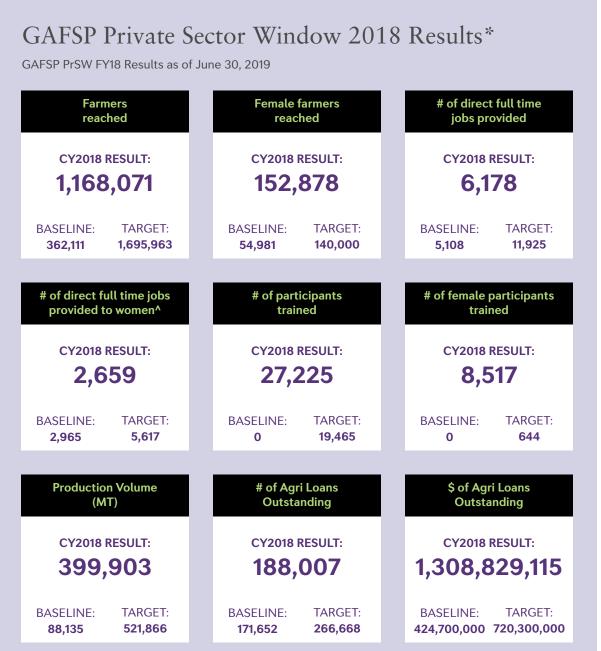
For its private investment projects, GAFSP provides loans and offers guarantees through risk sharing facilities with financial institutions including social lenders, microfinance institutions, and commercial banks. More than one-half of the projects (62 percent) are partnered with financial institutions to reach more smallholder farmers and small- and medium-sized enterprises. Approximately three-quarters of GAFSP Private Sector Window funding is allocated in Sub-Saharan Africa.





### **Innovative Products and Financial Solutions**

Through the Private Sector Window, GAFSP delivers high impact through investment projects and advisory services that build capacity and provide training and tools. In total, these projects and programs are targeted to reach over 2.5 million farmers, most of them semi-commercial smallholders and subsistence farmers with less than 2 hectares.



\* Includes projects that reported calendar-year results as of June 30, 2019, and projects that have been closed.

\* # of Jobs provided count only full-time equivalent jobs.

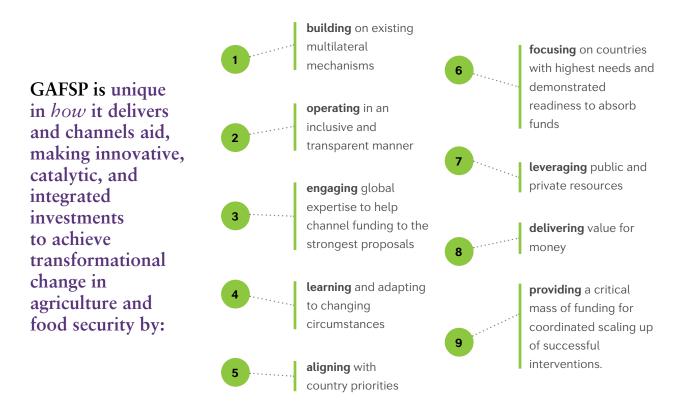
A Jobs to women decreased mainly due to reduced female employment figures for Ethiopia Coffee, which had closed with a significantly lower employment number.

# Work Beyond Agriculture

### Sustainable Development Goals (SDGs)

The SDGs recognize that food—the way it is grown, produced, traded, transported, processed, stored, and marketed—fundamentally connects people and the planet and creates a path to inclusive economic growth. Therefore, strengthening the global food system through diverse sources of finance, innovative partnerships, and a range of operational tools will be crucial to realize the SDGs focused on poverty and hunger as well as to address the wider 2030 Sustainable Development Agenda, through which agriculture is a common thread.

GAFSP is well positioned and is already making a large and immediate impact on these ambitious SDGs including, but not limited to, those that aim at eradicating poverty (SDG1), ending hunger (SDG2), gender (SDG5), climate action (SDG13), and partnerships (SDG17).



#### FOR COUNTRIES, BY COUNTRIES

# THE 2030 AGENDA focuses on ensuring the SDGs are defined, devised, and fully owned by countries themselves.

The SDGs recognize that the causes of poverty and food insecurity are complex and vary from country to country and region to region with no "one size fits all" solution.

In line with this, and in contrast to traditional funding mechanisms, GAFSP is recipient-led, supporting countries' priorities as reflected in their national agriculture and food security investment plans. With broad participation from multiple stakeholders, GAFSP ensures that interventions are truly driven by countries' own visions for their development.

Through flexible and adaptable targeted investments in agricultural production, food security, and nutrition, GAFSP is well positioned to continue making a large and immediate impact on the ambitious SDGs.

#### ENDING POVERTY AND HUNGER; IMPROVING FOOD SECURITY AND NUTRITION

The first two SDGs commit the international community to ending poverty everywhere in all its forms (SDG1) and to ending hunger, to achieving food security, to improving nutrition, and to promoting sustainable agriculture (SDG2).

With a rapidly growing population, increased food demand, and a changing climate, achieving these goals is daunting but possible. Success rests on the ability to ensure a productive, resilient global food system.

Agriculture is uniquely positioned to reduce both poverty and hunger. Growth in agriculture has been shown to be two to three times more effective at reducing extreme poverty than growth in any other sector. More than 80 percent of the world's food supply is produced by smallholders. Through long-term investments in agriculture, food security, and nutrition, GAFSP is making **measurable progress** having already contributed directly to combating hunger and extreme poverty in countries with average rates of poverty at 40 percent (compared with 22 percent for all developing countries) and where the incidence of hunger is 27 percent.

#### Income

More than 80 percent of the world's extreme poor live in rural areas and depend largely on farming to make a living. GAFSP targets its funding to make the largest impact. Projections indicate that every additional US\$1 of donor support to GAFSP through its public sector projects will yield additional US\$2.40 in cumulative income for the poor every year.

#### Nutrition

To date, close to 60 percent of GAFSP Public Sector Window projects, and US\$193 million of GAFSP financing, include nutrition-related activities such as the dissemination of biofortified crops, the development of kitchen gardens, and behavioral change campaigns for improved nutrition.



### **Ending Poverty and Hunger**

### **Improving Food Security and Nutrition**

In 2018, more than 820 million people worldwide did not receive their minimum dietary energy needs this marks an increase for the third year in a row due largely to conflict- and climate-related shocks. Over 2 billion people were deficient in key vitamins and minerals.

Malnutrition is a multisectoral challenge that demands multifaceted solutions. Undernutrition in children accounts for nearly one-half of all child deaths and contributes to stunting in 151 million children under five. While rates of undernutrition continue to decline, the prevalence of overweight and obesity is increasing rapidly.

Agriculture has an important role to play in improving nutrition through (a) increased access to nutritious and diverse foods through farming activities to increase women's discretionary income; (b) the development and adoption of biofortified varieties like the orange fleshed sweet potato and Vitamin A-enriched maize; (c) food fortification that adds micronutrients to processed foods like flour; (d) crop diversification to foods with high nutrient content such as pulses, meat, dairy, and fish; (e) decreased food losses and waste; and (f) increased nutrition education through agricultural extension and livelihoods projects, which can improve dietary variety in production and consumption.

About three-quarters of GAFSP's nutrition-related spending is on nutrition-sensitive agricultural activities. About one-quarter is for direct, nutrition-specific activities including the distribution of micronutrient supplements such as folic acid and iron to pregnant women, women of reproductive age, and adolescent girls, sprinkles for children, behavioral change campaigns, and improving household sanitation and hygiene.

### HOW DO WE MEASURE NUTRITIONAL IMPACT?

To date, GAFSP-supported projects have used various indicators to capture the impact of nutrition-related activities. These include, but are not limited to, the number and proportion of malnourished as defined by underweight, stunting, wasting, and micronutrient deficiency, each of which is disaggregated by gender. GAFSP also measures the chronic malnutrition rate in children under five, the delivery of nutrition and health awareness messages, access to micronutrient-rich foods for pregnant and nursing women and children, improved food security and nutrition status of vulnerable groups and households measured by wasting prevalence, and the Food Consumption and Dietary Diversity scores.

### THE FOOD INSECURITY EXPERIENCE SCALE

In 2017, GAFSP rolled out a new monitoring and evaluation system, the Food Insecurity Experience Scale (FIES). FIES is aligned with the SDGs and is an innovative effort to measure progress toward food security by using the SDG2 indicator for hunger. While FIES traditionally measures indicators at a national level, GAFSP has operationalized the use of FIES at the project and program levels. As a result, FIES plays an important role in contributing to a more comprehensive monitoring of SDG2 used in combination with other metrics. The FIES system employs the Food Consumption Score to track progress on improving dietary diversity of households as well as measures the Minimum Dietary Diversity of women and young children, where these are explicit nutrition-related objectives in GAF-SP-supported projects.

### NUTRITION IMPACT THROUGH A WHOLE VALUE CHAIN APPROACH

Madagascar has the potential to be a competitive exporter of meat and to help bridge the global supply-demand gap. GAFSP's Private Sector Window made an investment in Bovima S.A.R.L. and Agrifeed S.A.R.L. to develop the first modern feedlot and abattoir in southern Madagascar. The project will procure cattle and goats from local herders and source locally produced animal feed from approximately 20,000 herders and smallholder farmers in the Anosy and Androy regions of southern Madagascar. The project has the potential to increase access to global export markets and to improve animal nutrition in an otherwise underdeveloped livestock sector in rural Madagascar. Ultimately, the project will raise the incomes of goat and cattle herders and smallholder farmers who produce animal feed. It is expected that the project will result in the purchase of US\$7.7 million units of livestock and US\$6.6 million worth of animal feed annually.

With partial funding from the GAFSP Private Sector Window, IFC Advisory Services (AS) has been providing pre-investment support to Bovima supporting a feasibility study and the technical designs of the abattoir and feedlot since 2016. Through a four-year AS program, IFC supports a productivity improvement program to train smallholder herders on good practices in animal health and nutrition. The program reduces the time from birth to the targeted slaughter weight, which will ultimately lead to significant increase in herders' income. IFC AS also plans to support Bovima's outgrower breeding program which will utilize artificial insemination for breeding to secure the long-term sustainability of cattle and goats.

In Lao PDR, the GAFSP Public Sector Window supports a project that strengthens public services, establishes community driven agriculture-based nutrition interventions, and forms sustainable and inclusive market-driven partnerships. The project supports diversification away from rice production and promotes climate-smart sustainable farming through the introduction of conservation farming techniques and agroforestry. The project also created Farmer Nutrition Schools in over 140 villages that have regularly trained more than 3,000 women on good practices in nutritional farming.



### Addressing Fragility, Conflict, and Violence

Violent conflicts around the world have spiked since 2010 and have negatively affected development outcomes for more than two billion people. Today nearly one-half of the world's extreme poor live in countries affected by conflict or violence.

For many people affected by conflict and protracted crises, smallholder agriculture is often the only means of survival. While the agriculture sector can be adversely affected by conflict and violence, it is often also the most agile sector to help fragility, conflict, and violence (FCV) affected countries recover by rapidly absorbing large amounts of labor, rebuilding household economies, providing access to food, and providing adequate employment. The agriculture sector also plays a critical role in reducing internal migration and addressing other factors that further destabilize FCV countries.

#### **THE GAFSP PORTFOLIO**

As of December 2018, more than 45 percent of countries with a GAFSP project had FCV status, according to the World Bank's Harmonized List of Fragile Situations FY19.

By improving food and nutrition security and sustainable agricultural development in the world's poorest countries, GAFSP helps countries address both their immediate needs and their long-term development and stability. Through the Public Sector Window, GAFSP has provided more than US\$340 million through grant financing to 12 projects in nine FCV countries—Burundi, The Gambia, Haiti, Liberia, Mali, Myanmar, Sierra Leone, Togo, and Yemen—to governments, farmers, and producer organizations through the MMI. Economic development plays a stabilizing role in conflict-prone societies, supports peaceful transitions to resilience. It is often precisely in FCV situations that private sector investment is missing. Over 70 percent of the Private Sector Window's investments in Fiscal Year 2018 were to fragile and conflict-affected countries in both Africa and Asia including projects in Afghanistan, Liberia, Madagascar, Sierra Leone, the Solomon Islands, and South Sudan.

#### EXAMPLES OF GAFSP PROJECTS IN FCV COUNTRIES

In **Yemen**, the GAFSP-supported public sector project increases the adoption and use of productivity-enhancing crop and livestock practices by smallholder farmers in areas that are at risk of famine. This is carried out through community subprojects and investments that protect land and water assets. To date, more than 47,000 farmers have received staple seeds, backyard poultry, and small ruminant packages, 4,000 farmers have been provided with improved forage seeds, and more than 8,000 households benefited from rehabilitation of community water infrastructure.

In **Afghanistan**, GAFSP is investing US\$1.3 million alongside IFC in the Rikweda Fruit Processing Company to develop the country's raisin market and to boost the agribusiness sector. The project will nearly double the country's raisin processing capacity and help 3,000 small-scale raisin farmers improve yields and incomes. A new raisin processing plant will create a total of 50 full time jobs, of which 35 will likely be held by women. Once the facility is at full production, the project will also prevent the emission of 3,000 tons of carbon dioxide equivalent per year.

### Encouraging Gender Equality

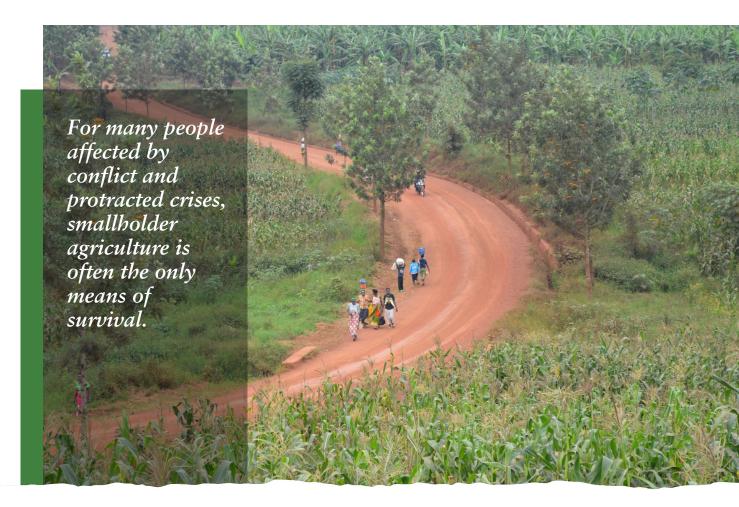
#### GAFSP directly supports the achievement of SDG5: Encouraging gender equality

Beyond increasing productivity and linking farmers to markets, GAFSP's sustainable agriculture interventions have had a powerful impact on gender equality-related issues such as the empowerment of female farmers, the creation of on-farm and off-farm jobs in rural areas, and the enhancement of women's and girls' nutrition status. Hunger and food security remain bigger challenges for women and girls, who are often literally the "last to eat" at mealtime.

Despite their high rate of participation in the agricultural workforce, many women in developing countries have very little decision-making power, even within their own households. Studies confirmed by FAO have indicated that women produce 25–30 percent less than their male counterparts, largely due to limited land tenure rights and a lack of access to farm inputs, equipment, and information. If women globally had the same access to productive resources and information as men, they could increase the yields on their farms by 20–30 percent, thereby raising incomes and reducing the number of people facing hunger by up to 17 percent.

#### **GENDER-SENSITIVE PROJECTS**

GAFSP supports projects that encompass a range of good practices, working to make agricultural technology, extension, and other interventions more gender-sensitive. These projects also ensure women's equitable access to income-generating activities and employment, promote women's leadership and decision making in farmers' organizations and self-help groups, ensure women's equita-



#### WORK BEYOND AGRICULTURE

ble access to agriculture-related productive assets and training opportunities, and raise women's awareness of improved nutrition, food preparation, and feeding practices.

- 90 percent of GAFSP Public Sector Window projects address elements of gender mainstreaming for public investment projects. Gender analysis during project preparation, the inclusion of gender actions, and genderdisaggregated monitoring and evaluation contribute to gender mainstreaming.
- Overall, GAFSP Public Sector Window projects have a high proportion of female beneficiaries as high as 70 percent in Nepal and at or above 50 percent in The Gambia, Kenya, Kyrgyz Republic, Liberia, Malawi, Mali, Niger, Sierra Leone, Tanzania, Togo, and Zambia.
- The GAFSP Private Sector Window has worked to improve gender equality and to increase the number of female smallholder farmers participating in GAFSP investments through gender diagnostic tools and relevant trainings.

In **Nepal**, a public sector project has improved nutrition through improved household dietary practices, promoted diversified diets, and improved feeding and caring practices for pregnant and nursing women and children up to two years of age. The project increased yields and production of nutritious crops and fish for farmers as well as promoted behavior change through community-based nutrition programs to improve dietary intake that include the promotion of diversified diets and improved feeding practices.

In **Bangladesh**, a GAFSP Private Sector Window investment project in a leading food and beverage company, Pran, will fund new processing facilities and give farmers a more consistent demand and fairer pricing for their fruits and vegetables. This project contributes to higher productivity and incomes for over 1,700 small farmers and is expected to create over 1,800 new direct jobs in rural areas. Over 90 percent of the 1,500 workers in Pran's packaging facilities are women.



### Promoting Decent Work

#### **AGRICULTURE AND JOBS**

About 2.2 billion people live below the US\$2-a-day poverty line. Stable and well-paid jobs will significantly help to eradicate poverty. Over the next 15 years, about 1.6 billion people in low- and middle-income countries will reach working age and seek gainful employment. The additional financing of US\$1.5 billion to GAFSP over five years could generate an estimated 1.1 million new direct jobs benefiting young people in rural Africa, Asia, the Pacific, and Latin America.

Agricultural productivity growth has the potential to create jobs not only in the rural farm sector, but also in the rural nonfarm sector and in the broader economy. Agriculture-based economic growth has been two to four as effective at reducing poverty than growth originating in other sectors.<sup>1</sup> Agriculture accounts for one-third of global employment, with the highest percentage in Sub-Saharan Africa—close to 60 percent.<sup>2</sup> The rural sector, both farm and nonfarm, is critical for creating wage jobs and self-employment and for encouraging the emergence of entrepreneurs.

#### THE GAFSP PORTFOLIO

Promoting remunerative farm and nonfarm jobs is one of GAFSP's priority areas. GAFSP financing supports the entire agriculture value chain across both the public and private sectors to improve the incomes for the rural poor.

Out of the GAFSP Public Sector Window portfolio of 48 projects, 24 projects (62 percent) are related to creating direct jobs. Sixteen of these projects are in Africa.

In **Kosovo**, GAFSP's Private Sector Window finances two of the country's leading microfinance institutions, the KEP Trust and the Agency for Finance in Kosovo. GAFSP increases smallholder access to funding by providing financial services to underserved farmers. Increased access to finance will

1 https://www.worldbank.org/en/topic/agriculture/overview

indirectly lead to job creation and help borrowers afford agricultural inputs, improve their farming practices, and enhance productivity.

In the **Kyrgyz Republic**, a GAFSP public sector project aims to increase the agricultural productivity and food security of rural households through the provision of agricultural advisory services and training. Agricultural advisory services for improved irrigated crop production, more effective marketing, and improved on-farm water management will benefit around 50,400 members of water user associations and their households.

In **Burundi**, the Platform for Food Security and Rural Development of the Imbo/Moso (PNSADR-IM) strengthens food security and rural development in the regions of Imbo and Moso. The Platform has created jobs to dig anti-erosive ditches for the protection of watersheds and to train community animal health workers. More than 2,200 jobs have created, and over 760 of them have been filled by youth.



<sup>2</sup> https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS

### Addressing Climate Change

GAFSP is uniquely placed to have a transformative impact on innovative, climate-sensitive approaches to agriculture.

95% of GAFSP-eligible countries have included climate-resilient agriculture as a priority sector in their Intended Nationally Determined Contributions.

By testing innovations and bringing together science with good practices, GAFSP pilots project approaches that, if proven successful, can be replicated and scaled up elsewhere.

Countries can and do choose the interventions that are best suited to their own situations and address country-level priorities.

In Kenya, where tea constitutes a major cash crop, a GAFSP Private Sector Window investment project will not only improve the livelihoods of 350,000 tea farmers, but will also help sequester carbon from the atmosphere. Helping to boost production and farmers' earnings, the Private Sector Window is supporting the design, construction, operation, and maintenance of seven small hydropower plants along Kenyan rivers. These plants will provide captive power generation for the factories of the Kenya Tea Development Agency (KTDA). Excess energy will be sold to the state-owned Kenya Power and Lighting Company. The seven hydropower plants will remove over 50,000 tons of carbon from the atmosphere through reduced consumption of diesel and biomass for energy generation. Kenya's community of tea farmers—over half a million of whom are shareholders in KTDA—supports the hydropower plants. Experts believe that the project is the first initiative worldwide in which a farmer-owned institution is undertaking a renewable energy project on this scale.

