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**REPUBLIC OF THE GAMBIA**

**MINISTRY OF FINANCE AND ECONOMIC AFFAIRS**

*In Conjunction with:*

**MINISTRY OF AGRICULTURE**

**GLOBAL AGRICULTURE AND FOOD SECURITY PROGRAM**

**REQUEST FOR FUNDING**

**PUBLIC SECTOR WINDOW**

**GAMBIA NATIONAL AGRICULTURAL INVESTMENT PLAN – GNAIP  
(GAP FINANCING)**

**PART 1: SUMMARY OF AGRICULTURE AND FOOD SECURITY STRATEGY AND  
ASSOCIATED INVESTMENT PLAN**

**PART 2: COUNTRY PROPOSAL FOR GAFSP FUNDING**

MARCH, 2012

## ACKNOWLEDGEMENTS

This document has been prepared based on several sources including: (i) *Government policy documents*, including Strategy for Poverty Alleviation (SPA I) or PRSP I (1995 to 1999), PRSP II (2007 to 2011), Program for Accelerated Growth and Employment (PAGE) (2012 to 2015), Agriculture and Natural Resources (ANR) Policy (2009 to 2015), National Youth Policy (2009 to 2018), Gender and Women Empowerment Policy (2010 to 2020), Gambia Trade Policy (2011), National Nutrition Policy (2010 to 2020), Gambia Education Policy (2004 to 2015) and a significant amount of material derived from the Comprehensive Africa Agriculture Development Program Compact under the New Partnership for Africa's Development (CAADP/NEPAD) (2009); (ii) *key strategies*, namely the Gambia National Agricultural Investment Plan (GNAIP) (2011 to 2015); (iii) *project and program documents* including the Livestock and Horticulture Development Project (LHDP) Appraisal Report (2009), Participatory Integrated Watershed Management Project (PIWAMP) Preparatory Phase document (2004), Gambia Lowland Development Project (GALDEP) Appraisal Report (2006), EU-MDG Improving Food Security Through Crop Intensification and School Feeding Program proposal (2012), the Food Security Through Commercialization of Agriculture Project (2009), the Gambia Growth and Competitiveness Project (GGCP) (2011) and the Concept Note for the National Agricultural Land and Water Management Development Project (2012); (iv) *national surveys and data sources*, notably the Multiple Indicator Cluster Survey (MICS) (2010), National Agricultural Sample Survey (NASS) (2009), the Gambia Bureau of Statistics (GBOS) (2010), Government Annual Budget Estimates (2010 to 2012); (v) *relevant documents from international organizations*, including the Comprehensive Food Security and Vulnerability Analysis (CFSVA 2011), WFP Reports, FAOSTAT 2012, FAOAQUASTAT 2012, Doing Business (2012), Review of the Livestock Sector with Respect to Smallholder Dairy and Livestock Meat Sub-sector Development in West Africa-The Gambia: Commissioned by FAO (2010), Poultry Sector Country Review in The Gambia FAO (2008), FAO Global Information and Early Warning System (2011), Detailed Post-Harvest Assessment (December 2011-January 2012). Technical assistance was provided by the Food and Agriculture Organization (FAO) Investment Centre, and the African Development Bank (AfDB).

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## LIST OF ABBREVIATIONS

AfDB	African Development Bank
ANR	Agriculture and Natural Resources
ANRP	Agriculture and Natural Resources Policy
APN	Agricultural Policy Note
BFCI	Baby Friendly Community Initiative
CAADP	Comprehensive Africa Agricultural Development Program
CFSVA	Comprehensive Food Security and Vulnerability Analysis
CPCU	Central Project Coordination Unit
CRR	Central River Region
ECOWAP	Economic Community of West African States Agricultural Policy
ECOWAS	Economic Community of West African States
EIA	Environmental Impact Assessments
ETLS	ECOWAS Trade Liberalization Scheme
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FAOSTAT	FAO Statistics
FBOs	Farmer-Based Organization
FBS	Farmer-Business-Schools
FD	Field Directors
FFE	Food For Education Program
FHH	Female Headed Household
FFS	Farmer-Field-Schools
FMRIP	Farmer-Managed Rice Irrigation Project
FSCA	Food Security through Commercialization of Agriculture
FSNIS	Food Security and Nutrition Information Systems
GAFSP	Global Agriculture and Food Security Program
GALDEP	Gambia Lowland Development Project
GBOS	Gambia Bureau of Statistics
GCP	Growth and Competitiveness Project
GDP	Gross Domestic Product
GEF	Global Environment Facility
GIEPA	Gambia Investment and Export Promotion Act
GNAIP	Gambia National Agricultural Investment Plan
GoTG	Government of The Gambia
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
IEC	Information, Education and Communication
IFAD	International Fund for Agricultural Development
LGAs	Local Government Authorities
LHDP	Livestock and Horticulture Development Project
LRR	Lower River Region
M&E	Monitoring & Evaluation
MDGs	Millennium Development Goals
MFI	Micro-Finance Institutions
MHH	Male Headed Household
MICS	Multiple Indicator Cluster Survey
MIS	Market Information Systems
MOA	Ministry of Agriculture
MOFEA	Ministry of Finance and Economic Affairs
MOFEN	Ministry of Forestry and Environment
MOFWR	Ministry of Fisheries and Water Resources
MOHSW	Ministry of Health and Social Welfare

