

Lao People's Democratic Republic Peace Independence Democracy Unity Prosperity

Ministry of Finance

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Ms. Natasha Hayward Program Head Global Agriculture and Food Security Program (GAFSP) Coordination Unit The World Bank Group

Subject:

Country Submission of Funding Proposal for the Agriculture for Nutrition

Project (AFN) Phase-II under the 6th GAFSP Call for Proposals

Dear Ms. Hayward,

Following the announcement of the 6th call for Proposals for Public Window of Global Agriculture and Food Security Program (GAFSP), published on 20 May 2021, we are pleased to submit herewith the country-led Funding Proposal for the Agriculture for Nutrition II project.

The Government of Lao PDR (GOL) remains committed to increase the income and improve food security of Lao people nationwide, namely the poorest and the most vulnerable groups, through country-led public and public sector investments, aimed at raising food production, linking smallholders to markets, reducing risks and vulnerabilities, improving nutrition and management of natural resources.

On this occasion, on behalf of the GOL, I would like to express sincere thanks and gratitude to GAFSP for financial support of USD 30 million and also additional funding support of USD 3.8 million contributing to reduce extreme poverty and malnutrition in the poorest communities in the four northern provinces (Oudomxay, Xiengkhuang, Houaphanh and Phongsaly) and to specifically respond to COVID-19 pandemic impacts through scaling-up of existing, successful project activities, specifically targeting women, poor households, and smallholder farmers in the four AFN provinces.

It is of importance to note that AFN, with financial support of GAFSP and with IFAD and World Food Programme (WFP) as key supervising entities, is implemented in 400 villages of 12 districts in the four northern provinces from late 2016 and will come to an end in December 2022. The project is on track to reach or exceed the quantitative targets and the likelihood of reaching its Development Objective is rated satisfactory (5/6). The AFN performance is on track with financial achievements of 91.3% of the GAFSP funds managed by IFAD and the WFP (as of June 2021).

With these achievements made and in view of the project closing date in 2022, there are several successful areas of AFN-I that can be scaled-up and scaled-out in new geographic areas, such as the Farmer Nutrition School (FNS), continuation and functionality of the supported Provincial Nutrition Committees (PNC) and District Nutrition Committees (DNC); integration of the District and Village planning activities into multi-sectoral, nutrition-sensitive plans; development of Agriculture Production Groups (APG) in expanded project areas with more specific focus on-farm demonstrations and establishment of local service providers such as Lead Farmers and Village Technicians together with more financial support in the form of matching grants to the supported APGs, development of Private Public Partnerships in the agriculture sector and strengthening of market linkages. Furthermore, due to the anticipated economic impacts of the COVID-19 pandemic, the AFN-II Project will particularly support activities that are climate resilient, support smallholder farmers, improve the nutritional status of women and children and build capacities to increase the empowerment of women and girls and in general seek to "build-back-better" local food systems.

Thus, the proposed AFN-II Project will build on the lessons learned and achievements of the first phase. AFN-II Project interventions will continue to focus on the implementation of the four nutrition-sensitive agricultural activities within the 23 priority interventions under the new "National Plan of Action on Nutrition" (NPAN) 2021-2025. The project will specifically empower women and girls to sustainably achieve better household nutrition outcomes, through implementation of nutrition-sensitive agriculture interventions and sustainable management of the available natural resources in the communities. This will be achieved through the implementation of three inter-linked Project Components: 1) Community-Driven Agriculture and Natural Resources-Based Nutrition Interventions Establishment; (2) Business Partnerships and Market Access improvement; and (3) Enabling Environment.

These also would help contributing to the goal and objectives of the recently approved 9th National Socio-Economic Development Plan, namely the elimination of poverty and hunger in rural areas, transforming agriculture, rural economies and food systems through investments, creating more inclusive, productive, resilient and sustainable rural economies.

We hope on a favorable outcome and thank you in advance for your kind consideration.

Yours sincerely,

Minister of Finance

Bounchom UBONPASEUTH

Endorsed also by:

Ambassador of France to

SWG of ARD - Co-Chair

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Minister of Agriculture and Forestry

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