Agriculture is one of the most climate-sensitive sectors, being both a major contributor of greenhouse gas emissions—up to 25 percent—and being highly susceptible to its effects.

Climate change directly affects agricultural practices. Droughts, floods, and rising temperatures increasingly threaten crops, fisheries, and livestock production and push poor people deeper into poverty. Consequently, **agriculture can and must be part of the climate change solution**. Agriculture must demand more sustainable and climate-sensitive practices that reduce its climate footprint, strengthen farmers' resilience, and maintain or even increase food production to meet future demand.

#### PUBLIC INVESTMENT FOCUSES ON TACKLING CLIMATE CHANGE

Most GAFSP-eligible countries have included climate-resilient agriculture as a priority sector. As a result, the GAFSP portfolio has seen increasing levels of climate co-benefits. In the most recent cohort of projects, 100 percent include activities that focus on climate adaptation or mitigation. Nearly 50 percent of GAFSP public sector funds and about 75 percent of these projects have elements that contribute to climate change co-benefits, either through adaptive or mitigative climate-sensitive interventions.

These elements include both traditional and innovative agronomic techniques and agro-climatic risk management technologies for improved climate resilience and reduced carbon emissions. They range from mulching, intercropping, conservation agriculture, on-farm water management, and pasture and livestock management to the promotion of climate-resilient local seed varieties, integrated pest and disease control technologies, and agro-ecological strategies.

In Benin, the Project to Support Food Production and Build Resilience (PAPVIRE-ABC) improves productivity, builds resilience to climate change, ensures sustainable management of agricultural and natural resources, and increases household incomes. Activities include improving and managing agricultural infrastructure such as irrigation schemes, farm-to-market roads, and storage and processing facilities, strengthening crop distribution and marketing systems, and ensuring access to certified seeds and good-quality fertilizer and pesticides. The project also promotes the dissemination and adoption of sustainable land conservation and regeneration techniques as well as climate change adaptation and natural resource management measures for small-scale farmers such as the inclusion of grain legumes and soil improvement plants into crop rotation systems.

In **Nicaragua**, the GAFSP Caribbean Coast Food Security Project supports farmer groups' innovation development plans to improve sustainable production opportunities. These plans promote small farmers' use of climate-resilient seeds that are tolerant to extreme drought or high humidity conditions and their associated pests and diseases. The plans also promote the adoption of a diversified production system that goes beyond annual crops. The project includes longer-term agroforestry/ silvopastoral systems that generate income from the sale of agroforestry products and provide important ecosystem benefits to the local environment including the regulation of moisture (moderating drought or heavy precipitation) and soil temperature.

By testing innovations and bringing together science with good practices, GAFSP pilots project approaches that, if proven successful, can be replicated and scaled up elsewhere.

### Working Together

#### A PARTNERSHIP TO ACHIEVE THE SDGS

GAFSP actively demonstrates that SDG17 is achievable on a large scale through robust partnerships that reinforce and build on recipient-led processes in its Public Sector Window application process, through participatory implementation, and through its inclusive governance structure. The GAFSP Steering Committee includes donors, recipients, civil society representatives, the United Nations, and all seven of the Program's supervising entities.

#### **Civil Society Organization Partners**

Civil society plays an essential role in helping GAFSP serve the smallholder farmers it aims to reach. CSOs are an equal and invaluable partner to GAFSP, playing an active role at every level from inception through to monitoring and evaluation.

CSO partners play a diversity of roles in GAFSP by representing the interests of smallholders, by providing technical expertise, knowledge, and capacity, by serving as watchdogs to ensure transparency and accountability, and by implementing projects in a number of countries.

CSOs are an integral part of GAFSP's governance structure. GAFSP's Steering Committee includes three CSO seats: one represents civil society in Africa, a second represents civil society in Asia, and the third represents civil society in the global North. CSO representatives are chosen through a self-selection process managed through their respective networks. CSO members, just like all other Steering Committee members, participate actively in deliberations. They are uniquely placed within the Steering Committee to amplify the voices and interests of the farmer organizations, producer organizations, and smallholder farmers in every discussion. At global fora and conferences, CSO partners play an indispensable role in advocating for GAFSP by raising awareness of the Program in eligible recipient countries and by supporting ongoing fundraising efforts with donor governments.

Though the degree of civil society engagement and the vibrancy of the civil society space differs from one country to another, the CSOs that participate in GAFSP governance through the SC work closely with country-level CSOs to ensure civil society participation in GAFSP-financed projects, starting from the call for proposals phase to project implementation.

#### **CSO engagement in GAFSP projects**

CSOs have played a key role in influencing agricultural policy and advocating for smallholder farmers in Nepal and are key implementers of the Nepal Agriculture and Food Security Project. Through their extensive knowledge and local networks, CSOs support GAFSP and implementing partners to reach smallholder farmers and their communities. For example, CSOs identify the most vulnerable households while taking into consideration a range of factors such as gender, caste, disability, ethnicity, health status, remoteness, and education level. According to a case study conducted by CSO representatives from the Asian Farmers' Association for Sustainable Rural Development (AFA) and ActionAid, the project successfully reached smallscale producers and the most vulnerable women in remote, disadvantaged districts.

The GAFSP Steering Committee includes donors, recipients, civil society representatives, the United Nations, and all seven of the Program's supervising entities.

### Impact Evaluations: Contributing to Global Knowledge

In 2017, GAFSP rolled out a new monitoring and evaluation system compatible with SDG indicators across implementing agencies and covering both the private and public sectors. GAFSP places a premium on monitoring, evaluation, and learning. All of GAFSP's projects undergo some form of impact evaluation. For a select group of projects, an 'indepth' impact evaluation will be conducted through in-depth experimental or quasi-experimental methods or through more rapid assessment methods. GAFSP contributes to global knowledge, learning by doing, and evidence generation across the portfolio including innovative impact evaluations of both Public and Private Sector Window projects.

#### **PUBLIC SECTOR**

For the Public Sector Window, GAFSP funds yet even more rigorous impact evaluations of one-third of the portfolio to contribute to conversations with governments and stakeholders about policy or project design, to guide project and Program mid-course corrections, to support adoption across countries and actors, and to share the information with a broader audience. To date, the GAFSP Public Sector Window has sponsored a total of eleven impact evaluations in Bangladesh, Cambodia, Haiti, Liberia, Mongolia, Nepal, Rwanda, and Uganda in addition to an ongoing in Nicaragua.

In **Bangladesh**, the GAFSP Integrated Agricultural Productivity Project (IAPP) demonstrably increased the productivity and income of smallholder fish and livestock farmers. The impact evaluation followed a two-pronged approach in its experimental design to measure both the relative effectiveness of IAPP's differentiated strategies to demonstrate new technologies on different farmers' take-up rates and the overall impact of IAPP's technology adoption on productivity.

The impact evaluation found that IAPP interventions resulted in an increase in pond area cultivated, fish production levels, and fish harvest value for fish farmers. Livestock farmers demonstrated a 147 percent increase in milk production, a 96 percent increase in consumption, and a fivefold increase in milk sales. Additionally, the evaluation highlighted the importance of learning by doing. Farmers who experimented with new technologies on their own farms—as opposed to learning from demonstration plots-increased their adoption of new crop varieties, increased the size of the area cultivated by about 25 percent, and improved their profits by 41 percent. Results from this impact evaluation, including strategies for agricultural extension, have been applied and tested in Rwanda.

In **Rwanda**, the Land Husbandry, Water Harvesting, and Hillside Irrigation Project (LWH) increased the productivity and commercial potential of hillside agriculture in key watersheds. GAFSP worked closely with the Government of Rwanda and technical providers to design an impact evaluation to assess the delivery, sustainable maintenance, use, and impact of this flagship program. Specifically, the evaluation measured the impact of the LWH approach, the effectiveness of farmers' feedback tools for extension service uptake, the impact of savings schemes on input usage, and the impacts and sustainability of irrigation.

The project increased agricultural productivity by 41 percent, income by 163 percent, and share of harvest commercialized by 29 percent. The project's interventions also increased technology adoption.

Households in the experimental group were more likely to adopt a variety of new technologies including soil fertility management, erosion control, and productivity enhancement. Results show a strong positive impact of irrigation on high-value crops in the dry season with increased farmers' access to markets and value of sales of 52 percent and 142 percent, respectively. The assessment also found that access to and use of irrigation infrastructure resulted in an approximate 120 percent increase in harvest values and a 50 percent increase in sales value. Lessons from this impact evaluation extended beyond GAFSP. Recognizing the evaluation's finding that female farmers' are more reluctant to use saving schemes, the Government of Rwanda restructured its rural finance strategy to ensure increased capacity and digitalization within the Umwalimu Savings and Credit Cooperatives.

#### **PRIVATE SECTOR**

GAFSP Private Sector Window investments aim to achieve high impact through both financial investment support and advisory projects that build capacity and provide training and tools. The Private Sector Window launched four poverty assessments in FY18 in Tanzania and Senegal. The Window conducted a holistic economic impact assessment of the Africa Improved Foods (AIF) Rwanda project to better understand and measure the overall economic impact through direct, indirect, and induced contributions to local economic development, smallholder farmer value chain development, employment, and reduced malnutrition. The findings indicate that during the forecast period of 2016 to 2031, the AIF project is expected to generate US\$758 million in net incremental benefits to the Rwandan economy, 68 percent (US\$513 million) of which is labor value added through a significant reduction in stunting.

GAFSP contributes to global knowledge, learning by doing, and evidence generation across the portfolio including innovative impact evaluations of both Public and Private Sector Window projects.



### Financing

CONTRIBUTIO	ONS TO GAFSP AS OF D	ECEME	BER 31,	2018									
	COMMITTED AMOUNT (USD eq. in millions)												
		FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	Dec. 2018	Total	
	Australia	8.4	40.8	49.1								98.4	
	Canada	177.1			24.4							201.5	
	Gates Foundation	30.0			30.0		10.0					70.0	
	Germany						12.3	27.3	26.8	34.3	28.5	129.3	
Public	Ireland	0.6				1.4						2.0	
Sector	Korea		53.9			30.0						83.9	
	Spain		94.2									94.2	
	United Kingdom				20.1			42.2				62.2	
	United States	66.6	99.8	135.0	142.8		122.5	21.5	32.0	7.9		628.1	
	SUBTOTAL	282.7	288.7	184.1	217.3	31.4	144.8	91.6	58.8	42.2	28.5	1369.6	
	Australia						5.8	1.6				7.4	
	Canada		51.5									51.5	
	Japan				30.0							30.0	
Private	Netherlands			142.9								142.9	
Sector	United Kingdom				59.3			78.1				137.4	
	United States			25.0								25.0	
	SUBTOTAL		51.5	167.9	89.3		5.8	79.7				394.2	
	GRAND TOTAL	282.7	340.2	352.0	306.6	31.4	150.6	171.3				1763.8	



RECEIPTS (USD eq. in millions)												
	Total	Dec. 2018	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10	
Australia	98.4							28.2	10.2	51.5	8.4	
Canada	201.5							24.4			177.1	
Gates Foundation	70.0					10.0		30.0		20.0	10.0	
Germany	80.3	28.5	6.1	14.7	18.7	12.3						
Ireland	2.0						1.4			0.6		
Korea	83.9				15.0	10.1	5.0	25.0	25.9	2.9		
Spain	94.2									94.2		
United Kingdom	62.2			10.3	31.8			20.1				
United States	628.1		7.9	32.0	21.5	122.5		142.8	135.0	99.8	66.6	
SUBTOTAL	1320.6	28.5	14.0	57.0	87.0	154.9	6.4	270.5	171.1	269.0	262.1	
Australia	7.4				7.4							
Canada	51.5								1.5	50.0		
Japan	30.0				10.0	10.0	10.0					
Netherlands	135.0				28.0	4.5	26.2	76.3				
United Kingdom	125.7				66.4		30.4	28.9				
United States	25.0							25.0				
SUBTOTAL	368.3				105.5	14.5	66.6	130.2	1.5	50.0		
GRAND TOTAL	1695.2				192.5	169.4	73.0	400.7	172.6	319.0	262.1	

# Steering Committee

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PRIVATE SECTOR WINDOW CHAI	R	
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PUBLIC SECTOR WINDOW HEAD: Ms. Natasha Hayward (World Bank)

PRIVATE SECTOR WINDOW HEAD: Mr. Niraj Shah (International Finance Corporation)

# **Project Profiles**

# Afghanistan

## Rikweda

*GAFSP Amount:* US\$1.3 million (in local currency) *Supervising Entity:* IFC

Board Approval: 2018

Status: Disbursed

**Project Description:** The Rikweda Fruit Processing Company aims to help Afghanistan reclaim its status as a world-class raisin producer and exporter. With support from GAFSP and IFC, Rikweda has built a greenfield raisin processing plant with a production capacity of 15,000 tons per annum. IFC will invest US\$3 million in financing to support the project, while GAFSP has provided a first-loss guarantee of up to \$1.25 million. The project will create a market for high-quality, locally processed Afghan raisins and is expected to double Afghanistan's raisin processing capacity as well as link the country's raisin supply chain to global markets. Rikweda is also seeking support from USAID to employ women under the Women in Economy program, which will contribute to the company's staffing needs at the processing facility.

**Results:** The project has the potential to improve livelihoods for approximately 3,000 smallholder farmers in remote rural areas by strengthening their access to the market. The new raisin processing plant will create a total of 50 full time jobs, of which 35 will likely be held by women. Once the facility is at full production after it opens later this year, the project will also help avoid up to 3,000 tons of carbon dioxide equivalent emissions per year as the adoption of commercial-grade processing standards will reduce losses of grapes.

# Bangladesh

# Integrated Agricultural Productivity Project (IAPP)

#### GAFSP Amount: US\$50 million grant

*Supervising Entity:* World Bank (US\$46.31 million) and FAO (US\$3.69 million)

GAFSP Grant Awarded: June 2010

*First Disbursement of GAFSP Funds:* February 2012 (WB) and November 2011 (FAO)

*Status:* Closed (in Dec. 2016 (WB) and Sept. 2016 (FAO))

**Project Description:** The Integrated Agricultural Productivity Project (IAPP) focused on introducing climate-smart agricultural technologies, agronomic practices, crop varieties, and production technology packages better suited for evolving climatic and environmental conditions in target areas. The project has provided training and technical assistance to smallholder farmers, has empowered local rural communities to increase productivity of crops, livestock, and fisheries, and has created on-farm and off-farm jobs and agricultural entrepreneurship opportunities that have in turn generated rural jobs. The project worked directly with farming communities and partners from civil society organizations, academic institutions, and multilateral agencies to build knowledge and skills on new varieties of crops and fish, to improve the adoption of modern production technologies and farming practices, to promote environmentally friendly water use systems, and to link farmers to markets.

Results: Upon completion of the project, IAPP was rated Satisfactory by both the World Bank and FAO. IAPP benefitted more than 1.47 million poor people, of whom about 38 percent were women, with interventions that increased their productivity. About 60 percent of these farmers were crop farmers growing crops such as rice, wheat, lentil, mung, and mustard, while about 20 percent were fisherfolk raising tilapia. koi, and pangus in ponds and livestock farmers with dairy cows, chicken, and ducks. The project contributed to an increase in income levels by 15 percent for crop farmers and 37 percent for fisherfolk between 2014 and 2016. Farmers were able to increase their productivity thanks to project activities such as the generation and dissemination of new improved varieties (10 crop varieties and 9 improved generations of fish seeds) and dissemination of improved production packages, including 3,546 tons of certified seeds of rice, wheat, maize, pulses, and oilseeds. The packages focused on resource use efficiency and yield gap minimization of rice-based cropping systems and the diversification of the cropping system into high-value crops. As a result, the project contributed to changing production patterns of 93 percent of farmers by encouraging the production of new crops that require less irrigation to be introduced into the rice-based production system. The project also improved water management by rehabilitating 27,750 hectares of irrigation and by forming 605 water users' groups involving 51,690 farmers. These project activities were supplemented through technical

assistance from FAO and others to strengthen the capacity of the project management unit within the government as well as through field-based training for 473 community facilitators and 13 field assistants in community mobilization, monitoring of results, nutrition, and cooperation with farmers' organizations. The broad-based approach adopted by IAPP involved strong engagement with local communities and key stakeholders to ensure their inclusion and participation in the planning, implementation, and subsequent management of investments. This approach helped build and strengthen existing local institutions that empower and work with small-scale farmers and will being carried forward in the Increasing Access to Finance for Farmers' Organizations Project, funded by the GAFSP Missing Middle Initiative in partnership with FAO.

Lessons learned include the following: (i) farmer group structure, technical guidance from extension agencies, and in-kind project support were all designed to help not just demonstration farmers, but also the second and even third cohorts of adoption farmers to take advantage of the disseminated technologies, and (ii) systematic testing of the seeds produced in seed villages was critical to maximizing long-term impacts and effectiveness of investments. It is important to ensure that adequate resources to conduct these quality tests continue to be made available so that the seed production system in the seed villages remain effective after the project ends.

#### Pran

GAFSP Amount: US\$5 million

*Supervising Entity:* International Finance Corporation (US\$10 million)

Board Approval: April 2014

Status: Fully disbursed

**Project Description:** This was the first project supported by GAFSP Private Sector Window funding. The financing package was intended to support Pran, a leading food processing company in Bangladesh involved in the production and sale of a wide product range, to expand its food processing and fruit pulping operations.

**Results:** The project is expected to reach 1,800 farmers and their communities by ensuring consistent demand and fair pricing for their produce and to create an additional 1,200 direct jobs, mostly in rural areas. Pran's expansion of its facilities is also expected to provide affordable and high-quality food and food-related products to base-of-the-pyramid consumers.

#### Benin

#### Project to Support Food Production and Build Resilience in Alibori, Borgou and Collines Departments (PAPVIRE-ABC)

*GAFSP Amount:* US\$24 million grant *Supervising Entity:* African Development Bank *GAFSP Grant Awarded:* November 2014 First Disbursement of GAFSP Funds: May 2016 *Status:* Under implementation

Project Description: The Project to Support Food Production and Build Resilience (PAPVIRE-ABC) targets the most fragile and economically, socially, and environmentally disadvantaged municipalities in selected regions of Benin. It boosts food production in the Alibori, Borgou, and Collines Departments-covering over 2.5 million people-by improving productivity, building resilience to climate change, ensuring sustainable management of agricultural and natural resources, and increasing household incomes to alleviate the impact of poverty and to strengthen the resilience of populations, particularly women and youth. The project improves food supply and accessibility through the development of agricultural value chains by improving farm productivity, technological innovations, the sustainable management of natural agricultural resources, the promotion of agricultural entrepreneurship, the employment of youth and women, support for improved nutrition, and stakeholder capacity building. Activities include improving and

managing agricultural infrastructure (such as irrigation schemes, farm-to-market roads, and storage and processing facilities), strengthening crop distribution and marketing systems, and ensuring access to certified seeds and quality fertilizer and pesticides. The project also promotes the dissemination and adoption of sustainable land conservation and regeneration techniques as well as climate change adaptation and natural resource management measures for small-scale farmers (e.g., the inclusion of grain legumes and soil improvement plants into the crop rotation system).

**Results:** To date, 33,700 poor people have been reached across nine districts, 32 percent of whom are women. Over the course of implementation, the project will directly benefit 50,000 people, 40 percent of whom are women. Around 143 young people have been trained on the production of rice, corn, vegetables, and fish along the value chains in technology incubation centers. The project has also conducted capacity-building activities through Farmer Field Schools that teach general production technology (2,2724 farmers in the 2018-19 season) as well as teach climate resilient technology for rice and maize (2,821 farmers in the 2018-19 season).