## Gambia National Agricultural Investment Plan - GNAIP (Gap Financing)

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MOLG&L	Ministry of Local Government and Lands
MOTIE	Ministry of Trade, Industry and Regional Integration and Employment
NACOFAG	National Coordinating Organization for Farmer Associations
NAM	National Assembly Member
NaNA	National Nutrition Agency
NAPA	National Adaptation Program of Action
NASS	National Agriculture Sample Survey
NCM	National Council of Ministers
NDMA	National Disaster Management Agency
NEPAD	New Partnership for Africa's Development
NES	National Export Strategy
NFP	National Farmers Platform
NGO	Non-Governmental Organizations
PAGE	Program for Accelerated Growth and Employment
PC	Program Coordinator
PIWAMP	Participatory Integrated Watershed Management Project
PO	Project Officer
PRSP	Poverty Reduction Strategy Papers
PSC	Program Steering Committee
PSU	Project Support Unit
PSU/DOA	Planning Services Unit/Department of Agriculture
RAD	Regional Agricultural Directorate
RFP	Rural Finance Project
ROPPA	Reseau des Organisations Payasannes et de Producteurs de l'Afrique de l'Ouest
SFP	School Feeding Program
SPA	Strategy for Poverty Alleviation
SPS	Sanitary and Phytosanitary Service
TCP	Technical Cooperation Program
UN	United Nations
UNICEF	United Nations Children's Fund
USD	United States Dollars
WAAP	West Africa Agricultural Productivity Program
WCR	West Coast Region
WFP	World Food Program of the United Nations

Fiscal Year  
January 1<sup>st</sup> –December 31<sup>st</sup>

Exchange Rate (March 2012)  
GMD 30.00 = USD1

Weights and Measures  
Metric System unless otherwise stated

## EXECUTIVE SUMMARY

The Gambia has a narrow economic base, relying heavily on agriculture which provides employment for about 75 percent of the labor force. Performance of the sector has fluctuated, contributing on average 30 percent of Gross Domestic Product (GDP) in 2010 and a growth rate of 4 percent. Despite its potential, identified in a number of commodity studies such as in the horticultural sector, agricultural production evidences low and unpredictable yields and high susceptibility to droughts and erratic climate patterns. It is rain-fed, only 3 percent is estimated under irrigation. A number of challenges prevail: increasing soil degradation, low quality and insufficient supply of inputs, limited value addition and commercialization, inadequate linkages with markets including undeveloped integration in the region and with other sectors of the economy, such as tourism, manufacturing and services. Poor performance in the agricultural sector has contributed to low income levels of smallholders and persistent high levels of poverty, which are reported at 61 percent.

Poverty levels have contributed to unacceptable levels of food insecurity, reported at 11 percent, and malnutrition, at striking high levels among children under 5 years old, estimated at 23 percent stunted and 17 percent underweight. In addition the sector's performance is inhibited by increasing "feminization" of poverty, where 63 percent of female-headed households fall below the poverty line. National food insecurity shows marked geographic dimensions: with high food insecure or vulnerable populations in the Central River Region (CRR), Lower River Region (LRR), and West Coast Region (WCR), the three regions targeted for GAFSP support.