#### Bhutan

## Food Security and Agriculture Productivity Project (FSAPP)

GAFSP Amount: US\$8 million grant Supervising Entity: World Bank GAFSP Grant Awarded: November 2014

First Disbursement of GAFSP Funds: November 2017

#### Status: Under implementation

**Project Description:** The Food Security and Agriculture Productivity Project (FSAPP) increases agricultural productivity and enhances market linkages in selected rural districts in southwest Bhutan for 52,000 poor people, of which 30 percent are expected to be women. It supports the government's efforts to reduce rural poverty and high levels of malnutrition through climate-smart agricultural productivity enhancement for food and nutrition security and to increase farmers' access to local and export markets. The project addresses the interconnected problems faced by farmers and rural households through a set of integrated, consolidated, area-specific interventions that respond to local constraints, potential, and priorities. The project supports the productivity enhancement of food crops such as rice, maize, potato, vegetables, pulses, and possibly quinoa and high-value crops such as spices (especially large cardamom and ginger), vegetables, citrus, apples, and potatoes for improved food security and nutrition, along with market access enhancement of key high-value crops. Key activities include strengthening producers' groups, irrigation development including on-farm sprinkler and drip systems, the provision of improved agri-inputs and farm equipment, and support to homegrown school feeding programs.

**Results:** The project has benefitted 3,447 poor people, of which 51 percent are women. Construction of the project's four major irrigation schemes have com-

# MHV Bhutan

#### GAFSP Amount: US\$6 million

*Supervising Entity:* International Finance Corporation and Asian Development Bank (US\$3 million each)

Board Approval: July 2015

Status: Partially disbursed. Top of Form

**Project Description:** This project represents GAFSP's first agribusiness investment in Bhutan, a small kingdom in the Himalayas. The project supports the expansion of Mountain Hazelnuts, a semi-greenfield smallholder-based company, to take advantage of the growing demand for hazelnuts from European confectionary and snack producers in Asia. With GAFSP support, Mountain Hazelnuts will provide hazelnut tree plantlets, inputs, and support to local farmers free of charge. The trees will be planted on fallow land that otherwise has no commercial use for the farmers. Once the trees produce hazelnuts, the company will purchase the crop from the farmers at a

menced and the established water user associations are being sensitized to the utilization arrangements and links to the schemes. The project is actively working to strengthen farmers groups, to establish producers' groups, and to supply post-harvest equipment for the farmers. The project supports farmers with on-farm demonstrations of new technologies for cardamom, potatoes, and quinoa as well as with inputs and the construction of terraces for rice production. Efforts are being made to support farmers with improved cardamom seeds.

guaranteed minimum price and market the hazelnuts to international buyers. This project will be carried out in conjunction with the Asian Development Bank (ADB). IFC and ADB will each invest US\$3 million of equity in Mountain Hazelnuts, which will then be matched by a US\$6 million investment by the Private Sector Window of GASFP.

**Results:** The project is expected to reach 15,000 farmer households, most located in Bhutan's poorer eastern regions. Farmers will grow hazelnuts to generate income on degraded, unused land, which would otherwise be left barren. Farmers cannot replace existing crops with hazelnuts, which makes the income derived from hazelnuts entirely incremental. These additional earnings from hazelnuts sales are projected to eventually double the household income of a large portion of participating farmers. Including all farmer household dependents, this translates into a project impact of approximately 15 percent of Bhutan's population.

#### **Burkina Faso**

## Agricultural Productivity and Food Security Project (PAPSA)

GAFSP Amount: US\$37.1 million grant Supervising Entity: World Bank GAFSP Grant Awarded: September 2013 First Disbursement of GAFSP Funds: March 2015

Status: Under implementation

**Project Description:** The Agricultural Productivity and Food Security Project (PAPSA) supports the government's National Rural Sector Program (PNSR) by helping poor farmers increase their crop and livestock production and expanding the volume of food products sold in rural markets. This includes activities such as the improvement of crop production infrastructure through an additional 3,000 hectares of lowland development, 2,000 hectares of small-scale irrigation, and 800 kilometers of corridors to facilitate animal access to water resources. The project will support an additional 5,000 hectares of soil conservation and 3,000 compost pits for soil restoration. The project will engage in a variety of activities to develop animal production facilities including construction of 5,000 fattening units for cattle and sheep, improved dissemination of vaccines, training and capacity building on artificial insemination techniques for cattle, and improved milk collection and processing efforts. The project will support the warrantage warehouse receipt system, a rural credit guarantee scheme for 500 farmers' organizations, and postharvest management and marketing of food products through the construction of 50 community warehouses.

**Results:** To date, 794,651 farmers, approximately one-third of whom are women and over one-quarter

are youth, have benefited from the project, surpassing the project target of 750,000 people. Since 2016, the annual production of paddy rice under the project is estimated at 32,000 tons, representing 10 percent of the total national paddy rice production. So far, 7,179,507 liters of milk have been collected in the milk processing units, surpassing the project target of 3,500,000 liters. PAPSA's warrantage has sustained food crop availability, already storing 18,375 metric tons, almost double the 10,000 metric tons expected by the end of the project.

# Nutrition Sensitive Agricultural Intensification for Sustainable Food Security (PIDASAN)

GAFSP Amount: US\$24 million grant Supervising Entity: World Bank GAFSP Grant Awarded: March 2017 Status: Under preparation

**Project Description:** The Nutrition Sensitive Agricultural Intensification for Sustainable Food Security (PIDASAN) supports the second phase of the National Rural Sector Program (PNSR). It contributes to increasing agricultural productivity by adopting improved agricultural technologies such as the dissemination of drought- and pest-resistant seed varieties, composting and erosion control techniques, and livestock and poultry feeding technologies that will increase feed production and crop yields. It improves the nutritional quality of crops and vegetables, provides assistance for marketing, empowers rural farmers to use various technologies that reduce livestock and feed expenditures, improves the quality of food and dietary intake, and creates jobs. The project targets nine regions and will reach 125 communes, where it is estimated that 300,000 poor people will be impacted, 120,000 of whom will be women and 30,000 youth. The target areas were chosen for their high agricultural potential and relatively favorable climate conditions.

**Results:** The project is still under preparation.

## GWFP I & II

**GAFSP Amount:** Up to US\$13.8 million (I), US\$16 million (II)

**Supervising Entity:** IFC (US\$13.8 million (I), US\$28.8 million (II))

#### Board Approval: February 2015

**Project Description:** GWFP Burkina was a short-term funded risk sharing facility provided to Sofitex, the leading exporter of cotton lint from Burkina Faso. In 2014, Sofitex sourced 508,150 metric tons of cotton seed from smallholder farmers in Burkina. The facility is secured by lint cotton pledged to the lenders, IFC, and Societe Generale (SG). The first facility was fully

repaid in November 2015. The second facility was fully disbursed by March 2016.

**Results:** Through Sofitex, this project is expected to reach up to 334,000 cotton farmers across Burkina Faso. The project comprises part of the GAFSP GWFP II, which was approved in February 2015. The project finances the working capital of Sofitex, a strategic agriculture company that controls 80 percent of cotton production in Burkina Faso, to purchase raw cotton from farmers and export to international buyers. The project is a one-year committed, fully secured, pre-export facility for Sofitex.

#### Burundi

#### Platform for Food Security and Rural Development of the Imbo/Moso (PNSADR-IM)

*GAFSP Amount:* US\$30 million grant Supervising Entity: International Fund for Agriculture Development

GAFSP Grant Awarded: May 2012

# *First Disbursement of GAFSP Funds:* December 2014

#### Project Status: Under implementation

**Project Description:** The Platform for Food Security and Rural Development of the Imbo/Moso (PNSA-DR-IM) strengthens food security and rural development in the regions of Imbo and Moso in the Republic of Burundi. The project reinforces hydro-agricultural infrastructure such as dams and roads in marshlands and plains, provides access to production areas, develops and strengthens the rice and milk sectors, supports the diversification of production, promotes nutritional education, and builds the capacity of stakeholders in agricultural development in targeted sectors.

Results: To date, the project has reached 278,814 people, of whom one-half are women. The project expects to reach 333,540 beneficiaries and 55,575 households. So far, seven marsh user associations (AUM) are operational. The capacities of the 20 rice cooperatives and 7 established dairy cooperatives have been strengthened. About 40 to 70 percent of their members report having improved their income and food security through increased production. Jobs have been created for beneficiaries to dig anti-erosive ditches for the protection of watersheds and to be trained as community animal health workers. Of the 2,282 jobs created, over 760 have been filled by youth. Additionally, over 5,000 students from 10 primary schools with school canteens have benefitted from project vegetable gardens. The project has conducted awareness-raising events targeting educators and principals in an effort to improve nutrition.

### Cambodia

## **Emergency Food Assistance Project (EFAP)**

#### **GAFSP Amount:** US\$24.5 million **Supervising Entity:** Asian Development Bank **GAFSP Grant Awarded:** June 2011

# *First Disbursement of GAFSP Funds:* December 2012

#### Status: Closed (in March 2016)

**Project Description:** The Emergency Food Assistance Project (EFAP) supported the Royal Government of Cambodia's Strategy for Agriculture and Water, which aimed to improve food security and spur economic growth by enhancing agricultural productivity and diversification and by improving water resource development and management. The project reduced food-insecure households' vulnerability through improved irrigation infrastructure and roads, increased the availability to and awareness of nutritious food and hygiene, increased access to improved agricultural inputs and technologies among food-insecure people, and improved capacity to mainstream food security. These results were achieved through activities such as the production and promotion of quality seeds, the introduction of livestock and aquaculture to diversify the production and consumption base, a food-forwork program that involved rehabilitation of small tertiary irrigation canals and village roads, and the development of disaster preparedness such as crop contingency planning and establishment of the Cambodia Food Reserve System (CFRS).

**Results:** The project reached or exceed all of its main performance targets and the development impact was rated highly satisfactory by ADB upon completion. The GAFSP-funded Additional Financing of the government's EFAP benefitted over 243,000 poor people in rural areas, of which about one-third were women. Before the project began, about two-thirds of the target households reported to be either severely or moderately food insecure. This reduced to about

#### **COUNTRY PROFILES**

one-third by the end of the project. Average monthly household income almost doubled from US\$110 to US\$203.

The project has achieved impressive results including the following. A cash-for-work scheme t provided 1.2 million labor-days of employment opportunities for people in 29,563 households (of which 9,401 were female-headed) to rehabilitate 291 kilometers of rural roads and 29 kilometers of tertiary irrigation canals. Participating workers earned about US\$130 on average, and used their earnings to buy rice (86 percent of workers), repay debt (84 percent), buy other food items such as fish and vegetables (83 percent), pay for school fees (69 percent), and buy farm inputs such as rice seeds and fertilizer (58 percent). Nutrition and hygiene training and the provision of basic agriculture/hygiene starter kits was implemented by a consortium of eight local CSOs led by Plan International Cambodia. Members from more than 46,000 poor households attended trainings on cooking (63,185 participants), sanitation awareness (55,244 participants), and nutrition awareness (42,934 participants), and received inputs such as cash to build latrines (22,132 households), a piglet package (one piglet per family, 16,456 households), a poultry package (one rooster and five hens per family, 5,670 households), vegetable seeds (4,221 households), and aquaculture inputs (fishing net or 500 fingerlings, 2,437 households). The project produced and sold high-quality rice and vegetable seeds at discounted prices to promote their use. The seeds were produced at the Government's research stations with the engagement of farmer groups. The project produced 1,328 tons of rice seeds and 30 tons of vegetable

seeds. Rice seeds (2,833 tons), vegetable seeds (13 tons), and DAP and urea fertilizers (6,982 tons) were sold at discounted prices to 45,149 households , including 13,842 female-headed households, over four seasons.

The EFAP Additional Financing project built on the success of the original EFAP, which was an emergency response in the post-2008 food price crisis. It effectively implemented medium- to long-term measures to benefit food-insecure rural families by rehabilitating rural infrastructure, promoting the use of high-quality seeds, changing behaviors toward nutrition and hygiene, and strengthening the government's planning capacity.

Some lessons from the project include the following. First, the project noted the importance of placing innovative ideas in the proper context. The project modified its planned activities to cater to the needs of the evolving situation without compromising its basic principle during project implementation. For example, the cash-for-work scheme was launched to provide job opportunities not only to poor villagers, but also to factory workers as factories were closing down due to the global economic downturn in 2009. Further, the Cambodia Food Reserve System was established and is now operational, whereas the originally plan was to only conduct a technical study for its feasibility. Second, engaging the local community in the implementation, supervision, and monitoring of the cashfor-work and food-for-work schemes with technical support from the line ministries yielded rich dividends by ensuring sustainability and bringing ownership of the infrastructure that was maintained.

### Climate Resilient Rice Commercialization Sector Development Program (Rice-SDP)

#### GAFSP Amount: US\$14.6 million

*Supervising Entity:* Asian Development Bank *GAFSP Grant Awarded:* June 2011

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# *First Disbursement of GAFSP Funds:* March 2014

Status: Under implementation

**Project Description:** The Climate Resilient Rice Commercialization Sector Development Program (Rice-SDP) supports the implementation of Government of Cambodia's Policy on the Promotion of Paddy Production and Rice Export to improve household and national food security and to expand rice export. The project transforms the predominantly subsistence rice subsector in Cambodia into a commercially oriented one by removing the legal and regulatory constraints that inhibit rice commercialization, by improving the productivity of paddy crops and consistency in the quality of milled rice, by enhancing rice value chain support services, and by addressing the risks associated with climate change through mitigation and adaptation. The project involves the rehabilitation of over 10,000 hectares of irrigation systems, the establishment of paddy drying and storage facilities in partnership with private rice millers and rural development banks, the renovation of a seed testing laboratory, and the introduction of weather-indexed crop insurance. Fifty thousand poor people, of which 40 percent are expected to be women, will benefit from the project.

**Results:** So far, 49,600 people have been reached, of whom about half are women. The project targets the provinces of Battambang, Kampong Thom, and Prey Veng, the largest rice producing regions in the country. Six irrigation subprojects have been rehabilitated, benefitting around 48 villages with 10,343 households, of which 1,519 are female-headed (creating a combined potential irrigated area of 10,373 hectares). Nine water user associations have been

established, of which seven are operational. Seventy-nine Commune Agro-Ecosystem Analyses (CAEAs) have been completed and are awaiting endorsement. A total of 2,864 participants (farmers, local authorities, village elders, etc.), of which 866 (30 percent) were women, participated in the preparation of these CAEAs. The project has equipped and rehabilitated the government seed testing laboratory. To date, 18 tons of registered rice seed has been sold to ACs in the project target areas while 22 tons were sold to agricultural cooperatives and seed producer groups outside the project areas to produce certified seed for onward sale to farmers, traders, rice millers, etc. The project estimates that approximately 1,150 tons of certified rice seed has been produced and distributed for quality paddy production.

# Acleda MFI Cambodia

GAFSP Amount: US\$20 million Supervising Entity: IFC (US\$40 million) Board Approval: February 2015 Status: Fully Disbursed

**Project Description:** In Cambodia, agriculture has been a mainstay of the economy and constitutes about 35 percent of GDP. While several factors inhibit the competitiveness of agribusiness in Cambodia, limited access to finance is one of the biggest constraints. Partnering with Acleda, Cambodia's largest bank, this project provides financing solutions to agricultural enterprises and small and medium-size enterprises (SMEs) across the Mekong Region. The project consists of a senior loan of up to US\$110 million to Acleda Cambodia, which includes up to US\$40 million from IFC and up to US\$20 million from GAFSP. In addition, the project consists of a syndicated loan of up to US\$30 million from SMBC, and up to US\$20 million from IFC in its capacity as the implementing entity for MCPP. This project will help Acleda pursue a new strategic direction toward agribusiness lending. With GAFSP support, the bank will enhance lending in agribusiness to increase employment, to enhance export earnings, and to maintain food security for people in need, especially smallholder farmers across Cambodia.

**Results:** This project is expected to significantly increase the SME lending portfolio in Cambodia to US\$1.34 billion in 2019 from US\$1.10 billion in 2014. In addition, the SME loan portfolio to women is expected to increase to US\$721 million by 2019. The project will also increase lending in microfinance by expanding the micro loan portfolio to US\$686 million by 2019. In addition, lending to agricultural finance will increase to US\$648 million by 2019.

#### Cameroon

### **BICEC RSF Cameroon**

**GAFSP Amount:** US\$1.05 million (in local currency)

*Supervising Entity:* IFC (US\$4.2 million in local currency)

Board Approval: September 2014

#### Status: Disbursed

**Project Description:** This project is a joint World Bank/ IFC initiative and targets the three largest agricultural value chains in Cameroon—cassava, maize, and sorghum—grown by over 75 percent of farmers in the country. Working with BICEC, one of the top banking networks in Cameroon and part of the French banking group BPCE, this project allows GAFSP to build a more productive and efficient agriculture sector in Cameroon through better access to finance and competitive supply chains. Results: This joint World Bank/IFC initiative is expected to reach up to 150,000 farmers across Cameroon. The project targets poverty reduction by supporting the provision of access to credit and productive assets to producer organizations. This enables GAFSP and IFC to intensify production systems and to contribute to increased production, food security, and competitiveness as well as to improved livelihoods and reduced poverty for beneficiaries. Through increased access to finance and growth, this project promotes shared prosperity as measured by monitoring increased employment, particularly in terms of incremental on- and off-farm employment as well as additional jobs created by agribusiness buyers. Increased agricultural growth as a result of this project will play a key role in addressing food insecurity and will contribute to improving the livelihoods of vulnerable rural population groups in Cameroon.

#### SocGen RSF Cameroon

**GAFSP Amount:** US\$1.2 million (in local currency)

**Supervising Entity:** IFC (US\$4.8 million in local currency)

Board Approval: May 2015

#### Status: Disbursed

**Project Description:** This project is a joint World Bank/ IFC initiative and targets the three largest agricultural value chains in Cameroon—cassava, maize and sorghum—grown by over 75 percent of farmers in the country. Working with Sociéité Générale Cameroon, the largest bank in Cameroon in terms of loans, this project allows GAFSP to help build a more productive and efficient agriculture sector through better access to finance and competitive supply chains. **Results:** This project is expected to reach a total of 70,000 farmers across Cameroon. The project will target poverty reduction by supporting the provision of access to credit and productive assets to producer organizations. This will enable GAFSP and IFC to help intensify production systems and contribute to increased production, food security, and competitiveness as well as to improved livelihoods and reduced poverty for beneficiaries. Through increased access to finance and growth, this project will promote shared prosperity as measured by monitoring increased employment, particularly in terms of incremental on- and off-farm employment as well as additional jobs created by agribusiness buyers.

## Côte d'Ivoire

# Barry Callebaut

GAFSP Amount: US\$1.1 million Supervising Entity: IFC (US\$4.5 million) Board Approval: May 2016 Status: Fully disbursed

**Project Description:** To support the cocoa sector in Côte d'Ivoire, IFC and GAFSP invested in a US\$9 million risk sharing agreement alongside Barry Callebaut, a leading manufacturer of high-quality chocolate, to help up to 100,000 smallholder cocoa farmers access the credit needed to grow their production and earnings. The risk sharing facility is also supported by the Netherlands Sustainable Trade Initiative (IDH), a Dutch development organization. Under the agreement, IFC and Barry Callebaut will equally share the risk in the US\$9 million local currency-equivalent credit facility, which will help farmers purchase fertilizers and lease large equipment such as tractors.

As farmers increase production and formalize their operations, they will establish the track records required to borrow directly from local financial institutions. The farmers are supplying cocoa to two subsidiaries of Barry Callebaut: the Societé Africaine de Cacao and Biopartenaire, both operating in Côte d'Ivoire.

**Results:** Through this project, up to 100,000 smallholder farmers will receive access to credit by the 2020/21 season, and an expected US\$24 million in benefits will be generated to smallholders as a result. By year two, participating farmers are expected to see an income increase of 23 percent. Through scaled up access to inputs and services, Barry Callebaut expects to source 500,000 tons of cocoa from Côte d'Ivoire.

#### SIB Cargill RSF

GAFSP Amount: US\$750,000 Supervising Entity: IFC (US\$3 million) Board Approval: May 2015 Status: Disbursed

**Project Description:** This project provides truck leases to up to 100 cooperatives supplying cocoa to Cargill West Africa, a subsidiary of one of the world's largest commodity traders. The new trucks will enable the cocoa cooperatives to collect more cocoa from farmers and improve their income. It will also help the cooperatives establish and build a credit history with banks to facilitate future financing. Cocoa collection represents the principal activity of cooperatives in Côte d'Ivoire and is the largest component in their cost structure, mainly due to the age and high maintenance needs of current truck fleets. Good quality collection trucks help to reduce the cooperatives' costs and minimize potential losses resulting from frequent truck breakdowns. By investing in new trucks through this project, the cooperatives are expected to improve their profitability, be more competitive and use the resulting savings from their operation to improve the productivity of farmers. The proposed project is a risk sharing facility with Société

Ivoirienne de Banque (SIB) to provide leased trucks to Cargill's supplier of cocoa cooperatives in Côte d'Ivoire. SIB is the fourth largest bank in the country in terms of loans and fifth largest bank in terms of deposits, with a network of 50 branches. SIB has a universal bank business model servicing the retail, SME and corporate segments.

**Results:** This risk sharing facility with SIB covers a portfolio of leases for cocoa collection trucks for up to 100 cooperatives and is expected to reach 50,000 farmers. The project is also expected to have an appreciable impact on the agricultural value chain in Côte d'Ivoire. It is also anticipated to have significant small farmer reach and contribute to improving smallholder farmers' income by increasing over time the quality of cocoa collected. Once successfully implemented, the project could potentially be replicated elsewhere and be used as a good role model for encouraging other financial institutions to increase lending to cooperatives.

#### SIB RSF

GAFSP Amount: US\$0.75 million Supervising Entity: IFC (US\$3 million) Board Approval: November 2013 Status: Closed

**Project Description:** This project guaranteed up to US\$40 million in loans made by Societe Ivoiriene de Banque (SIB) to support new lending of about US\$80 million to small and medium-sized enterprises (SMEs) focusing on women and agribusiness. This project provided incentives for SIB to expand its agricultural SME portfolio and to target new customers with little access to finance, such as women-owned and

reactivated businesses. Without IFC and GAFSP guarantees, the higher perceived risks of these enterprises would have likely result in market-based pricing that would be too expensive for SIB and its agri-SME clients.

*Results:* This enhanced access to financing, particularly in the case of women-owned SMEs, increased women's economic power and contributed to poverty reduction, improved nutrition, and the availability of school tuition. In the case of family-owned or cooperative-managed farms, financing allowed farmers to expand existing operations through equipment lending and/or farm extension.

# Ethiopia

# Agricultural Growth Project (AGP)

GAFSP Amount: US \$51.5 million grant Supervising Entities: World Bank (US\$50

**GAFSP Grant Awarded:** November 2010

million) and FAO (US\$1.5 million)

*First Disbursement of GAFSP Funds:* May 2012 (WB) and March 2013 (FAO)

*Status:* Closed (in Sept. 2015 (WB) and Dec. 2016 (FAO))

**Project Description:** The objective of the Agriculture Growth Program (AGP) was to increase agricultural productivity and market access for key crop and livestock products in targeted woredas (districts), with a focus on the participation of women and young people. The project addressed drawbacks in agricultural production and productivity and focused on scaling up investments and technologies with a proven track record in the country. The project supported agricultural production and commercialization by strengthening key public advisory services, by establishing and strengthening farmers' organizations, by scaling up best practices in agricultural production, by developing markets and agribusiness, and by developing and managing small-scale infrastructure.

*Results:* GAFSP supported the government's comprehensive AGP, financed by multiple donors, with investments contributing to commonly defined outcomes across all donors. Close to 700,000 farmers, of whom about 19 percent were women, benefitted

from the project reaching the intended target. The project's outcome was rated Moderately Satisfactory by the World Bank upon completion, which noted that all of its development objectives were largely met. The Technical Assistance (TA) component of AGP was rated as Highly Satisfactory by FAO, which noted that the TA project reached its intended outputs and exceeded most of the project targets.

Farmers' productivity (yield) increased by about 10 percent by the end of the project, short of the target value of 16 percent. This shortfall was partially explained by the drought period of 2016 (the worst drought in 50 years) when the end-line data were collected. Female farmers experienced a higher increase in yields (13 percent) as did farmers of crops like potatoes (82 percent) and sorghum (33 percent), while farmers of other crops actually experienced a decline in productivity-e.g., milk (-23 percent), horse beans (-27 percent), and teff (-9 percent)-mainly due to the drought. Activities that supported productivity enhancement included investments in new small- and micro-scale irrigation and drainage schemes (26,528 hectares) the rehabilitation of such schemes (10,190 hectares), and the dissemination of good farming practices and inputs such as the optimal use of inorganic fertilizers and new high-yield variety seeds, proper land preparation, greater frequency and better timing of weeding, row planting, appropriate planting time (537,335 farmers adopted some improved technologies), and artificial insemination for cows

through hormone-induced heat synchronization to increase crossbred male and female progeny with high milk yields (26,391 improved calves born).

Farmers' revenues from sales of farm products increased by about 25 percent by the end of the project, with even higher gains for women (32 percent). Activities that supported increased market access included investments in infrastructure including the construction of 90 primary market centers, 8 terminal markets, 175 small bridges, and 623 kilometers of feeder roads. This allowed farmers to sell their farm products more directly to consumers as opposed to intermediaries. The average distance to the nearest market center decreased by 38 percent (from 27 km to 17 km) for households in woredas that participated in AGP. To reach vulnerable groups including landless men and women, the project supported the formation of common interest groups (11,469 groups formed, of which 35 percent were women's groups) where members organized and adopted good practices in agricultural activities like beekeeping and growing coffee seedlings. Most of the groups formed under the project were registered, enabling them to benefit from the follow-on operation, AGP-II (also co-financed by GAFSP), and other programs.

The accomplishments from AGP are being carried forward in AGP-II, which will expand tested activities into new areas and consolidate activities in existing areas, while modifying the project approach to incorporate lessons learned from AGP.

Some lessons learned include the positive role that the private sector played in the small-scale irrigation (SSI) schemes. The engagement of the private sector brought professionalism to the SSI work, and enabled the project to exceed its targets. Private sector participation in SSI work was expanded in AGP-II. Secondly, a lesson was to carry out capacity-building activities using a more consistent, uniform approach. The project did not take a systematic approach to building capacity. Many ad hoc training programs were conducted under the project, but the quality of some of the training was questionable and was not assessed adequately. With this lesson in mind, a capacity development support facility was established under the AGP-II, which is providing technical assistance using a consistent, uniform approach to capacity building. A third lesson was that group formation and collective action are necessary but not sufficient conditions to achieving agricultural commercialization in Ethiopia. Farmer groups and cooperatives are needed to enable aggregation in a smallholder agricultural setting. However, the establishment of groups must be accompanied by training on their entrepreneurial capacity for them to enhance their potential in helping farmers and other value chain actors to participate in markets.

# Agricultural Growth Project II (AGP-II)

#### GAFSP Amount: US\$30 million grant

*Supervising Entities:* World Bank (US\$27 million) and FAO (US\$3 million) GAFSP Grant Awarded: March 2017

*First Disbursement of GAFSP Funds:* None as of Dec. 31, 2018 (WB) and January 2018 (FAO)

#### Status: Under implementation

**Project Description:** GAFSP is co-financing the second phase of the Agricultural Growth Project (AGP) to sustainably increase agricultural production and productivity of selected crop and livestock commodities, to establish market linkages and accelerate commercialization, to increase access to and build the capacity of smallholder farmers for efficient water and crop management, to improve dietary diversification for better health, and to strengthen the capacity of smallholder farmers to adopt and implement climate change mitigation and adaptation measures.

Results: Although new to the GAFSP portfolio, the project is well under way given that AGP-II has been on-going since 2015 with funds by other donors. To date, 669,956 poor people have been reached, of which about a third are women. A total of 927 smallscale irrigation schemes have been constructed covering approximately 7,252 ha. Field days were organized to publicize improved technologies that were demonstrated by model farmers and through farmer training centers. Of those who participated in the field days, a total of 597,634 farmers, of whom 178,253 (30 percent) were female, adopted at least one aspect of the demonstrated technologies. In terms of technology, 288 proven and newly recommended agricultural technologies were demonstrated accompanied by a full package for further scaling up including 181 crop technologies, 33 livestock technologies, 46 water and land technologies, 22 agricultural mechanization and 6 socio-economic research.

# Ethiopia Coffee RSF

GAFSP Amount: US \$1.4 million Supervising Entity: IFC (US\$9 million) Board Approval: December 2012 Status: Closed

**Project Description:** This project expanded IFC's "Ethiopian Coffee I" facility, a successful risk sharing platform that provided financing to cooperatives to expand their sourcing base of coffee cherry from farmers for wet milling. The cooperatives add value by selling specialty "washed coffee" at higher premiums, instead of the traditional, low-grade, "sun-dried" coffee. The second phase of the project increased the maximum portfolio balance and shifted more credit risk to Nib, the sixth largest bank in Ethiopia. The

project was conducted alongside Technoserve, a company that supports small farmers through access to finance and technical advice. The goal was for beneficiary farmers and cooperatives to increase their production volumes and creditworthiness to a point where they could access credit from commercial banks with minimal support from IFC/GAFSP.

**Results:** The project was targeted to reach over 50,000 farmers by 2017 and to demonstrate a commercially viable model that could be applied to other crops. In addition, the project aimed to strengthen the creditworthiness of select farmers' cooperatives and to help Ethiopia's coffee industry become more competitive.

# The Gambia

# Food and Agriculture Sector Development Project (FASDEP)

GAFSP Amount: US\$28 million grant
Supervising Entities: African Development
Bank (US\$26.6 million) and FAO (US\$1.4 million)
GAFSP Grant Awarded: May 2012
First Disbursement of GAFSP Funds: October
2013 (AfDB) and May 2013 (FAO)
Status: Under implementation

**Project Description:** The Food and Agriculture Sector Development Project (FASDEP) reduces rural household poverty, food insecurity, and malnutrition through increased agricultural production/productivity and commercialization. The project is expected to benefit 240,000 poor people of which about 60 percent will be women. The project supports agricultural infrastructure such as tidal irrigation, water retention facilities (dykes and spillways), and rural roads as well as activities to diversify and commercialize agriculture in aquaculture, small ruminants, poultry, and horticulture. It will increase the nutrition levels, food security, and incomes of vulnerable populations in Central River Region-North, Central River Region-South, Lower River Region, and West Coast Region through improved technical and organizational capacities of targeted stakeholders, community-based nutrition training programs to strengthen knowledge, skills, and approaches, and support to the school feeding program implemented by World Food Program. It also reduces risk and vulnerability to disasters such as drought and floods on a sustainable basis by improving community resilience and household coping strategies.

**Results:** FASDEP has contributed to increasing agricultural productivity and production through enhanced management of 2,000 hectares of agricultural land, the development of an additional 275 hectares under tidal irrigation, the development of 320 hectares of upland soil and water conservation lands, the establishment of 66 hectares of community gardens, 15 hectares of school gardens, and the construction of 55 fish ponds, 35 small ruminant schemes, and 20 poultry schemes. FASDEP also contributed to the construction of 4 rural markets/ market centers and the rehabilitation of 198 kilometers of feeder roads. To date, FASDEP has benefited over 107,000 people, of whom 83 percent are women.

#### Haiti

#### Small Farmer Agriculture Technology Transfer Project (PTTA)

#### Amount: US\$25 million grant

*Supervising Entity:* Inter-American Development Bank

GAFSP Grant Awarded: June 2010

# *First Disbursement of GAFSP Funds:* December 2013

Status: Closed (in October 2016)

**Project Description:** The Small Farmer Agriculture Technology Transfer Project (PTTA) contributed to sustainably improving small-scale farmers' agricultural income and food security in the North and Northeast Departments. The project increased farmers' access to improved agricultural inputs and technologies while supporting the development of a private agricultural service and input provider network. The project helped the Ministry of Agriculture, Natural Resources, and Rural Development to build capacity in regulating the seed industry.

Results: The project was rated Satisfactory by the Inter-American Development Bank at the end of the project. PTTA reached a total of 164,091 people, of whom 40 percent were women, exceeding the original target figure. The crop systems targeted were rice and vegetables as well as perennial plantations such as coffee, cocoa, and other agroforestry systems, which contribute to climate change adaptation. PTTA provided vouchers for various agricultural inputs (seeds, fertilizer, etc.) to increase input use and obtain higher yields. Overall, 34,913 farmers benefited from incentives for coffee, cocoa, agroforestry gardens, horticulture, and rice, surpassing the target of 30,000 farmers. Technologies promoted by the project were adopted by 27,930 farmers on 15,446 hectares of land. The evaluations carried out at the end of the project showed that impacts varied significantly between the technology packages. The annual crop packages did not allow any real improvement as farmers were already using the practices proposed through these packages. However, the agroforestry packages led to a significant income increase (63 percent) for famers. Since most of the packages (more than 70 percent) focused on agroforestry, the project achieved the expected levels of adoption and income generation.

The project also worked on strengthening the National Seeds Service. Targets were not achieved for this activity as there was a significant delay in laboratory construction, which was completed only at the very end of the project. As a result, the project was not able to carry out inspection of any seed providers as planned.

The most important lessons learned are the follow-

ing: i) The dedicated research unit of the Ministry should be strengthened to generate and test relevant technologies. The package selection should be done through iterative and participative field tests. This approach could prevent the unfortunate situation where the proposed practices were already used in some beneficiary locations (which was the case under PTTA); ii) Some technological packages (e.g., rice) need a productive natural environment and some investments (such as irrigation systems) are crucial preconditions to increasing the likelihood of additional income generation; iii) Technical assistance needs to be strengthened to support farmers effectively and continuously. The tasks of the operators should thus be separated into a service dedicated to the technical assistance (agronomists) and a service dedicated to the management of vouchers; iv) The design, implementation and monitoring of the voucher delivery should ensure that the value of the vouchers is not eroded by delays, inflation or supply chain distortions; v) The procurement unit has to be assessed and then reinforced in a substantial way with a more effective organization and capacity strengthening. These lessons were incorporated into the design of PITAG, which is essentially the second-phase of PTTA.

# Agricultural and Agroforestry Technological Innovation Program (PITAG)

#### Amount: US\$10 million grant

*Supervising Entity:* Inter-American Development Bank

GAFSP Grant Awarded: March 2017

*First Disbursement of GAFSP Funds:* None as of December 31, 2018

Status: Under implementation

**Project Description:** PITAG will build on the accomplishments of PTTA and similar programs in Haiti. An estimated 73,000 farmers will benefit both directly and indirectly from the project, particularly in the South and Grande Anse Departments, which were severely affected by Hurricane Matthew in 2016. Women are expected to comprise at least 40 percent of the beneficiaries. The objective of the project is to increase agricultural productivity and improve the use of natural capital through the adoption of sustainable technologies. PITAG will finance applied research and training, which will create, improve, and/or adapt

sustainable agricultural technologies that will enhance the supply of technological options available to farmers. The project also strengthens the higher education curriculum through research projects to improve applied and adaptive research and technology transfer capabilities in Haiti. The project also finances the adoption of profitable, climate smart, and sustainable agricultural technologies that will improve farm profitability, generate positive environmental externalities, and facilitate the mitigation of and adaptation to climate change. This activity is implemented through an agricultural incentives mechanism whereby interested farmers participate in a series of fairs that match demand and supply for the various technologies.

**Results:** The project is in the set-up stage of project implementation. The recruitment of project staff and NGO operators that will manage the voucher and subsidy scheme have been completed.

### Relaunching Agriculture: Strengthening Agriculture Public Services Project II (RESEPAG II)

*GAFSP Amount:* US\$10 million grant *Supervising Entity:* World Bank *GAFSP Grant Awarded:* June 2010

# *First Disbursement of GAFSP Funds:* August 2012

Status: Under implementation

**Project Description:** The Relaunching Agriculture: Strengthening Agriculture Public Services Project II (RESEPAG II) carries out activities to strengthen the Ministry of Agriculture, Natural Resources, and Rural Development in providing agricultural support services, including the establishment of a new agricultural middle school in partnership with USAID/ USDA. The project also improves Ministry services by strengthening the extension service, improving the quality and availability of market price information, and modernizing sanitary and phyto-sanitary services. In addition, the project provides subsidy vouchers to farmers to purchase inputs and technical assistance in the South and Centre/Artibonite Departments and matching grants to producers' organizations to stimulate innovation in the North, Northeast, and South Departments.

**Results:** RESEPAG II's activities to strengthen the role of the Ministry of Agriculture, Natural Resources, and Rural Development in providing agricultural support services include renovation of agricultural middle schools, creating and strengthening various technical units (environment, nutrition, gender, etc.), and collecting and disseminating consumer prices of agricultural goods. The project has implemented a number of activities to support capacity building including 28,012 farmers registered in the Ministry's registry, 8,986 days of training linked to SPS provided to epidemiological volunteers and private veterinarians, 317,364 cattle identified by the project and included in the Government information system, 5,607 farmers adopting improved agriculture technologies through matching grants, and 1,192 hectares of land

restored or converted to agroforestry production targeting public and private sector actors for surveillance and control of animal and plant diseases. The project has scaled up activities aimed at sanitary surveillance of rabies and ran a successful vaccination campaign. Approximately 400,000 dogs were vaccinated against rabies. Overall, 32,516 people have benefited from the project, 41 percent of whom have been women. The project is expected to reach 60,000 beneficiaries, including 24,000 women.

#### Honduras

## Corredor Seco Food Security Project (PROSASUR)

GAFSP Amount: US\$30 million grant Supervising Entity: World Bank GAFSP Grant Awarded: September 2013 First Disbursement of GAFSP Funds: December 2016

Status: Under implementation

Project Description: PROSASUR enhances the food and nutrition security of vulnerable households in selected geographical locations of the Corredor Seco (dry corridor) in the western and southern areas of Honduras, where rural poverty is concentrated. It is part of the government's Corredor Seco Alliance initiative, supported by the EU, USAID, and GAFSP. The project increases the household availability of quality food and the incomes of poor rural residents as a basis for improving nutrition and reducing child stunting. Technical assistance, training, and extension services are carried out through subprojects based on technically and financially viable business plans and/or incremental food security plans. These subprojects ultimately increase food and agricultural production, introduce high-value crops, increase market links, and expand nonfarm revenue generation. The project builds on existing evidence-based interventions in community child health and nutrition by focusing on access to diverse and guality foods, improved nutrition-related behavior, child growth monitoring, and

improved hygiene at the household level. Subproject investments for value chain development were designed for high-value crops for small-scale rural producers' organizations/small enterprises and are expected to generate on-farm and off-farm jobs, including processing and postharvest processes. Investments to ensure food security and for high-value crops production are based on climate-smart agricultural initiatives intended to promote sustainability and adaptation.

**Results:** Up to 4.268 households (35 percent of total target) are benefitting from different activities implemented through household and collective plans financed by PROSASUR in 25 municipalities of the Dry Corridor. 4,554 different plans are being implemented with these households, while 532 new plans in an additional 2,047 households were recently formulated. PROSASUR is helping 3,242 households to implement their food security plans. 1,264 households are implementing hygiene plans and 1,209 children under the age of two are participating in the monitoring program. A first group of 20 agricultural business plans to produce sesame, avocado, coffee, horticulture, citrus, and basic grains is ready to start implementation in 2019. Another 27 business plans are being prepared and 236 hectares of irrigation systems are being designed or installed.

#### Kenya

# Small Scale Irrigation and Value Addition Project (SIVAP)

GAFSP Amount: US \$24 million grant

Supervising Entity: African Development Bank (US\$22.8 million) and FAO (US\$1.2 million)
GAFSP Grant Awarded: November 2014
First Disbursement of GAFSP Funds: September 2016 (WB) and January 2017 (FAO)

Status: Under implementation

**Project Description:** The Small Scale Irrigation and Value Addition Project (SIVAP) increases incomes, food security, and nutrition along the agricultural value chain by raising agricultural productivity and improving agricultural market access for poor and marginalized communities in 11 counties in arid and semi-arid regions. The project expects to benefit 20,000 poor people, of which about 20 percent are expected to be women. The project intends to increase the productivity of traditional high-value crops as well as that of small livestock through the construction of nine new irrigation schemes and the rehabilitation of three

existing schemes. It supports postharvest processing and value addition through the promotion of agro-processing businesses and improved storage, access to finance and credit through local farmers' organizations, the establishment of youth groups and registered women's groups, the construction of rural roads and market outlets, and the strengthening of market linkages between farmers, processors, rural and urban consumers, and export markets.

**Results:** The project has reached 4,590 poor people of which about 58 percent are women. Five irrigation schemes (Makanyanga, Rubiru, Kaboson, Ruungu, and Kirumi Kiamunjari) covering 1190 hectares and 5,040 beneficiaries are currently under various stages of construction. Other project activities have been delayed due to decentralization reform that took place after the project was approved, which has affected the implementation arrangements. The project is in the process of adjustment to improve its implementation progress.