To address these issues, the country has put in place a consistent set of broad policies and measures to accelerate agricultural production, boost overall sector performance and strengthen exports and trade. The Agriculture and Natural Resources Policy (ANRP) was developed in 2009 to strengthen competitiveness in the sector through commercialization. The ANRP is in line with main national policies, notably the Vision 2020, which aims to transform the country into an export-led, middle income nation by 2020, and the Program for Accelerated Growth and Employment 2012-2015 (PAGE), which promotes small and medium-scale enterprises to enhance pro-poor growth. Most important, the ANRP laid the foundation for the formulation of the Compact signed in 2009 under the Comprehensive Africa Agricultural Development Program under the New Partnership for Africa's Development (CAADP/NEPAD). The Gambia National Agricultural Investment Plan (GNAIP 2011-2015) translates the Compact into concrete fundable investment programs. It is the central pillar of the government's program to guide growth and development of the agriculture and natural resources sectors. GNAIP consists of six main programs, designed to be complementary, build on and scale up proven approaches, enhance coordination and synergies among partners and programs and be managed through a Central Projects Coordination Unit (CPCU) of the Ministry of Agriculture (MOA). Focus of GNAIP programs include: improving land and water management; enhancing conservation technologies, notably in watershed areas; scaling up value-added technologies, agro-business enterprises, producer organization initiatives and market integration; promoting food and nutrition security initiatives such as nutritional education and social protection measures e.g. school feeding; and enhancing coordination and management, including monitoring and evaluation (M&E).

GNAIP is estimated at a base cost of USD 282 million, and today, a financing gap of 55 percent is estimated. This GAFSP financing proposal, totaling USD 29.3 million aims to contribute to reducing this gap to 39 percent by building on ongoing efforts and scaling up proven innovations. The development objective of the GAFSP proposal parallels GNAIP, with the aim to increase the agriculture and natural resource sector's contribution to economic growth through commercialization. More specifically, the funding will contribute to increasing levels of food and nutrition security and household incomes particularly of vulnerable populations in the three target regions (WCR, LRR, CRR) mainly through stimulating production and commercialization, and generating improved levels of food security by increasing and diversifying nutritional diets. Components of the proposed five-year project include: (i) Improved Agriculture, Water and Land Management; (ii) Smallholder Agricultural Commercialization; (iii) Integrating Improved Approaches to Food and Nutrition Security; and (iv) Strengthening GNAIP Coordination and Management. The proposal was developed through a highly consultative and participatory process involving a wide range of farmers and farmer based organizations, pastoralists, fisher folk, Civil Society Organizations (CSOs), private and public sector stakeholders and development partners.

It is estimated that 30,000 households or about 20 percent of the national population involved in agriculture would benefit from this project. Farmer organizations, private sector actors, community-based associations, women farmers, processors and youth are expected to particularly benefit from this support. Under a Project Officer (PO) and supported by a team of national specialists, the Global Agriculture and Food Security Program (GAFSP) would be implemented through the GAFSP Project Support Unit (PSU) under the CPCU of MOA. It is envisaged that the project would be supervised by the African Development Bank (AfDB), who maintains a longstanding partnership with the country, having supported a number of past and ongoing programs. Technical Assistance would be supported by FAO, who is a valued technical partner in The Gambia, and provided key technical assistance during the preparation of GNAIP.



## **PART 1 SUMMARY OF OVERALL AGRICULTURE AND FOOD SECURITY STRATEGY AND ASSOCIATED INVESTMENT PLAN**

### **1.1 OBJECTIVES AND INDICATORS**

**1.1.1 Goal and Development Objectives:** The Gambia has a narrow economic base, relying heavily on the agriculture sector comprising crops, fisheries, water, livestock, forestry, parks and wildlife. The sector provides employment for about 75 percent of the labor force. Agricultural production is rainfed, and increasingly unpredictable due to soil degradation and climate variability characterized by erratic and reduced rainfall. Performance of the sector has fluctuated, contributing on average 24.8% of Gross Domestic Product (GDP) from 2004 to 2009, and up to 30% in 2010. The sector has yet to reach its full potential, also due to other factors such as erratic, low quality and insufficient supply of farm inputs (seeds, livestock breeds, and fertilizers), inadequate linkages with markets combined with limited value addition and commercialization, and weak linkages with other sectors of the economy, such as tourism, manufacturing and services.