### Fertiplant

GAFSP Amount: US\$5 million Supervising Entity: IFC (US\$5 million) Board Approval: December 2015 Status: Committed

**Project Description:** In 2017, IFC and GAFSP's Private Sector Window made a joint US\$10 million investment in Fertiplant, a fertilizer distributor in the East Africa region, to develop the nascent Kenyan fertilizer industry. The investment will be used to construct and operate a fertilizer granulation plant in Nakuru, in Kenya's Central Rift Valley, and will produce 100,000 tons of fertilizer per year. The new plant will supply locally produced fertilizer at affordable prices, helping farmers improve crop yields and their incomes. Better productivity of staple food crops will also be critical to food security in the region, which is currently suffering from drought. The project expects to create hundreds of new jobs, both during construction and operation. **Results:** GAFSP's investment in Fertiplant will contribute to the productivity of the local and regional agriculture sector by increasing the supply of fertilizers in East African regional markets at competitive prices. This is expected to benefit farmers through increased food production and improved livelihoods. The development and operation of the new plant in Kenya's Central Rift Valley will significantly contribute to the country's overall economic growth. This joint IFC/GAFSP investment is estimated to generate US\$4.8 million gross value addition annually, once fully operational. The construction of the new fertilizer plant is expected to generate direct and indirect employment opportunities for members of the local Kenyan community, both during construction and operation.

#### Insta

#### GAFSP Amount: US\$3.5 million

*Supervising Entity:* IFC (US\$3.5 million), IFU (US\$4 million)

Board Approval: June 2016

#### Status: Partially disbursed

Project Description: In a factory on the outskirts of Nairobi, Insta Products produces ready-to-use-therapeutic food (RUTF), a high calorie, fortified, peanut-based food product. RUTF is made from a mix of peanut paste, milk powder, sugar, vitamins, and minerals and is packaged in lifesaving individual sachets that deliver a powerful 500 kilocalories to those suffering from acute malnutrition. Insta Products sells these sachets to relief organizations including UNICEF, which distributes RUTF in conflict-affected areas and other emergency zones, particularly across the East Africa region and in Yemen. Close to 70 percent of Insta's products are used to treat drought-related malnutrition in Kenya, Somalia, South Sudan, and Uganda. Insta is currently the only manufacturer of RUTF in East Africa, and a top five supplier

to UNICEF globally. Amid one of the Africa's worst famines since 1945, the Private Sector Window of GAFSP, alongside IFC, made a US\$7 million investment in Insta Products to help the company expand its RUTF capacity and to double its sales on the back of an increased supply. The US\$7 million investment will be supported by an additional US\$4 million loan from IFU, a Danish government fund.

**Results:** This investment will help support the timely delivery of 310,000 additional cartons of RUTF to afflicted areas across East Africa and will help treat 300,000 more people from acute malnutrition. Nutrition is fundamental to an individual's cognitive and physical growth and is also the cornerstone of all development efforts, whether they be improving education, health, income, or equality. Increased RUTF capacity through GAFSP's investment in Insta will help the company reach more children and help prevent stunted growth and vitamin deficiency, which can harm cognitive development, learning capabilities, and economic productivity into adulthood, reinforcing the cycle of poverty.

### KTDA

GAFSP Amount: US\$12.5 million Supervising Entity: IFC (US\$12.5 million) Board Approval: November 2015 Status: Partially disbursed

Project Description: In 2016, IFC and GAFSP provided long-term affordable financing to KTDA Power Company, a wholly owned subsidiary of Kenya Tea Development Agency Holdings Limited (KTDA), the largest tea business in East Africa, which accounts for approximately 60 percent of the country's tea production. KTDA works with 562,000 smallholder tea farmers, who are suppliers as well as shareholders of 54 separate tea companies that own a total of 66 tea factories. The combined IFC and GAFSP investment will assist in the design, construction, operation, and maintenance of seven run-of-the-river small hydropower plants with a total installed capacity of 16 megawatts in various locations across Kenya. These hydropower plants will provide captive power generation for KTDA's tea factories and will sell any excess power to the state-owned utility company. The project is climate-smart, aligning with IFC's strategic climate pillar to encourage renewable energy generation

including captive use by commercial and industrial sector clients. The seven power plants are expected to be fully operational by 2020 and will result in significant cost savings while benefitting over 350,000 smallholder tea farmers who have endured two years of low income due to the drop in tea prices during the 2013-14 season.

**Results:** This investment will directly increase the incomes of 350,000 smallholder tea farmers who will receive, as tea factory owners, higher green leaf payment and profit margins due to lower energy costs. Moreover, as shareholders of KTDA, the farmers will receive dividends from additional revenue streams from increased energy sales. Farmers will also benefit financially from a more reliable power supply, which will reduce production losses. The hydropower plants will also remove over 50.000 tons of carbon from the atmosphere through reduced consumption of diesel and biomass for energy generation. The construction of the new hydropower plants will create more than 2,000 new jobs over a two- to three-year period. Once the hydropower plants are completed, they will add an additional 60 new jobs to the local community.

## **Tropical Heat**

GAFSP Amount: US\$1.5 million Supervising Entity: IFC (US\$3 million) Board Approval: October 2016 Status: Committed, pending disbursement

**Project Description:** This project consists of a blended finance package of up to US\$4.5 million to Tropical Heat, a leading Kenyan manufacturer of spices and snacks. The financing will support the company's expansion plans including construction of a state-of-the-art factory that would help decongest its processes and allow it to achieve its growth potential as a local and regional category leader. The project's total cost is estimated at US\$8 million. The current factory

is operating at capacity, and congestion has become a bottleneck for Tropical Heat's growth.

**Results:** Tropical Heat sources its raw material for spices and potato crisps from local farmers in Kenya and other East African countries. This project will help sustain these linkages and broaden the benefits of this investment through IFC's Advisory Services by proposing a program to support around 400 farmers. In addition, the project will sustain the employment of the current workforce of 250 direct employees with an expected increase in indirect employment especially at the "bottom of the pyramid" once Tropical Heat's distribution network is expanded.

# Kosovo

### KEP and AfK

**GAFSP Amount:** €0.6 million for KEP, €0.3 million for AfK

*Supervising Entity:* IFC (€1.4 million for KEP, €0.7 million for AfK)

Board Approval: March 2018

Status: Fully disbursed

**Project Description:** Located in Kosovo, these two projects finance two of the country's leading microfinance institutions, KEP Trust (KEP) and the Agency for Finance in Kosovo (AfK), for on-lending to individual entrepreneurs including farmers and micro and small enterprises (MSEs). GAFSP support increases smallholder access to finance by providing financial services to underserved farmers, including women, and MSEs. This increased access to finance will indirectly lead to job creation and help borrowers afford agricultural inputs, improve their farming practices, and enhance productivity, all of which will positively impact farmers' livelihoods and food security.

**Results:** The projects will enhance the ability of microfinance institutions in Kosovo to increase access to finance for underserved populations in both rural and semi-urban areas with a special focus on farmers and micro agri-processing companies resulting in improved livelihoods and food security. Currently, approximately 60 percent of the country's poor lives in rural areas and over 40 percent of the rural population is unemployed. Moreover, despite the sector's significant impact on the economy and employment, agricultural financing is very low at only 4 percent of total lending in Kosovo. Banks refrain from lending in this sector due to a higher loan threshold, inherent risks, high collateral requirements, and a certain degree of informality.

## Kyrgyz Republic

#### Agricultural Productivity and Nutrition Improvement Project (APNIP)

GAFSP Amount: US\$38 million grant Supervising Entity: World Bank GAFSP Grant Awarded: May 2012 (US\$16.5 million) and September 2013 (US\$21.5 million) First Disbursement of GAFSP Funds: October 2016

#### Status: Under implementation

Project Description: The Agricultural Productivity and Nutrition Improvement Project (APNIP) increases the agricultural productivity and food security of rural households in selected areas through the rehabilitation of irrigation and drainage infrastructure, improvements to irrigation service delivery at farm level, improved water management by water users' associations (WUAs) and farmers, the provision of agricultural advisory services and training, and the scaling up of key nutrition interventions. Around 60,000 hectares of on-farm irrigation and drainage systems managed by 30 WUAs will be rehabilitated and managed more efficiently. This represents about 36,000 smallholder farm families or approximately 162,000 people benefiting directly from irrigation and drainage rehabilitation. More than one-half of these farm households irrigate less than one hectare of land, and 20 percent are female-headed households. Agricultural advisory services for improved irrigated crop

production and marketing and improved on-farm water management will cover around 50,400 members of WUAs and their households. Nutrition interventions—including community-level nutrition awareness programs and improved domestic gardening to increase dietary diversification—will benefit up to 425,000 people, specifically vulnerable families, women, and children.

Results: To date, 21,352 poor people have been reached of which 40 percent are women. The project is now in the process of selection, design, procurement, and construction of the first batch of 18 out of 30 WUAs. The WUAs are developing and implementing Agricultural Development Plans. So far, five plans have been developed and approved. Demonstration plots are ongoing including pilot projects on pressurized and micro-irrigation. Under the nutrition component, service providers have been mobilized to provide services for the training of health workers and for nutrition awareness promotion, and the project is coordinating with UNICEF for the procurement of micronutrient supplements. For the household gardening component, a detailed review of possible interventions has been done, seeds have been purchased, distributed, and equipment for advanced production and processing is being procured.

### Lao PDR

# Agriculture for Nutrition Programme (AFN)

#### GAFSP Amount: US\$30 million grant

*Supervising Entity:* International Fund for Agricultural Development (US\$24 million) and World Food Programme (US\$6 million)

#### GAFSP Grant Awarded: November 2014

*First Disbursement of GAFSP Funds:* September 2016 (IFAD) and March 2016 (WFP)

Status: Under implementation

**Project Description:** AFN reduces extreme poverty and malnutrition in the poorest communities in

northern Laos by strengthening public services, establishing community-driven, providing agriculture-based nutrition interventions, and forming sustainable and inclusive market-driven partnerships. Activities include the establishment of nutrition-sensitive agriculture production infrastructure, particularly micro-irrigation systems, the creation of Farmer Nutrition Schools (FNSs), and the financing of investments to support availability and use of nutritious food for female-led households. The project supports diversification from rice, the main staple food, which accounts for 72 percent of the total cultivated area.

#### COUNTRY PROFILES

The project also promotes climate-smart sustainable farming through the introduction of conservation farming techniques and agroforestry.

Results: To date, the project has benefited 25,130 people, including more than 13,000 women, and is expected to directly benefit about 194,000 people, of whom about half will be women. To date, 198 Village Infrastructure Plans with technical designs, environmental screening, bills of quantities, and cost breakdowns have been developed for funding under the community-driven Village Development Funds. These include 46 water supply system covers, 29 irrigation renovation schemes, 74 access tracks, 10 suspension bridge to production site, 2 paddy field clearances, 26 animal barbed fences, 8 village ponds, and 3 community marketplaces. FNSs for village women, including pregnant and nursing mothers and mothers with children under two, are ongoing in 142 villages. Currently, 3,401 women FNS members regularly attend fortnightly sessions. They have analyzed their household seasonal food and nutrition security, developed household production plans to meet seasonal needs, and completed applications for Garden Grants (\$120 per woman). In total, 4,552 grant applications. These included 3,029 for poultry raising, 315 for fish raising, 2 for poultry-fish-frog integration, 20 for frog raising, 183 for vegetable cultivation in green houses, 997 vegetable-poultry-fish integration, and 6 for mushroom cultivation that have been received and approved. Up to 326 farmer groups have been established and officially approved. Approximately 133 business plans were received and approved and funded in late 2018. Group members have been trained in procurement and fund management and have commenced implementing their sub-projects. Sub-projects include chicken (13), pig (9), goat (5), tea (1), Makkha (1), and horticulture (1).

## Liberia

#### Smallholder Agricultural Productivity Enhancement and Commercialization Project (SAPEC)

GAFSP Amount: US\$46.5 million grant Supervising Entity: African Development Bank GAFSP Grant Awarded: May 2012 First Disbursement of GAFSP Funds: October 2013

#### Status: Under implementation

Project Description: The Smallholder Agricultural Productivity Enhancement and Commercialization Project (SAPEC) aims to transform Liberia's agriculture sector, which is dominated by traditional subsistence farming systems and is characterized by labor-intensive shifting cultivation and low technologies that result in low productivity. The Africa Rice Center (AfricaRice) in Côte d'Ivoire and the International Institute for Tropical Agriculture (IITA) in Nigeria are key implementing partners for this project. SAPEC also supports the Liberia Agriculture Transformation Agenda (LATA), which includes targeted programs and action plans that raise agricultural productivity by delivering modern inputs and finance to farmers and agribusinesses. The project promotes the use of improved technologies for rice, cassava, and vegetables such as climate change-resilient rice varieties and fertilizers, develops new irrigation and drainage

systems in lowlands, and rehabilitates feeder roads, storage facilities, and agro-processing equipment. The project addresses the acute shortage of skilled manpower for planning and supervision of sector development activities by providing postgraduate scholarships to Master's degree programs in various agriculture-related disciplines in Ghana, Kenya, and Tanzania. It also promotes rural enterprises for employment creation, particularly for women, youth, and the physically challenged, especially in rice and cassava processing.

**Results:** The Ebola outbreak delayed implementation of planned SAPEC activities due to restricted access to project sites, the closure of educational institutions, and the delayed arrangements for the provision of advisory and implementation services. So far, 136,110 poor people, 60 percent of whom are women, have benefited from the project, which ultimately expects to benefit 150,000 people, 60 percent of whom are expected to be women. To date, 14 improved climate resistant rice varieties have been promoted in collaboration with AfricaRice. Eight power tillers and accessories have been delivered to farmer groups. The project supported farm production in 7,000 households, including 750 households for vegetable production (500 hectares), 1,625 for lowland rice production (1,800 hectares), 1,375 for upland rice production (4,000 hectares), and 3,250 for cassava production (7,213 hectares). In addition, 43,046 farmers, of whom 51 percent are women, have received agro-inputs through LATA. Seed rice, cassava stems, and fertilizer have been distributed to farmers across the country via the e-wallet system. The project developed the first farmer e-database with over 321,766 farmers spanning all 15 counties across the country recording their phone numbers, ID photos, and assigned ID numbers. During the exercise, over 300 sites were identified across the entire country that can serve as a one-stop shop for services such as farmer registration, e-extension services, input distribution, and off-taking.

## Wienco Liberia

GAFSP Amount: US\$2.5 million Supervising Entity: IFC (US\$2.5 million) Board Approval: February 2012 Status: Partially disbursed

**Project Description:** This project is a component of IFC's Recovery Response Program to the Ebola crisis, which requires a timely reaction by providing financing to local private companies to reach outgrowers and smallholder farmers and to increase agricultural productivity. The project is a blended finance solution from IFC and GAFSP to provide long-term, affordable financing to small farmers through Wienco Liberia Limited. The funding provides capital for Wienco to build increased storage facilities across Liberia and to offer preharvest financing of fertilizers and agricultural inputs to benefit small cocoa farmers in the country. The project will enable Wienco to support its capital expenditure program including the construction of

warehouses in up-country Liberia and preharvest financing of fertilizers and other agricultural inputs. Supported by training, innovation, and product development, Wienco will partner with farmer associations to provide affordable agricultural inputs to farmers on a reliable, timely, and efficient basis to improve productivity and increase incomes.

**Results:** This project will have a significant impact with an expected reach of up to 7,500 farmers in the next five years from the current base of 1,500 farmers. In addition, farmers can expect a significant total increase of 200 percent in their cocoa yields over the next five years, from approximately 750 kilograms per hectare without the use of inputs to 2,250 kilograms per hectare based on the disciplined application of Wienco's input package. This also translates into an expected increase of 160 percent in farmer incomes over five years.

### **Rubber Renovation**

GAFSP Amount: US\$10 million Supervising Entity: IFC (US\$25 million) Board Approval: January 2015 Status: Committed

**Project Description:** This project is a component of IFC's Recovery Response Program to the Ebola crisis, which requires a timely reaction by providing financing to local private companies to reach outgrowers and smallholder farmers and to increase agricultural productivity. Supported by GAFSP and IFC, this project targets long-term support to rubber tree farmers emerging from the Ebola crisis. Firestone Company is a sponsor in this program and will provide support to 600 independent outgrower farmers with technical support, guidance, new planting material as well as a secure off-take agreement. This will enhance farmers'

ability to access long-term, affordable financing to replant and rehabilitate up to 8,000 hectares of rubber farms over a four- to five-year period. The financing will be available through partner banks, to whom IFC and GASFP will offer partial credit guarantees or long-term funding that makes it possible for these banks to lend to eligible farmers.

**Results:** This project is expected to finance up to 600 farms, enabling farmers to renovate up to 8,000 hectares of aging trees and to secure their livelihoods for the future. The project will also secure the future of the rubber industry in Liberia at a time when many Liberians' sources of income are threatened by the spread of Ebola. By taking steps to ensure long-term sustainability of the sector, IFC will equip Liberia to better manage its recovery post-Ebola.

#### Madagascar

#### **SMTP**

*GAFSP Amount:* US\$1.5 million (in local currency) *Supervising Entity:* IFC (US\$1.5 million, in local currency)

Board Approval: February 2016

#### Status: Fully disbursed

**Project Description:** Poultry production in Madagascar is a way of life for many rural families. Nearly all poultry is grown in non-industrial, backyard operations with an average flock size of 11 birds and a total poultry population of approximately 33 million. In 2016, IFC and GAFSP made a joint investment in the SMTP Group, one of Madagascar's leading poultry conglomerates. Three of SMTP Group's subsidiaries—Agrifarm, Agrival, and Mabel—will benefit from the investment. The companies will use the funds to double the production of day-old chicks, to increase the supply of animal feed, and to set up a modern chicken slaughterhouse that will supply over 15,000 tons of chicken meat per year.

The project consists of an IFC loan equivalent to US\$1.5 million and a subordinated loan from GAFSP equivalent to US\$1.5 million. The long-term loans from IFC and GAFSP will be in the local currency, which is not available in the local market. This investment will be used to double the conglomerate's day-old-chick capacity from 100,000 per week to 200,000 and to provide working capital to increase animal feed production. In addition, the investment will increase the capacity of a local slaughterhouse to increase the availability of chicken meat, a valuable source of protein for Madagascar's most vulnerable population. In addition, IFC's Advisory Services will provide SMTP with a unique advisory package to broaden the project's development impact.

**Results:** This investment in SMTP will contribute to an increase in the availability of food and high-quality animal protein at an affordable price in Madagascar's local market. The production of chicken meat in the country is expected to reach 7,410 metric tons in 2020, which corresponds to the minimum daily energy requirements for 9,288 people. SMTP currently sources 10,250 metric tons of maize from smallholder farmers, representing 59 percent of the raw material requirement for its animal feed production. The number of smallholder farmers supplying maize is expected to increase from 1,200 to 4,000 by 2020. In addition, these farmers will benefit from technical assistance provided by SMTP to increase their productivity and revenues.

### BoViMa

GAFSP Amount: US\$3.5 million (in local currency)

Supervising Entity: IFC

Board Approval: 2018

Status: Disbursed

**Project Description:** More than 80 percent of Madagascar's population earns less than \$2 a day and agriculture is the dominant employment sector. Underinvestment and capacity constraints have weakened Madagascar's livestock sector, causing the zebu cattle stock to dwindle to six million from 23 million in the 1980s. Backed by a US\$7 million combined IFC and GAFSP Private Sector Window loan and extensive advisory support from IFC and the World Bank, BoViMa—short for Bonne Viande de Madagascar—is building a modern feedlot and slaughterhouse close to Tolanaro in Madagascar's impoverished South. The feedlot will source zebu and animal feed from local breeders and farmers, supporting a wide network of jobs and trade.

**Results:** The project is expected to help BoViMa create jobs and generate significant economic activities in one of the poorest regions of Madagascar. This first modern slaughterhouse introduce best practices in health and safety standards. The project is expected to finance the sale of US\$7.7 million worth of livestock and US\$6.6 million of animal feed annually, benefitting approximately 20,000 local cattle and goat herders.

#### Malawi

### Smallholder Irrigation and Value Addition Project (SIVAP)

GAFSP Amount: US\$39.6 million grant Supervising Entity: African Development Bank GAFSP Grant Awarded: May 2012 First Disbursement of GAFSP Funds: February 2014

#### Project Status: Under implementation

Project Description: The Smallholder Irrigation and Value Addition Project (SIVAP) increases agricultural production and productivity through the intensification of irrigation, crop diversification, value addition, and capacity building for sustainable land and water management and value chain development. The main activity, the intensification of irrigation, involves construction of 11 new irrigation schemes and rehabilitation of 5 existing schemes. It also supports the implementation of programs that address institutional and capacity constraints through capacity building of local farmers' organizations, water users' associations (WUAs), and farmers' cooperatives on production technologies, nutrition, agribusiness, and environmental management. Farmers will be trained on good farming practices including timing, planting, harvesting techniques to maximize crop potential, and nutrition.