**1.1.2** To enhance agricultural production and productivity, the Government prepared the Agriculture and Natural Resources (ANR) Policy (ANRP) (2009-2015) to guide the country's efforts in the ANR sector. The policy concentrates on rural smallholder farmers constituting the majority of the poor. The ANRP and strategy place emphasis on: (i) expanding irrigation and land development through appropriate land use and soil management; and (ii) increasing commercialization through intensification and enhanced productivity and competitiveness of cereals – particularly rice. In 2010 the **Gambia National Agricultural Investment Plan (GNAIP 2011-2015)** was approved within the context of the Comprehensive Africa Agricultural Development Program (CAADP/NEPAD). The Overall Goal of GNAIP is to enhance economic growth and poverty reduction by increasing the contribution of the ANR sector to the national economy.

**1.1.3** To meet this goal, the GNAIP **Development Objective** is to increase food and nutritional security and household incomes particularly for vulnerable households. This will be achieved through increased production and productivity based on sustainable management of natural resources, commercialization and active private sector participation. GNAIP comprises six inter-related programs, each with its own strategic objective which jointly contributes to meeting the overall development objective. The GNAIP objectives are presented in Annex 1 that also shows GNAIP alignment with CAADP pillars, national policies, and existing gaps presented as Global Agriculture and Food Security Program (GAFSP) sub-components, to be filled with GAFSP financial support. As a multi-sector investment plan, GNAIP gives priority to increased productivity, improved resource management, and commercialization, but equally as important, food and nutrition security, increased smallholder incomes, and increased household resilience to disaster and shocks.

**1.1.4 Key GNAIP performance indicators include:** (i) increase in agriculture sector growth rate (from 4 percent in 2009 to 8 percent by 2015); (ii) reduction in number of people below poverty line from 61 percent in 2009 to 44.6 percent in 2015; and (iii) increase in overall national food and nutrition security through increasing sustainable levels of self-sufficiency in food production by 25 percent (from current 50 percent consumption requirements met). **Monitorable indicators of GNAIP** are described in specific program outcomes (Annex 2), covering: (i) increased levels in rice and horticulture production; (ii) improved resource management systems; (iii) food and value chain development, including strengthened support services and producer organizations; (iv) safety nets and strengthened disaster management; (v) improved and sustainable agricultural practices; (vi) improved management, coordination and monitoring and evaluation (M&E) of GNAIP implementation.

### **1.2 KEY ELEMENTS OF THE POLICY ENVIRONMENT**

**1.2.1 General:** The Gambia showcased its full commitment to poverty reduction by preparing a long-term development strategic plan called "*The Gambia Incorporated Vision 2020*" in 1996 aimed at transforming the country into a middle-income, export-oriented nation by 2020 with agriculture and natural resources (ANR) identified as top priority. As a consequence a series of medium-term programs and strategies have been prepared, to address priorities and expectations on improving ANR performance. Among key programs and strategies are: (i) the Strategy for Poverty Alleviation (SPA, 1995-1999); (ii) Poverty Reduction Strategy Papers (PRSP I&II, 2003-2011) - linked to United Nations (UN) Millennium Development Goals (MDGs); and (iii) the ANR Policy (ANRP) (2009-2015) with the policy objective of commercializing the ANR sector;



and more recently (iv) GNAIP (2011-2015); and (v) the Program for Accelerated Growth and Employment (PAGE, 2012-2015). These policies and programs have over time provided a consistent framework to improve and commercialize the ANR sector, promote national food and nutrition security and reduce poverty.

**1.2.2** Following the structural adjustment programs (the Economic Recovery Program (ERP) and the Program for Sustainable Development (PSD) 1985-90), Government launched a Strategy for Poverty Alleviation (SPA I 1995-1999), focusing on the ANR sector, particularly food self-sufficiency, income security and diversification of the food and export base. Little achievement was made however regarding poverty reduction (due to limited investment in productive sectors, poor coordination and alignment of interventions, inadequate social services) - the national poverty incidence reached 63.3 percent in the rural areas and 57.2 percent in the urban areas. The ANR sector contributed only 22 percent to the GDP (GBOS, 2009). SPA I was succeeded by SPA II, known also as the Poverty Reduction Strategy Paper (PRSP I) (2003- 2005), aiming to reduce poverty with increased focus on the productive sectors of the economy with emphasis on ANR sector performance.