Results: So far, 532,200 poor people, of whom 45 percent are women, have benefited from the project, already exceeding the end of project target of 420,408 people. To date, 78,310 farmers have adopted the technologies promoted by the project, far surpassing the target of 58,700. Several trainings have been conducted for farmers on seed multiplication, rainfed cropping, conservation agriculture, formation and strengthening of WUAs, and postharvest and value addition processes. Farmers have been trained in participatory monitoring and evaluation and have participated in study tours within the districts to other operating irrigation schemes. Farmers have been successfully linked to local markets to sell their produce and increase their income, contributing to poverty reduction. Fostering broad collaboration, the project has supported cooperatives from seven districts that attended the National Agriculture Fair. The project has rehabilitated 124 kilometers of roads out of the target goal of 133 kilometers, and 2,210 hectares of land have been improved with new irrigation and drainage services exceeding the end of project target of 2,050 hectares. These construction projects, combined with agro-processing structures, have employed over 250 skilled workers.

#### Mali

### Koulikoro Region Food and Nutrition Security Enhancement Project (PReSAN-KL)

GAFSP Amount: US\$37.2 million grant Supervising Entity: African Development Bank GAFSP Grant Awarded: September 2013 First Disbursement of GAFSP Funds: March 2015

#### Project Status: Under implementation

**Project Description:** PReSAN-KL sustainably increases the production and productivity of the rice and vegetable crop sectors as well as increases the income of target communities through water management and agricultural product development. The project is expected to directly benefit 53,000 people, including 26,500 women. The project focuses on increased agricultural output, infrastructure for drinking water, improved health and education in the target areas, and improved capacity of local communities and authorities, professional organizations, and technical service providers. Trainings contribute to increased participation by women and young people in particular and will strengthen their level of organization. A nutrition component is dedicated to the prevention of malnutrition and the promotion of health through the prevention of the resurgence of waterborne diseases, the increase and diversification of agricultural production, the establishment through women's groups of culinary demonstrations, activities

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related to nutrition and health, the construction, rehabilitation, and equipping of health centers, the improvement of dispensaries, and the production of fortified foods and supplements made from local products.

**Results:** To date, 30,000 poor people, 36 percent of whom are women, have benefited from the project mainly through the establishment and training of farmer groups and the credit-savings scheme operat-

ed by the NGO, Plan Mali. The irrigation infrastructure including the development of 4 new irrigation areas (1,256 hectares in Balanzan, Figuiratomo, Koursalé, and Séguéla), the development of the Faragoué mud plains (50 hectares), the transportation of water to the Baguinéda irrigation area (3,000 ha), the development of vegetable gardens for women (18 hectares), and the development of mud plains (1,000 hectares) have been delayed and are in various stages of implementation.

### **GWFP HSBC**

GAFSP Amount: US\$4.6 million Supervising Entity: IFC (US\$4.6 million) Board Approval: December 2012 Status: Fully repaid

**Project Description:** Under GWFP, the IFC and GAFSP Private Sector Window participated in a one-year facility extended to Compagnie Malienne pour le Development du Textile (CMDT), a state-owned company and the sole cotton exporter in Mali, financed alongside other international commercial banks. The facility, which is secured by warehoused cotton in Senegal and Cote d'Ivoire, will be used to finance the repayment of preharvest loans received from a pool of local banks in Mali. It will also be used to purchase seed cotton from farmers and meet other working capital needs related to the cotton campaign. Alongside this investment, CMDT will benefit from IFC's advisory solutions in productivity improvement through the expansion of the "Better Cotton Initiative" and weather insurance activities. These advisory solutions will be offered through IFC's Global Insurance Index Facility (GIIF) and funded by support from GAFSP Private Sector Window.

**Results:** This project enabled nearly 300,000 cotton farmers in Mali to gain access to post harvest financing, helping to positively impact farmers' income and reduce instability due to commodity price volatility. GWFP financing helped to reduce crop storage losses and increase food availability by requiring quality storage conditions for agri-com-modities held as collateral and by financing agri-commodities and food imports.

## Mauritania

# Tiviski Dairy

GAFSP Amount: US\$4.8 million Supervising Entity: IFC (US\$4.8 million) Board Approval: June 2014 Status: Awaiting disbursement

**Project Description:** In Mauritania, an arid desert nation, more than half of the country's inhabitants live as nomadic livestock herders, shepherding camels, sheep, goats, and cows across the sands of the Sahara. Given the country's heritage as a pastoral country, nearly all of the milk produced locally does not enter the formal market and is either self-consumed or sold as raw milk. In 2016, IFC and GAFSP made a US\$9.5 million investment in Tiviski Dairy—the market leader in Mauritania with about 50 percent share in the pasteurized fresh milk segment - to help Tiviski modernize, diversify, and expand its milk production. Implemented over a three-year period, GAFSP's investment in Tiviski Dairy is expected to deliver strong development impact across the dairy value chain in Mauritania. The joint investment will help meet robust domestic demand for dairy, position Tiviski as the market leader in fresh pasteurized milk, and create export potential for niche camel milk powder products.

**Results:** Over 2,000 livestock herders from across the Mauritania Sahara, 15 percent of whom are women, will supply milk to Tiviski through this new investment. The company, which has a milk collection capacity of

42,000 liters per day, has two collection centers in the cities of Rosso and Boghe. The company will generate an additional 200 jobs through the expansion and will ensure food safety through the provision of pasteurized milk. Before Tiviski started operation, fresh milk was not marketed at all in Mauritania, save for a few thousand liters sold raw by herders who lived near the cities or to small-scale milk retailers. The project will also promote and preserve the ancient tradition of pastoralism in Mauritania by alleviating rural-to-urban migration and mitigating poverty across the Sahel region.

### Mongolia

## Livestock and Agricultural Marketing Project (LAMP)

GAFSP Amount: US\$12.5 million grant

*Supervising Entity:* World Bank (US\$11 million) and FAO (US\$1.5 million)

GAFSP Grant Awarded: November 2010

*First Disbursement of GAFSP Funds:* March 2014 (WB) and August 2012 (FAO)

*Project Status:* Closed (in Dec. 2017 (WB) and Dec. 2016 (FAO))

**Project Description:** The Livestock and Agricultural Marketing Project (LAMP) improved rural livelihoods and food security in selected areas through investments in enhancing productivity, market access, and diversification in livestock-based production systems. These goals were achieved by removing a set of closely linked constraints in market access including price–quality relationships and livestock production (animal health, animal breeding, genetics, and nutrition). The project also provided technical assistance to develop human and organizational capacities in animal health control, breed improvement, feeding and nutrition, value addition to livestock products (meat, fiber, dairy), and horticulture production.

Results: The project benefited 13,684 people, including 6,083 women, surpassing the end target to impact 12,000 people, including 3,600 women. The project was rated Satisfactory by both the World Bank and FAO at the time of project completion. At the end of the project, there was a 73.9 percent increase in income from livestock and a nearly 9 times increase from select horticulture pilot activities. In terms of production volume, there was an increase in milk production by 33.1 percent, wool by 21.6 percent, and cashmere by 47.8 percent. In terms of commercialization, 45.0 percent of meat, 37.0 percent of milk, 42.0 percent of wool, 52 percent of green fodder, 31 percent of hay, and 50 percent of potatoes produced were marketed through both informal and written contracts. Finally, in terms of nutrition, there was an increase in treatment households' per capita consumption of horse meat (47.6 percent), milk (36.6 percent), carrot (20.8 percent) and sea buckthorn (2.3 times) indicating diet diversification.

#### Myanmar

# Climate-Friendly Agribusiness Value Chains Sector Project (CFAVC)

*GAFSP Amount:* US\$27 million grant *Supervising Entity:* Asian Development Bank (US\$22 million) and FAO (US\$5 million) *GAFSP Grant Awarded:* March 2017

# *First Disbursement of GAFSP Funds:* None as of December 31, 2018

Project Status: Under implementation

**Project Description:** CFAVC will increase the climate resilience of critical rural infrastructure, enhance the quality and safety testing capacity, strengthen technical and institutional capacity for climate smart agriculture (CSA), and create an enabling policy environment for climate friendly agri-businesses to promote environmental sustainability. Overall, the project expects to benefit at least 35,000 households for a total of 156,000 people including 80,000 women. In terms of infrastructure, the project will upgrade irrigation, farm roads, buildings, farm machinery, post-harvest equipment, seed testing equipment, and agrometeorological stations in 10 Department of

Agriculture (DOA) seed farms for the production of improved and/or climate-resilient seed. The project will focus on promoting CSA and agri-business by deploying climate resilient varieties of rice, beans, pulses and oilseeds. The project will also strengthen the capacity of seed growers, agro-dealers, and regional government staff on GAP/CSA technologies and practices, certified seed production, and farm mechanization. Similarly, agri-businesses will be trained on business plan development, efficient manufacturing practices and Hazard Analysis Critical Control Points, value addition and improvement of food quality and safety, the facilitation of access to inputs (seeds of climate resilient varieties, quality agrochemicals etc.), farm mechanization services, and off-farm rural livelihood opportunities through the establishment of an agricultural digital finance service to benefit at least 35,000 smallholders.

**Results:** The project is still in its early stage of implementation with no direct beneficiaries reported as of yet.

## Acleda MFI Myanmar

*GAFSP Amount:* US\$3 million (in local currency) *Supervising Entity:* IFC (US\$3 million in local currency)

Board Approval: February 2016

Status: Fully disbursed

**Project Description:** Myanmar is one of the poorest countries in Southeast Asia and 76 percent of the country's poor live in rural areas and depend primarily on agriculture. Making credit and related financial services available to Myanmar's farming population is critical improving the livelihoods of the population, especially the rural poor. Credit and financial services will also increase food production to allow scarce

foreign exchange reserves to be used for investments instead of importing food to supplement shortages.

**Results:** This project will increase MMK's micro loan portfolio to \$42 million by 2017. The project will also enable the number of micro loans outstanding to reach 72,000 from 25,800. Acleda Myanmar will additionally provide the longer-term funding that is critically needed and in shortage for banks and microfinance institutions across the region. The project will help Acleda Myanmar access additional long-term funding from donors and other commercial lenders and will provide the first offshore funding in local currency to microfinance institutions.

### Nepal

# Agriculture and Food Security Project (AFSP)

GAFSP Amount: US\$41.5 million grant Supervising Entity: World Bank GAFSP Grant Awarded: June 2011 First Disbursement of GAFSP Funds: August 2013

#### Project Status: Closed (in March 2018)

Project Description: The Agriculture and Food Security Project (AFSP) enhanced the food and nutrition security of vulnerable communities in specific areas of Nepal by increasing food availability and increasing productivity of crops and livestock. AFSP worked to improve nutrition security through improved feeding practices, the promotion of diversified diets, and the improvement of feeding and care practices for pregnant and nursing women and children up to two years of age. It supported nutrition-sensitive agricultural activities including the generation and adaptation of technology to increase yields and production intensities of nutritious crops and fish for farmers. Specific nutrition activities were supported to promote behavior change through community-based nutrition programs to improve dietary intake.

**Results:** AFSP reached 656,245 poor people, surpassing the end target of 560,000. Approximately 603,000 women benefited from the project, surpassing the end target of impacting around 392,000 women. The project was rated Moderately Satisfactory by the World Bank, which noted that the project was Satisfactory in terms of achieving its development objectives. The project exceeded all of its performance targets including the release of 30 technologies (target = 29), conducting 6,580 field trials (target = 4,000), 583 metric tons of source seeds produced (target = 540 metric tons). A increased yield of over 100 percent was reported in all crops (paddy = 180 percent, wheat = 124 percent, maize = 122 percent, potato = 112 percent, goat meat = 105 percent, eggs = 251 percent, milk (cow and buffalo) = 111 percent), and improved dietary intake for women and children (89 percent of pregnant/nursing women meeting minimum required animal protein intake from a baseline of 56 percent, 78 percent of pregnant/nursing women meeting required fruits and vegetable intake from a baseline of 57 percent, 80 percent of children 6-24 months meeting the infant and young child feeding indicators from a baseline of 42 percent.

Some lessons include the following. In the context of countries such as Nepal, rural women should be targeted as a priority on two counts. First, men are migrating out of the country and women need to replace them. Second, for some tasks, women are more productive than men. The strong focus on women farmers under AFSP contributed to high productivity increases, especially for livestock production. Given this, more women should have been engaged in the implementation and management capacity to deliver the various activities. Further, climate resilience of production systems needs to consider local circumstances and be rooted into the social fabric at the grassroots level. Future operations should develop a clear, forward-looking plan to ensure the sustainability of farmers' and women's' groups and the sustainability of activities that may have relied too heavily on the distribution of external and costly inputs and equipment.

# Food and Nutrition Enhancement Security Project (FANSEP)

#### GAFSP Amount: US\$22.7 million

Supervising Entity: World Bank

#### GAFSP Grant Awarded: March 2017

*First Disbursement of GAFSP Funds:* None as of December 31, 2018

#### Project Status: Under implementation

**Project Description:** The Food and Nutrition Enhancement Security Program (FANSEP) enhances climate

resilience and improves agricultural productivity and nutrition practices in targeted smallholder farming communities in selected areas of Nepal. The project targets the following districts: for the (mid-) hills -Dhading, Gorkha, Dolakha, and Sindhupalchok, and for the terai - Saptari, Siraha, Mahottari, and Dhanusha. The project primarily targets vulnerable (earthquake affected, acute food insecure, disadvantaged, marginalized, and women headed) households and aims to

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reach approximately 65,000 direct beneficiaries, of which at least 65 percent are expected to be women. The project introduces and promotes climate-smart and nutrition-sensitive agricultural practices by availing households of adapted technologies, by providing better performing plant and animal genetic resources, and by building the capacity of farmers to master skills for improved agronomic and animal husbandry practices. Target crops are rice, wheat, maize, finger millet, and potato as well as highly nutritious crops such as buckwheat, pulses, beans, and vegetables. Target livestock species include poultry, goats, and cows. The project also organizes and strengthens producer groups representing the targeted smallholder farmers by organizing them around commodities of common interest and enhancing their capacities in terms of good governance and leadership skills, group dynamics, decision making, problem solving and risk management, bookkeeping,

meeting organization, agricultural seasonal planning, marketing, value addition, preparation of simple business plans, and simple monitoring and evaluation. Finally, building on the experience gained from the AFSP and the World Bank-supported Social Safety Nets-Poverty Alleviation Fund (SSNP-PAF) pilot on nutrition interventions, the project works directly with communities including female health community volunteers using a community-driven, skill-based learning approach known as the Nutrition Field School to remove barriers to improved dietary and care practices by supporting a package of inputs and services complemented by a behavioral change campaign for improved utilization of foods and hygiene and sanitation practices while increasing access to public health services.

*Results:* The project is still in its early stage of implementation with no direct beneficiaries reported as of yet.

### Probiotech

GAFSP Amount: US\$1.9 million Supervising Entity: IFC (US\$1.9 million) Board Approval: April 2014 Status: Fully disbursed

**Project Description:** Probiotech Industries Private Limited (PBIL) is one of the first organized poultry feed manufacturers in Nepal, having established the first pellet feed mill in the country. The project involves Probiotech's forward integration into the production of value-added soya flour and nuggets as well as of refined, edible soya oil using existing byproducts. Probiotech works through a network of 110 dealers and 500 sub-dealers with outreach to over 8,000 farmers.

**Results:** In addition to restructuring the company's equity base, GAFSP's financing is being used to develop manufacturing units for value-added products that use Probiotech's feed byproducts such as soy flour, nuggets, and oil.

### Nicaragua

# Caribbean Coast Food Security Project (PAIPSAN)

GAFSP Amount: US\$33.9 million grant Supervising Entity: World Bank GAFSP Grant Awarded: September 2013

*First Disbursement of GAFSP Funds:* March 2015

Project Status: Under implementation

**Project Description:** The Caribbean Coast Food Security Project (PAIPSAN) enhances food security and nutrition in select communities of the Caribbean coast of Nicaragua. Project stakeholders include small- and medium-scale landholders, rural laborers, producers' organizations, and fisher communities, including women and young people, with limited or no assets or equipment. PAIPSAN is aligned with the Sector-wide Rural Development Program, which focuses on poor smallholders as active participants in their own sustainable human development to achieve food security and foster agricultural exports. The project promotes increased agricultural productivity and environmental sustainability through participatorily designed Innovation Development Plans (IDPs) for formal and informal groups of beneficiaries such as cooperatives and producers' associations to achieve improvements and innovations in production and to consolidate market opportunities. Activities include agricultural technology trainings and technical assistance for organized producers along with promotion of income-producing employment activities such as the creation of family–community microenterprises ranging from cabinet-making and fruit production to sustainable tourism in support of women and young people. The project supports nutrition education to change behavior and raises awareness and knowledge about nutrition and the role of agriculture in improving nutrition outcomes.

**Results:** To date, 68,975 people have benefited from the project, of whom 48 percent have been women. The project targets approximately 246 indigenous and mestizo (Spanish/indigenous ethnic group) communities and provides support for over 14,000 families, of which approximately 4,800 are of African descendent and indigenous communities while some 9,000 are mestizos. In total, the project expects to reach 70,000 beneficiaries, 20 percent of whom are expected to be women. Climate-resistant seeds, organic fertilizers for soil conservation, eco-friendly practices for pest and disease control, and to development of agroforestry systems have helped enhance productivity and sustainability for farmers. Promoted practices include the use of creole seeds, quintaleras plastic bags, and backpack pumps to apply products to crops and to improve sowing. So far, 58 IDPs that introduce better performing seeds and livestock varieties and that promote good practices and post-harvest techniques have been financed. Approximately 3,464 farmers, of whom 1,496 are women, have adopted technologies promoted by the project. The project also supports improved feeding and handling practices, with an emphasis on vulnerable populations, including pregnant and lactating women as well as children. Over 2,880 people, including more than 1,500 women, have received nutrition-related training. As a result, the Dietary Diversity Index (DDI) for 80 percent of women and children in targeted families has increased such that 98.84 percent (4,854) of surveyed women and children now consume foods from four or more food groups.

### **Roya Renovation**

GAFSP Amount: US\$6 million Supervising Entity: IFC (US\$12 million) Board Approval: May 2014 Status: Awaiting disbursement

Project Description: This project will provide longterm loans to help Nicaraguan coffee farmers combat the devastating effects of La Roya-the coffee rust fungus—which has swept through Central America, crippling production and threatening the livelihoods of millions who depend on the coffee industry. The project is a unique partnership between IFC, GAFSP, Atlantic (a subsidiary of the coffee trader Ecom), Starbucks, and the Inter-American Development Bank. The project will help approximately 500 farmers many of whom work less than 12 acres - replant and renovate their farms. It will also provide them with new coffee varieties that are resistant to the fungus and technical support to improve their agricultural practices. Once up and running, IFC hopes to expand the program to other countries.

**Results:** The project is expected to renovate approximately 5,000 hectares affected by La Roya and to increase the average yield of around 10 quintals/ha by three times following renovation. The investment also addresses present climate risks by introducing best management practices and plantations of coffee rust resistant varieties. The project is expected to finance about 500 farmers affected by La Roya.

# Fondo de Desarrollo Local (FDL)L

GAFSP Amount: US\$2 million Supervising Entity: IFC (US\$5 million) Board Approval: December 2013 Status: Fully disbursed

**Project Description:** An IFC investment of US\$5 million in Fondo de Desarrollo Local (FDL), along with US\$2 million from GAFSP Private Sector Window, will support FDL's expansion of its lending services to micro-entrepreneurs in the rural agribusiness sector of Nicaragua through a network of local branches. FDL is the largest microfinance institution in Nicaragua, with approximately 31 percent of its portfolio concentrated in extreme and high poverty regions. With IFC and GAFSP investment, FDL will play a key role in reaching small and medium producers and in offering support to the most vulnerable regions of Nicaragua.

**Results:** This project will increase the availability of financing to underserved rural and agribusiness sectors, particularly small producers. Through this project, FDL estimates it will be able to increase the number of micro loans in rural areas of Nicaragua to 80,000 people, over half of whom will be women, by the end of 2018. FDL also estimates an increase to 24,000 in the number of loans to small farmers involved in primary agricultural production. FDL will benefit from IFC's global and local microfinance expertise and its support in the establishment of an environmental and social monitoring system.

## Niger

## Water Mobilisation Project to Enhance Food in Maradi, Tahoua, and Ziner Regions (PMERZA-MTZ)

GAFSP Amount: US\$33 million grant Supervising Entity: African Development Bank GAFSP Grant Awarded: November 2010 First Disbursement of GAFSP Funds: October 2012

#### Project Status: Under implementation

**Project Description:** The Water Mobilisation Project to Enhance Food in Maradi, Tahoua, and Ziner Regions (PMERZA-MTZ) raises and safeguards agricultural output by creating agricultural, silvicultural, and pastoral development centers located in surface water collection sites. This involves constructing and rehabilitating water-spreading bunds, mini-dams, and irrigation areas over approximately 17,600 hectares, ensuring land tenure security for developed sites, and building village wells, rural roads, and storage infrastructure. The project partners with an NGO, Plan International, to carry out income-generating activities for women through the distribution of postharvest equipment and capacity building. These outcomes will increase irrigated surface area, reduce postharvest losses, increase agricultural output and value added, and contribute to climate-smart agriculture cobenefits.

Results: To date, the project has supported the construction and rehabilitation of 347 kilometers of roads and the development of new irrigation and drainage schemes on 126 hectares of land. The project has completed the development and rehabilitation of irrigation infrastructure such as concrete wells, mini-dams, and ponds as well as storage facilities. The project has encouraged the adoption of new production techniques and technologies such as improved seeds, fertilizers, compost, integrated pest management that have been applied on 15,506 hectares of agricultural land. So far, 204,835 poor people, 45 percent of whom have been women, have benefited from the project, which is expected to improve the living standards of 213,000 people-over 39,000 households-including more than 106,000 women.

#### Rwanda

#### Land Husbandry, Water Harvesting, and Hillside Irrigation Project (LWH)

GAFSP Amount: US\$50 million grant Supervising Entity: World Bank GAFSP Grant Awarded: June 2010 First Disbursement of GAFSP Funds: September 2011

#### Project Status: Closed (in December 2015)

Project Description: The objective of the Land Husbandry, Water Harvesting, and Hillside Irrigation (LWH) Project was to increase the productivity and commercialization of hillside agriculture in target areas. GAFSP supported this project together with IDA, USAID, and Canada DTAFD. This two-phase flagship program in the Government of Rwanda's overall poverty reduction and agricultural strategy was designed to address key constraints to agricultural growth including the need for larger-scale watershed and community-based infrastructure approaches and the need for strong farmer mobilization. LWH built stronger farmer institutions as well as provided extension education, rural finance, and marketing support alongside physical investments. It used a modified watershed approach to introduce sustainable land husbandry measures for hillside agriculture and to develop hillside irrigation on selected sites.

Results: At the end of the project, LWH was rated Satisfactory by the World Bank. Together with funds from other development partners such as IDA and bilateral aid from the United States and Canada, the GAFSP grant to the LWH project benefitted more than 280,000 farmers over five years. About one-half of the beneficiary farmers were women. The project successfully achieved its two main objectives of increasing both productivity and the commercialization rate. By mid-2016, productivity (as measured by dollar amount of farm products sold per hectare of farmland) rose from a baseline figure of US\$492 in 2009 to US\$2,575 on irrigated lands. The share of farm products commercialized (as opposed to consumed locally) more than doubled from 35 percent to 76 percent. To achieve this outcome, the project disseminated improved technologies to farmers that addressed issues such as erosion control, productivity enhancement, and soil fertility. Before the project, less than 30 percent of farmers in the project area reported using

these technologies. By mid-2016 almost all farmers were using some of these technologies. Approximately 1,356 hectares of land were irrigated about 88 percent of hilly land areas were protected against soil erosion. The volume of sediment yield or soil washed down from hilly slopes during heavy rain was reduced by 89 percent in project areas.

The project also Increased access to various formal financial products such as committed savings accounts. By mid-2016, about 80 percent of beneficiaries were using formal financial services, up from a baseline of about 20 percent. The project strengthened farmers' organizations to effectively support farmers in their transition to move to higher value chain activities. By mid-2016, 2,624 self-help groups comprised of 15 to 25 farmer members each were formed and strengthened. Finally, the project improved the composition of peoples' diets to augment their nutrition status by carrying out nutrition awareness training and by constructing 47,611 kitchen garden. By mid-2016, approximately 83 percent of households were consuming an acceptable diet including food from various food groups.

#### Some lessons learned in the project include the

following. First, flexibility in landscape approaches is important. The project proved that site-specific conditions were critical for determining what type of land husbandry package should be applied. The initial model of implementing all three components of L (land husbandry), W (water harvesting dams), and H (hillside irrigation) did not meet the needs of all sites. Flexibility had to be introduced to ensure cost effectiveness and technical soundness. Second, the involvement of local leaders such as village and Grievance Redress Committee leaders was key to the resolution of conflicts over plots between neighbors, of conflicts between land owners and the owners of assets on that land, and of inter-family conflicts over ownership of assets or of social issues such as the proper management/use of compensation funds received by some displaced people.

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### Sustainable Agricultural Intensification for Improved Livelihoods, Food Security, and Nutrition Project (SAIP)

GAFSP Amount: US\$26.3 million grant

*Supervising Entity:* World Bank (US\$24.8 million) and FAO (US\$1.5 million)

GAFSP Grant Awarded: March 2017

*First Disbursement of GAFSP Funds:* None as of December 31, 2018

Project Status: Under implementation

**Project Description:** The Sustainable Agricultural Intensification for Improved Livelihoods, Food Security, and Nutrition Project (SAIP) consolidates and expands the results of the Land Husbandry, Water Harvesting, and Hillside Irrigation Project (LWH) and other projects focused on the sustainability and self-reliance of farmers' organizations, cooperatives, and rural institutions providing services to farmers, who are the main drivers of rural development. About 38,000 farmer households will directly benefit from the project, while 200,000 family members of the targeted households will be indirect beneficiaries, of whom approximately 88,000 are expected to be women. SAIP strengthens the capacity of existing farmers' organizations and public extension services, strengthens agricultural value chains, and emphasizes postharvest handling, processing, and marketing systems as well as linkages with the private sector. The project also scales up irrigation activities and increases irrigation outreach, increases the availability of consumption of nutritional foods, diversifies income-generation means, and supports rural financial institutions to provide services. The project focuses on the following value chains: (a) vegetables and fruits for the domestic, regional, and international markets; (b) maize for domestic and regional markets; (c) Irish potato for domestic and regional markets; and (d) beans for domestic markets.

*Results:* The project is still in its early stage of implementation with no direct beneficiaries reported as of yet.

# **AIFL Processing Facility**

GAFSP Amount: US\$3.5 million (in local currency) Supervising Entity: IFC (US\$13 million) Board Approval: December 2014

#### Status: Fully disbursed

Project Description: The Africa Improved Foods Limited (AIFL) project finances the construction of a processing plant to produce fortified blended food in Rwanda, one of the world's poorest and most densely populated countries. The plant, which will have a capacity of 45,000 tons, will source raw material from local farmers and provide additional income opportunities to rural communities in Rwanda. The total cost of the project is estimated at US\$66 million, including working capital. IFC and GAFSP will provide up to US\$16 million, of which the greater portion will be senior debt and the lesser in the form of equity. GAFSP's investment allows the provision of much needed long-term capital during the riskier stages of the project and until AIFL begins operating on a fully commercial basis.

**Results:** The project will produce fortified blended food to feed 700,000 children annually, supporting the prevention and treatment of malnutrition among the most vulnerable populations in Rwanda. If consumed on a regular basis, these maize-based fortified cereal products for infants can help prevent chronic malnutrition. The project will also increase access to high-quality nutritional products among African urban and rural populations. The project will support additional income opportunities for 12,000 farmers who supply raw material (maize and soy) to the plant. The processing plant will also provide employment to more than 235 full-time employees.

## AIFL Rwanda Farmer Financing Facility

#### GAFSP Amount: US\$1.3 million

*Supervising Entity:* IFC (US\$2.7 million) *Board Approval:* January 2015 *Status:* Fully disbursed

Project Description: In 2015, IFC and GAFSP invested in a program with KCB Bank Rwanda to help Rwandan farmers' cooperatives gain access to the financing and training they need to expand food production. KCB Bank Rwanda offers affordable financing to 11 farmer cooperatives in eastern Rwanda, helping more than 12,000 smallholder famers gain access to improved seeds and fertilizer and to training in better farming practices. The cooperatives will supply maize and soybeans to a GAFSP-funded food processing plant that aims to produce fortified cereals for people suffering from malnutrition, particularly babies and young children. The bank's loans will help farmers gain working capital for seeds, fertilizers, land preparation, weeding, and harvesting, among other things. In addition, farmers will receive technical advice through a comprehensive advisory services program provided

by IFC and other partners. IFC, with support from GAFSP, plans to support the construction and operation of the processing plant, which will have a capacity of 45,000 tons. The fortified cereal will be distributed through guaranteed sales agreements with the World Food Programme (WFP) and the Government of Rwanda.

**Results:** The project will address food insecurity in eastern Rwanda through improved access to agricultural inputs and better farming practices for more than 12,000 smallholder farmers. Through seasonal financing and technical assistance, participating farmers are expected to more than double production yields for maize and soybeans and to reduce postharvest losses, thereby earning higher and more stable revenues. The increased maize and soybean yields will be used to support the production of fortified cereals at the GAFSP-funded AIFL processing plant. These cereals will be made available to populations suffering from malnutrition.

## Senegal

# Food Security Support Project in Louga, Matam, and Kaffrine (PASA Lou/Ma/Kaf)

GAFSP Amount: US\$40 million grant Supervising Entity: African Development Bank GAFSP Grant Awarded: May 2012 First Disbursement of GAFSP Funds: January

2014

#### Project Status: Under implementation

**Project Description:** The Food Security Support Project in Louga, Matam, and Kaffrine (PASA Lou/Ma/ Kaf) works to improve food security as well as rural incomes by targeting three weather hazard-prone regions, where there are nearly 2 million inhabitants and over 3 million ruminants. The project is expected to reach 390,000 poor people, 40 percent of whom are expected to be women. About 30,000 agro-pastoralists, including 13,000 women and 5,000 youth, will be directly affected by the project, which strengthens the resilience of local ecosystems to climate change. It improves the access of small-scale producers, women, and farmers' organizations to a wide range of agricultural and livestock infrastructure such as drip irrigation through boreholes and market gardens (mini-boreholes, wells), lowland development for rice and horticultural farming developed through the establishment of impounding sills and anti-salt dams, and constructed or rehabilitated livestock boreholes equipped with drinking troughs. The project also strengthens mechanisms for extension services, supports advisory service in developed sites, creates jobs for youth, organizes producers (farmers and breeders), and processes and carries out marketing of the produce.

**Results:** To date, the following outcomes have been achieved to strengthen resilience and intensify agricultural production systems: (i) controlling access to productive water (15 boreholes, 22 lowlands and 7 managed ponds); (ii) sustainable management of natural resources (25 pastoral units); (iii) fight against

bush fires (sensitization through 8 radio partners and village meetings, committees, equipment, 958 km of firewalls); (iv) sector approach support for local poultry, milk, small ruminants, rice growing, and market gardening (animal health, 15 stables, 77 poultry houses, 121 sheep pens, 2 dairies, 40 farms, 22 waterworks mobilizing water over a potential of about 3,000 ha in the lowlands, 89 units of plowing and post-harvest equipment, 5 grain storage and 7 grouping centers, 13 market gardening perimeters for women, 20 motor-mowers, ); (v) processing and marketing of products (shellers and 2 dairies); and (vi) strengthening the technical and organizational capacity of about 50,000 livestock farmers. The project has created 1,635 jobs in harvesting, agricultural processing, labor-related services, and the processing of agricultural production (shelling, threshing, etc.). The project is expected to create 2,900 jobs in total, particularly in the Kaffrine Region where rice crops and vegetable crops are being developed. The project established 24 partnerships covering areas such as natural resource management, agricultural extension, strengthened resilience, communication, land management, food security, nutritional management of soils, and renewable energy. The project is in the last year of implementation and is focusing on adjustments to the irrigation infrastructure, on training in the use and maintenance of the infrastructure, on additional empowerment activity of women groups, on impact studies, and on the preparation of follow-on operations.

## **GWFP I BICIS**

GAFSP Amount: US\$3 million Supervising Entity: IFC (US\$10 million) Board Approval: December 2012 Status: Disbursed

**Project Description:** In Senegal, IFC and the Private Sector Window of GAFSP will guarantee up to US\$20 million in loans made by Banque Internationale pour le Commerce et l'Industrie du Senegal (BICIS). This risk sharing facility will enable BICIS to increase its short-term financing operations to agricultural clients and will guaranteed up to 50 percent of BICIS's warehouse finance transactions, including rice and sugar imports. The project will support food security across Senegal by increasing food availability through reduced food storage losses, support farmers' income, and increase market access for producers.

## Kirene

GAFSP Amount: US\$1.65 million Supervising Entity: IFC (US\$3.3 million) Board Approval: May 2017 Status: Fully disbursed

**Project Description:** In 2017, IFC and the GAFSP Private Sector Window provided €5.6 million in financing to Kirene, a Senegalese company, to undertake a modernization project to upgrade its environmental and social infrastructure, debottleneck its processing and warehousing capacity, and increase **Results:** The main beneficiaries of this project will be importers of food crops and exporters of cash crops, who will be offered affordable finance as an alternative to expensive informal loans from middlemen. By financing more working capital to farmers, suppliers, processors, traders, and others along the supply chain, the project will positively impact food security, employment, and the livelihoods of many small farmers. This project will help to reduce postharvest losses by improving storage conditions and stakeholder accountability. It will allow commodity owners more freedom in timing the sale of their products, thus helping reduce income instability due to commodity price volatility—a big concern in markets such as Senegal where agricultural infrastructure is limited. The initiative will support capacity building of commodity exchanges and help to lower transaction costs in markets by guaranteeing quantity and quality.

its sourcing from the local smallholder mango supply chain. The combined GAFSP/IFC funding strengthens the mango and dairy value chains through Kirene's expansion. Technical assistance provided by IFC will support Senegal's farmers, smallholders, collectors, transporters, and farmer organizations in these value chains through job creation and increased income. This blended finance solution will further Kirene's vertical integration for mango pulp and locally sourced dairy, which will partly reduce dependence on imports over time, offering import substitution in Senegal. Kirene's expansion also has the potential to boost the mango value chain by sourcing mangoes from Burkina Faso and Mali, and selling them to Nigeria and Ghana.

**Results:** Over 500 smallholder mango farmers are expected to be reached by 2019 through Agrofruits, the fully owned subsidiary of Kirene that sources local mangoes and processes them into mango pulp supplied to both Kirene for its juice production and to third parties abroad. As the majority of the mangoes sourced by Agrofruits are not suitable for sale in the export or local market, the company is tapping a

supply that would otherwise go to waste. Agrofruits' sourcing of local mangoes supports the work of collectors, transporters, suppliers of inputs, and others, representing a total of over 1,200 indirect jobs. Total direct employment generated by this project is projected to reach over 4,000 by 2021, generating additional income for those smallholder farmers, distributers, and retailers. Through increased productivity and reduced losses in the agribusiness value chain, the project is expected to enhance food security in rural areas.

## **ACEP** Microfinance

**GAFSP Amount:** US\$3.4 million, in local currency

*Supervising Entity:* IFC (US\$3.4 million, in local currency)

Board Approval: June 2017

Status: Partially disbursed

**Project Description:** The investment consists of a local currency loan, jointly provided by GAFSP Private Sector Window and IFC to support Union des Mutuelles Alliance de Credit et d'Epargne pour la Production Senegal (UM-ACEP), the second largest credit cooperative in Senegal. The project will support the company's lending program to micro, small, and

medium enterprises (MSMEs) primarily active in Senegal's agriculture sector, enhancing the bank's strategic focus on MSMEs and expanding its reach in agribusiness as a way of further reaching Senegal's underserved communities.

**Results:** This project will enhance access to financial services for MSMEs and potentially women in the agribusiness space, supporting underserved market segments that have traditionally been hard to reach by IFC and where some of the most vulnerable members of the agricultural value chain participate. This is expected to lead to job creation, income generation, and inclusive growth in Senegal.

## Sierra Leone

## Smallholder Commercialization Program (SCP)

#### Amount: US\$50 million grant

*Supervising Entity:* International Fund for Agricultural Development

GAFSP Grant Awarded: June 2010

## *First Disbursement of GAFSP Funds:* December 2011

#### Project Status: Under implementation

**Project Description:** The Government of Sierra Leone developed the Smallholder Commercialization Program (SCP) as part of its National Sustainable Agriculture Development Plan. SCP is a flagship sector program aimed at empowering the rural poor to increase their food security and income on a sustainable basis, leading to long-term economic develop-

ment and poverty reduction. It focuses on the intensification, diversification, and commercialization of smallholder agriculture through improving value addition and access to marketing. The project provides capacity building to extension workers and farmers utilizing Farmer Field Schools, strengthens agrobusiness centers (ABCs) that serve as bulking center for input and output marketing, equipment rental, and communication, and provides technical advisory services for production and processing. SCP provides on-farm water management including the construction of carefully planned structures such as peripheral canals, inlet and outlet structures, etc. that contribute toward the rehabilitation of perennial Inland Valley Swamps (IVS). It also strengthens IVS associations to ensure the maintenance of rehabilitat-

ed structures and trains youth contractors to carry out IVS development services. Finally, the project strengthens financial service associations and community banks to increase access to affordable financial services.

**Results:** SCP has improved and rehabilitated irrigation and drainage services on 1,150 hectares for a total of 5,256 water users. The project is piloting and integrating climate change adaptation technologies, such as rainwater harvesting and supplementary irrigation. The project has established 15 Financial Services Associations and 4 Community Banks resulting in 34,025 clients accessing financial services, of which 42 percent are female households. It has also rehabilitated 6,300 hectares of tree crops that are disaggregated as follows: 2,800ha of cocoa, 3,000 ha of new oil palm, and 500ha of cashew plantations. Approximately 104 individuals drawn from 52 ABCs and 20 private sector players involved in different value chains have received B2B training to strengthen their collaboration. Nearly 540 youth contractors, 30 service providers, and about 12,000 people are benefitting from the cash-for-work scheme under IVS and tree crop rehabilitation. The project will contribute to job creation for young people as contractors and development service providers. The project has provided training on tree crop rehabilitation and management practices and tree nursery establishment/management for the tree crop youth contractors. Furthermore, youth are being trained and employed as operators for postharvest equipment and as management staff. The project has reached 377,412 poor people, of whom about 47 percent are women. It is expected to benefit 500,000 people, one-half of them women. The project aims to reduce the supply-demand gap in rice and increase incomes by 10 percent for 100,000 farm households.

## **Solomon Islands**

## NFD/Soltuna

GAFSP Amount: US\$15 million Supervising Entity: IFC (US\$15 million) Board Approval: June 2017 Status: Fully disbursed

Project Description: Supporting a more productive and resilient fisheries sector in the Solomon Islands has the potential to sustain livelihoods, improve nutrition, and increase government tax revenues. In the long term, investment in the fisheries sector is expected to contribute to the security and equity of the country. In 2017, IFC and GAFSP made an investment of US\$10 million to National Fisheries Developments Ltd (NFD) to support sustainable tuna production and employment in the Solomon Islands. The new financing helps fund the purchase of new fishing vessels and ensures maintenance of the existing fishing fleet. IFC will provides advisory services to promote best practices in environmental and social risk management. The investment consists of a blended finance package of up to US\$30 million for NFD, consisting of support from IFC and GAFSP of US\$15 million each. The funding was made across three separate US\$10 million commitments and disbursements, the first of which was made in 2017.

The funding allows the purchase of up to three new fishing vessels and will expand NFD's capacity by nearly 70 percent.

**Results:** This project creates new jobs, especially for women, in the Solomon Islands. The addition of a new fishing vessel, which has already been purchased, will increase NFD's catch volume by some 8,000 metric tons per year and will require 30 fishermen to operate the vessel. The increased processing throughput downstream at SolTuna, a tuna processor and NFD sister company, will require about 200 new staff, mostly women. Considering the lack of private sector employment opportunities in the Solomon Islands, job creation at both companies is an important factor that will impact the local community. The additional two fishing vessels, planned to be purchased in FY18, are expected to have a similar impact on catch volume, processing throughput, and job creation at NFD and SolTuna. In addition, local farmers and their families will be included in NFD and SolTuna's internal supply chains, as both companies will source agricultural produce and food products locally for their employees.