To address previous shortfalls, PRSP II was developed to accelerate economic growth and reduce poverty. In spite of PRSP II interventions (2007-2011) high poverty persists, The Gambia is one of the poorest countries in the world. The UNDP's Human Development Index (HDI 2011) ranked the country at 168 out of 187. Sixty-one percent of the population lives below USD 1 purchasing power parity per day compared to the ECOWAS average of 60 percent and the sub-Saharan African average of 46 percent (WAEMU Commission, 2006). This indicates the severity of poverty levels in The Gambia compared to the sub-region. In addition, The Gambia's poverty gap ratio stands at 25.1 percent and poverty severity at 14.35 percent (NHPS 2003).<sup>1</sup> This makes the Gambia one of the poorest countries in the sub-region (e.g. 21 percent poverty gap in the sub-region).

Malnutrition continues to be a major public health problem with the most vulnerable groups being women and children, the majority of whom live in rural areas; they are in a constant state of energy deficiency due to poor dietary habits, heavy work load and frequent infections. Poor feeding practices, inadequate care and knowledge, and poor environmental sanitation are some of the factors responsible for the high prevalence of malnutrition in women and children. The percentage of the poorest quintile in national consumption is 8.8, and percentage of children under five years with chronic malnutrition is 23.4 percent stunted, 9.5 percent wasted, and 17.4 percent underweight (MICS, 2010). The minimum national dietary energy intake is estimated at 1770 calories per person per day which is below the minimum requirement of 2200 calories per person per day (FAO Food Security Indicators for The Gambia, 2010).

**1.2.3 Agriculture and Rural Development:** The formulation of the ANRP (2009-2015) confirmed government prioritization of the ANR sector. Key strategic objectives include: (i) improved and sustainable measurable levels of food and nutrition security, particularly among vulnerable populations (women and youth); (ii) commercialization through food and agricultural value chains, including linkages to markets; (iii) an enabling environment and strengthened institutions (public and private) and provision of services, including reducing vulnerability; and (iv) sustainable management of natural resources. The ANRP forms the foundation of the CAADP-GNAIP.

**1.2.4 CAADP Compact to GNAIP:** In 2009 the Government of The Gambia (GoTG) embarked on roundtable consultations and systematic stocktaking of past and current agriculture development efforts and initiatives to develop a CAADP Compact under NEPAD. Aligned with the four CAADP pillars,<sup>2</sup> the Compact served as the basis for development of the sectoral investment plan - the GNAIP. GNAIP's six programs (see Annex 1 and 2) address main constraints in the sector through a coordinated inter-ministerial approach.

**1.2.5 Private-sector led commercialization and trade:** The economic blueprint of the GoTG as detailed in Vision 2020 and PAGE accord high priority to private sector led growth. The global competitiveness report of 2009-2010 ranked the Gambia, 81/133, making it the highest ranked country in West Africa, and amongst the top five in Sub Saharan Africa. The World Bank "Doing Business" 2011 ranks Gambia 145 out of 183 countries with positive scores on "trading across borders" and "enforcing contracts" but less favorably on "protecting investors" and "getting credit". Typically Gambia has made trading across borders faster by implementing the Automated System for Customs Data (ASYCUDA). In addition, getting electricity is faster by allowing customers to choose private contractors to carry out the external connection works, and it has

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<sup>1</sup> MDG Report, The Gambia (2010); MDG Report, United Nations (2010); Gender Policy (2010-2020)

<sup>2</sup> includes: Sustainable Land and Water Management; Market Access; Food Supply and Hunger; and Agricultural Research.

reduced the minimum turnover tax and corporate income tax rate (however electricity costs are one of the highest in the sub-region, DTIS (2007)). The Gambia is placing priority on investment promotion and promoting regional trade. A National Export Strategy (NES) has been nationally endorsed to be approved by end of 2012, providing the national framework for export development and promotion. It will promote public-private partnerships, export competitiveness, and promotion of multiband bilateral protocols, notably including with Economic Community of West African States (ECOWAS) member countries. Under the ECOWAS Trade Liberalization Scheme (ETLS) and bilateral trade agreements, an ease of trade requirements has been adopted among member states. The Food Safety and Quality Act (2011) promotes meeting international quality standards particularly sanitary and phytosanitary (SPS) requirements to access European markets. The Gambia Trade Policy (2011) was recently approved, with the objective of opening and liberalizing the domestic and regional trade to promote national integration and competitiveness in sub-regional, regional and global markets. The Gambia Investment and Export Promotion Act (GIEPA) (2010) provides a range of incentives to promote private sector investments. As one example of initiatives to improve the business climate and foster private sector development, Government has started the Growth and Competitiveness Project, financed by the World Bank. Objectives of the project include to enhance the investment environment through business registration and tax administration reforms, streamline business registration processes, and provide support for investment promotion and facilitation. The project is expected to enhance private-sector development, attract foreign direct investments, and promote pro-poor growth and employment through private-sector led development particularly in the productive and service sectors. Through exports, regional integration is expected to increase.