## **Tajikistan**

## Public Employment for Sustainable Agriculture and Water Resources Management II (PAMP II)

Amount: US\$27.9 million grant
Supervising Entity: World Bank
GAFSP Grant Awarded: June 2011
First Disbursement of GAFSP Funds: July 2013
Project Status: Under implementation

**Project Description:** The Public Employment for Sustainable Agriculture and Water Resources Management II (PAMP II) project is part of a comprehensive reform program, initiated by the Government of Tajikistan, to create an efficient and sustainable water resource management system and to provide better irrigation services to the country's farmers. Through infrastructure and institutional support, the project provides employment opportunities to food insecure people through the rehabilitation of irrigation and drainage infrastructure, increased crop production through improved irrigation, and improved food availability and food access for low-income people in poor rural areas.

**Results:** To date, the project has contributed to the improvement and rehabilitation of 240,060 hectares of irrigation and drainage services. A 10 percent increase in crop yields is expected in these rehabilitated, irrigated areas. In addition, emergency flood control measures are expected to reduce the risk of flooding for approximately 400 urban households as well as agricultural land and irrigation systems supported through the project, building communities' resilience to climate change impacts. To support

institutional development for water resources, the project has supported the Government in drafting the Water Code for submission to Parliament. In addition, 130 water user associations (WUAs) have been strengthened through a series of trainings, institutional restructuring, mentoring, construction of offices, and landscaping activities provided under the project. To address flood-related restoration, the project has cleaned and leveled over 550 kilometers of collector and drainage channels, rehabilitated nearly 170 kilometers of irrigation canals, installed over 1,400 water outlet gates and measurement devices, and rehabilitated flood channels and emergency embankments. The project also successfully completed rehabilitation and renovation of 11 pumping stations in Jomi, Panj, Jilikul (Dusti), and Yovon districts. By the end of the project, the public works program will directly benefit an estimated 1,343,450 people through the provision of at least 880,000 days of temporary work. A rigorous selection procedure will ensure that these beneficiaries are drawn from the most food insecure elements of the rural population-with at least 20 percent being women. To date, approximately 28,443 beneficiaries of public works program signed labor agreements in 17 project districts, which generated 994,988 person-days of employment and cleaned 7,969 kilometers of canals manually. To date, over 1.4 million people have benefited, of whom 48 percent are women, surpassing the goal to reach 1,343,450 people, including 20 percent women.

## Tanzania

## **Expanding Rice Production Project (ERPP)**

Amount: Us\$22.9 million grant Supervising Entity: World Bank GAFSP Grant Awarded: May 2012 Project Effectiveness Date: April 2016

Project Status: Under implementation

**Project Description:** The Expanding Rice Production Project (ERPP) aims to increase rice produced and

marketed in targeted areas of Morogoro on the Tanzanian mainland and on Zanzibar, leading to improved rural incomes and food security. This will be achieved through activities related to sustainable seed systems, improved crop productivity through better irrigation and crop management, and innovative marketing strategies. The project includes efforts to manage the irrigation scheme as a block, to facilitate

bulk purchase of inputs, and to coordinate crop sales through a warehousing program. The project contributes to climate change adaptation by supporting improved irrigation and water management systems. The project is anticipated to ultimately support about 165,345 people producing irrigated rice on 18,500 hectares of land on Tanzania's mainland and on Zanzibar. Project monitoring systems will evaluate the participation of female farmers in the targeted irrigation schemes and assure that women do not lose access to land when productivity and incomes rise.

*Results:* The project promotes improved water use efficiency in irrigated rice production by supporting the System of Rice Intensification (SRI), which can reduce water use by up to 50 percent. The project has provided training to farmers on SRI as well as the required infrastructure input needed to adopt the new technology. On the mainland, some 11 improved rice varieties were promoted using SRI, which involved training of 6,100 farmers on SRI in 40 irrigation schemes as well as planting of 76.6 hectares of land for seed multiplication, which produced 39.55 tons of pre-basic seeds. The project also provided 48.4 tons of basic seeds and 156 tons of certified seeds, distributed 75 tons of fertilizer and 5.7 tons of rice seed in 1,152 demonstration plots, and 311 members of irrigation organizations have been trained on operations and maintenance. In Zanzibar, the project has promoted two new rice varieties, which involved the training of 3,600 farmers on SRI technologies in 380 demonstration plots and the distribution of 14.8 tons of fertilizer and 0.76 tons of seeds in demonstration plots. Also in Zanzibar, one ton of basic seeds was produced, and 30 contract seed grower's farms were inspected. Further, 880 farmers were trained on land preparation, variety selection, and harvesting. Approximately 3,000 leaflets, 2,000 brochures/books, and 8 banners were produced to promote rice varieties most preferred by farmers (SUPA BC and SARO 5), and the seed equipment for the ZARI-Kizimbani seed laboratory were procured and delivered.

## Tanzania Initiative for Preventing Aflatoxin Contamination (TANIPAC)

*GAFSP Amount:* US\$20 million grant Supervising Entity: African Development Bank GAFSP Grant Awarded: March 2017 First Disbursement of GAFSP Funds: None as of Dec. 2018

#### Status: Under implementation

Project Description: The objective of the Tanzania Initiative for Preventing Aflatoxin Contamination (TANIPAC) project is to minimize aflatoxin occurrence in the food system through an integrated approach in the maize and groundnuts value chains with the overall impact of improving food safety and food security, which will ultimately improve the health and nutrition of the communities, improve agricultural productivity, and boost trade. Through the infrastructure development component, TANIPAC rehabilitates the Bio-control Unit, establishes a postharvest center of excellence for grains, establishes a central agriculture reference laboratory for enabling mycotoxin control along the food production and supply chain, and constructs and equips two warehouses in Zanzibar and 12 on the Tanzanian mainland. The

project also carries out public awareness and education on the subject of food safety, nutrition, and aflatoxin mitigation. The private sector's role in monitoring and quality control at all segments of the value chains is important. The project establishes partnerships with commercial buyers to support advocacy and disseminate new technology on both mainland and Zanzibar. The project expects to benefit about 60,000 farmers in five regions of Tanzania's mainland and two districts on Zanzibar.

*Results:* The project is still in its early stage of implementation with no direct beneficiaries reported as of yet.

## **GWFP NMB**

#### GAFSP Amount: US\$14 million

Supervising Entity: IFC (US\$21 million) Board Approval: June 2017 Status: Committed

**Project Description:** In Tanzania, IFC and the GAFSP Private Sector Window will provide up to US\$35 million in financing for a short-term agri-finance facility under the GWFP to the National Microfinance Bank (NMB), Tanzania's second largest bank with a network of 189 branches and a focus on micro, small, and medium enterprises (MSMEs) and the agri-business sector. The project will allow NMB to extend credit to support traders, aggregators, and farmer cooperatives based in Tanzania, an IDA-only country. This is expected to improve market access for medium-sized domestic traders and farmer cooperatives and increase the incomes of smallholder farmers while also better integrating them into the global supply chain.

*Results:* Through access to longer-tenor loans, small and medium enterprises (SMEs), including wom-

en-owned enterprises, will have greater flexibility in making investments to develop their businesses and to improve productivity and income generation. Additionally, the project will help NMB extend banking services to outlying and underserviced communities as the bank increases its reach through alternative banking channels and platforms.

This project will contribute to the working capital needs of the agricultural supply chain in Tanzania, helping to grow NMB's activities in agri-lending. The improved availability of credit will continue to support growth and will promote employment and the generation of higher incomes in the agriculture sector. The low banking penetration in a number of NMB's target markets gives the potential for robust returns and high development impact. The project will also better integrate Tanzanian smallholder farmers into the global supply chain for key export cash crops such as coffee and cashews. The project will promote food security by reducing postharvest losses and promoting efficiency in agri-infrastructure and storage systems.

## **GWFP CRDB**

GAFSP Amount: US\$10 million Supervising Entity: IFC (US\$15 million) Board Approval: April 2014 Status: Fully disbursed

**Project Description:** Tanzania's economy is highly dependent on agriculture, contributing about 30 percent to GDP and employing approximately 80 percent of the working population. The Cooperative Rural Development Bank (CRDB) has the largest agribusiness lending portfolio in Tanzania with over 800 clients, including small and medium enterprises (SMEs) and farmer cooperatives. In addition, CRDB has 14 years of warehouse financing operations, using

warehouse receipts or Collateral Management Agreements as collateral. CRDB also maintains the largest warehouse financing portfolio in Tanzania in the coffee, cashew nut, and cotton sectors. In April 2014, GWFP extended a one-year, renewable US\$25 million funded line including US\$10 million from GAFSP to support CRDB's agricultural finance business. Through this IFC facility, CRDB can extend loans to local exporters as well as to farmer cooperatives, which typically have fewer financing options than global traders.

*Results:* This project is expected to reach approximately 5,640 farmers.

### **Timor-Leste**

## Sustainable Agriculture Productivity Improvement Project (SAPIP)

*GAFSP Amount:* US\$21 million grant *Supervising Entity:* World Bank (US\$21 million) *GAFSP Grant Awarded:* November 2014 *First Disbursement of GAFSP Funds:* March 2017

#### Status: Under implementation

**Project Description:** The objective of Sustainable Agriculture Productivity Improvement Project (SAPIP) is to improve incomes as well as food security and nutrition in select areas of Timor-Leste by improving country-led public sector investments to increase smallholder agricultural productivity, by empowering farmers and linking them to markets, by strengthening adaptive research and extension institutions, by reducing risk and vulnerability, by improving nonfarm rural livelihoods, and by strategically deploying technical assistance. SAPIP supports municipal and watershed agriculture development planning, farm development initiatives, small-scale infrastructure and farm equipment, and the Ministry of Agriculture's planning, financing, monitoring, and coordination functions. It focuses on improved watershed management to enhance livelihoods and to reduce climate-related vulnerability by improving water management and supporting agro/social forestry and commercial forestry for environmental rehabilitation. Activities also include developing and strengthening farmer groups, associations, and cooperatives, which will engage women and young people as well.

**Results:** After an initial delay due to the national election, the project has begun implementation on the ground. Two non-governmental organizations, Oxfam and Hivos, have been contracted to to support the implementation of project activities in watershed management planning. FAO is also supporting the Government in strengthening the its monitoring and evaluation functions.

## Togo

## Agriculture Sector Support Project (PASA)

*Amount:* US\$19 million grant *Supervising Entity:* World Bank *GAFSP Grant Awarded:* June 2010 *First Disbursement of GAFSP Funds:* March 2012

#### Project Status: Closed (in December 2016)

**Project Description:** Togo's Agriculture Sector Support Project (PASA) rehabilitated and reinforced productive capacities across selected value chains and fostered an enabling institutional environment for agriculture sector development. The project supported the Government's National Agriculture and Food Security Investment Program, which aimed to improve strategic food crops, export crops, and freshwater fish. Through the provision of support for capacity building and coordination, the project enabled the institutional set-up for sound agricultural investments. The projects supported the following activities: the marketing of rice and maize and traditional export crops like cotton, coffee, and cocoa; freshwater fish farming by facilitating access to production technologies, training, critical inputs, land security, and financial resources from local banks; and capacity building of the Ministry of Agriculture, Livestock, and Fisheries to manage the implementation of its national investment plan and to rehabilitate the productive capacity of strategic food and export crops as well as freshwater fish production.

*Results:* As a result of better access to farm inputs and improved farming practices under PASA, rice yields increased by 30 percent. Other key achievements include increased employment opportunities (permanent jobs and seasonal employments) in rural areas for youth (farm seasonal labor) and women (processing of paddy rice). The project enabled 13,979 beneficiaries to become members of an association or cooperative. For the coffee and cocoa sectors, key achievements included the rehabilitation of 17,174 hectares of coffee and 11,578 hectares of cocoa plantations using improved planting material and the reform of coffee/ cocoa value chains. Key achievements included 6,951 tons of freshwater fish production (far exceeding the project target of 2,500 tons) and an increased livestock population of over 64,000 small ruminants

and about 181,775 poultry. The project benefited 877,191 people, of whom 13 percent were women, surpassing the target of 525,700 beneficiaries in total. The project recorded increased employment opportunities in rural areas for youth and women, particularly in the areas of farm seasonal labor and paddy rice processing, respectively.

## Rural Development Support Project (PADAT)

Amount: US\$20 million grant Supervising Entity: International Fund for Agricultural Development GAFSP Grant Awarded: June 2010 First Disbursement of GAFSP Funds: December 2011

#### Project Status: Closed (in June 2017)

**Project Description:** The Rural Development Support Project (PADAT) contributed to improving the food security and income generation for smallholder farmers through the development of the rice, maize, and cassava value chains. This objective was attained through increased production and productivity as well as through the improved processing and marketing of crops. In addition, PADAT mainstreamed climate change adaptation into its interventions through collaboration with the Global Environment Facility.

**Results:** At the end of the project, IFAD rated the projected as Moderately Unsatisfactory. Some activities, such as the distribution of the Quick Start Kits, achieved their intended objectives focused on the improvement of production and productivity of maize and rice. However, value-addition activities were less successful as the quality of some imported equipment did not meet the needs of the beneficiaries and most of the markets built were not yet operational at the end of the project. By the end of the project, PADAT had reached over 327,740 beneficiaries, of whom

about half were women. For the beneficiaries of the successfully implemented Quick Start Kits, (i) food insecurity was reduced by at least 1 month per year and in some regions by 1.5 months, (ii) the share of children with chronic malnutrition decreased from 37.9 percent to 24.6 percent from 2012 to 2016, (iii) the rate of households with months of food insecurity decreased from 84 percent in 2012 to 62 percent in 2016, (iv) and the total production of rice and maize grew from 704.56 kg/producer in 2011 to 1,504.9 kg/ producer in 2016 for maize and from 668 kg/producer in 2011 to 1,057.6 kg/producer in 2016 for rainfed rice.

Lessons learned include the following. The weak coordination of PADAT's numerous financial partners (IFAD, GAFSP, GEF, West African Development Bank (BOAD), and ECOWAS Bank for Investment and Development (EBID)) was the main cause of the poor economic performance of the supported value chains. The combination of Quick Start Kits and warrantage was an effective approach to improving the resilience of vulnerable groups to market price fluctuations. Finally, and (iii) on the replenishment of the Quick Start Kits, a mechanism to ensure sustainable access to inputs for the most vulnerable was needed given the risk of a gradual erosion of the rate of recovery in the absence of a systematic anchoring of Quick Start Kit beneficiaries in cooperatives and their umbrella organizations.

## Uganda

## Multisectoral Food Security and Nutrition Project (UMFSNP)

#### Amount: US\$27.6 million grant

Supervising Entity: World Bank GAFSP Grant Awarded: September 2013 First Disbursement of GAFSP Funds: July 2015 Project Status: Under implementation

Project Description: Uganda's Multisectoral Food Security and Nutrition Project (UMFSNP) increases the production and consumption of micronutrient-rich foods, including African indigenous vegetables, high-iron beans, and orange-flesh sweet potatoes as well as increase the use of community-based nutrition services in smallholder households in project areas. The focus is on promoting short-term changes in high-impact nutrition behaviors and practices that are known to contribute to the medium- and long-term reduction of stunted growth in young children. UMFSNP distributes start-up materials to increase household production of nutritious foods while implementing targeted nutrition and health education through schools and community-based agriculture extension and health services. The project also supports community-led school demonstration gardens, the education of women's groups, and the scaling up of micronutrient supplementation.

Results: So far, 768,000 people, 15 percent of whom are women, have benefited from the project. The project is expected to reach 1,140,000 people, 28 percent of whom will be women. The project targets smallholder households around participating public primary schools in selected districts. Primary beneficiaries include vulnerable populations of pregnant and lactating women and children under the age of two, as well as primary school children, parent groups, and farmers. To date, 107,812 children under two years old have participated in the growth monitoring and promotion activity, 10,500 farmers have multiplied or produced 36,000 kilograms of micronutrient rich seed/planting materials, 30,469 girls (4th grade and above) have received weekly iron folic acid supplements through primary schools, 426,086 people have received improved nutrition services such as training in breastfeeding practices, health care, post-natal care, maternal nutrition care, and 1,600 cooking demonstrations have been carried out in communities. Finally, 3,000 parent groups have been established, which have trained 26,400 women in nutrition sensitive agriculture.

## **Pearl Dairy**

GAFSP Amount: US\$4 million Supervising Entity: IFC (US\$4 million) Board Approval: November 2013 Status: Fully disbursed

**Project Description:** This project invests in Pearl Dairy Farms, a milk processor in Uganda, to support the operations of its milk processing plant and the establishment of milk collection centers. Pearl Dairy set up the second largest milk processing plant in Uganda with a capacity of 240,000 liters of milk per day and is producing mainly milk powder and butter oil. The plant launched trials in April 2013 and commercial production in June 2013. Pearl Dairy is building milk collection centers along with cold chain infrastructure to facilitate milk collection from remote smallholder farms.

**Results:** The project will improve the livelihoods of more than 10,000 farmers in remote rural areas by providing market access and technical support, create more than 150 direct jobs, and increase the nutritional intake of local residents through consumption of milk and other dairy products.

### Yemen

### Smallholder Agricultural Productivity Restoration and Enhancement Project (SAPREP)

*Amount:* US\$36 million grant *Supervising Entity:* World Bank *GAFSP Grant Awarded:* September 2013 *First Disbursement of GAFSP Funds:* August 2017

#### Project Status: Under implementation

Project Description: The project increases the adoption and use of productivity-enhancing crop and livestock practices by smallholders in targeted project areas. This is carried out through community subprojects and investments that protect land and water assets, contributing to crop and livestock productivity. SAPREP is being implemented in-country by FAO and the Yemen Social Development Fund. It is expected that about 630,000 people will directly benefit from SAPREP investments, subprojects and services, of whom at least 30 percent will be women. The project includes several activities and subprojects that contribute to its outcomes. First, community land and water management such as use of terraces, the construction of water-harvesting structures, and small-scale irrigation subprojects will reduce water consumption. Livestock production improvements such as expansion of the availability and reach of community animal health workers, improved livestock feeding, and support to community-based activities such as beekeeping will improve yields and nutrition.

Community-based research and extension will introduce or expand improved rainfed staples, ensure higher nutrition content, and provide higher-value crops through village seed banks, demonstration plots, and the production of agricultural inputs such as locally adapted seeds for higher-productivity cereals cultivation. Finally, the project provide value addition to support community cooperatives and associations engaged in business development, horticulture marketing, sales of improved livestock products, and other activities that improve the value of agricultural products.

**Results:** To date, 4,270 poor people have benefitted from the project, of whom about 40 percent have been women. Based on a needs assessment survey, which identified priority interventions, 47,333 farmers received staple seeds, backyard poultry, and small ruminants packages, 4,000 farmers have been provided with improved forage seeds, and 8,260 households have benefited from the rehabilitation of community water infrastructure. The water infrastructure activities are implemented as labor-intensive subprojects either through community contracting or cash-for-works mechanisms. The project has delivered equipment to enhance animal husbandry practices to livestock owner groups accompanied by training and vaccines for about 4.9 million animals.

## Zambia

## Agriculture Productivity and Market Enhancement Project (APMEP)

Amount: US\$31.1 million grant

Supervising Entity: African Development Bank GAFSP Grant Awarded: September 2013 First Disbursement of GAFSP Funds: December 2014

Project Status: Under implementation

**Project Description:** The Agriculture Productivity and Market Enhancement Project (APMEP) contributes to

economic growth and poverty reduction by enhancing food security, income, and nutrition among participating households. APMEP achieves this objective through the development of irrigation, aquaculture, and livestock production support, through crop diversification and intensification, through value chain development to promote agro-processing, and through agriculture service centers. It supports the establishment of infrastructure to create job opportu-

nities including the construction of three livestock service centers in Chongwe, Chitambo, and Gwemb. The continued establishment of irrigation schemes and construction of agro-market centers, roadside markets, and access roads are expected to create more job opportunities for local communities. APMEP also supports strong nutrition and capacity-building subcomponents that provide a number of sensitization and training sessions as well as deliver improved planting materials and technologies to farmers.

**Results:** To date, 45,650 people, 42 percent of whom have been women, have benefited from the project. It is expected to directly benefit about 75,000 people, including 33,750 women and 2,000 youth. The project has provided irrigation management and operations trainings for 90 staff and farmers in catchment

districts and established 10 water user associations (WUAs) at 12 irrigation sites. To date, 3,122 hectares of land have been leveled. The project has implemented an e-voucher system that has reached 4,500 farmers and input packs that cover 12,151 hectares of land crop diversification and intensification. To stock more than 40 farm ponds, the project has delivered simple food processing and preparation equipment and 320,000 fingerlings in Rufunsa, Chitambo and Serenje and 30,000 fingerlings to farmers in Chitambo. Heifer International has been engaged in livestock (sheep/ goats) activities where 80 livestock pass-on groups (71 women and 9 youth) and 65 poultry keeping groups have been formed, and 2 livestock service centers have been established.

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