**1.2.6** A number of other relevant national policies and strategies support and complement GNAIP. These include: (i) the Gender and Women Empowerment Policy (2011-2020), which promotes mainstreaming of women into development processes in all sectors in order to enhance equal access to opportunities to achieve gender balances in the economy; (ii) the Youth Policy (2009-2018), which focuses on mainstreaming youth into productive sectors of the economy, including agriculture and rural employment, in order to build self-reliance. Promotion of economic opportunities for youth (e.g. employment creation) is vital to national growth given that youth represent 45 percent of the population; (iii) the National Seed Policy (2008), which supports development of an effective seed system to ensure adequate, timely, accessible improved seed at reasonable prices; (iv) the microfinance strategy framework, currently under review by MOA, which aims to institutionalize a beneficiary-managed sustainable rural finance system to provide smallholders credit access at reasonable conditions; (v) the National Nutrition Policy and Action Plan (2010-2020), which addresses nutrition challenges including achieving the MDGs; and (vi) the Education Policy (2004-2015), which includes SFP and agricultural and nutritional education as core features. A social protection policy and strategy is not yet in place, but has been advocated for by stakeholders, including during the GAFSP consultations. This policy would provide a coherent framework for social safety nets/social protection enabling the strengthening of food security and household risk management.

### 1.3 GNAIP COMPONENTS TO ACHIEVE THE OBJECTIVES

#### 1.3.1 Key issues in Agriculture and Food and Nutrition Security

**1.3.1.1 Agriculture Production:** The agriculture sector is confronted with constraints that result in low productivity, limited marketing and commercialization, and low net incomes. This is particularly worrisome given the steady increases in food prices since 2008. Average yields for rice, and maize are low and lagging behind West Africa's average performance. The 2007 Brief of the Africa Rice Center indicated average rice productivity at 1.62 tons/ha for West Africa, whilst National Agriculture Sample Survey (NASS) (2009) reported yields in The Gambia at 0.89 ton/ha. Maize yields, estimated at less than one ton per hectare for The Gambia is below the West Africa regional average of 1.7 tons/ha (World Bank - Maize Revolutions in Sub Saharan Africa, 2011). National cereal production can cover only 60 percent of annual consumption needs. These conditions contribute to high levels of poverty and food insecurity - reported at 11 percent (Comprehensive Food Security and Vulnerability Analysis -CFSVA 2011), high malnutrition, weakened household resilience, and constrained economic growth. Overall, The Gambia has shown robust and steady macroeconomic performance with moderate inflation, reporting an average 6.8 percent real GDP growth during 2003-2008 and dropping to 4.6 percent in 2009 due to the impact of the global economic crisis. The agriculture sector, now contributing 30 percent of GDP shows modest growth of 4.6 percent in 2010. Small ruminants and poultry production are relatively easy to own by resource-poor farmers and major occupations of women

farmers at the household level. They serve as sources of income, protein in the household diet and spread risks inherent in agricultural production as they reproduce very fast. Sheep and goat meat production was estimated at 578 tons and 1045 tons respectively in 2010. Chicken meat was estimated at 1200 tons. National egg production was estimated at 17 million (10 per capita) in 2010 (FAO, 2012) compared to production in Senegal for 2010, estimated at 591.5 million (about 50 per capita). Vegetable production is one of the key sources of income and employment for women. Main horticultural crops include tomatoes, onions, cabbage, eggplant, okra, peppers and lettuce. These are grown in small plots by smallholder farmers on an individual basis in communal gardens, mainly managed by women. Total domestic production levels of vegetables are not available, but vegetable exports are reported to have declined mainly due to high costs of transport, compliance difficulties with EUREPGAP, the absence of the leading producers/exporters, affecting out-grower schemes. However production and exports have revived, it is expected that out grower schemes will be revitalized.

**1.3.1.2 The key constraints in agriculture production include:** Erratic and low rainfall patterns; a highly seasonal and mostly rain-fed subsistence-based production; <sup>3</sup> unreliable access to inputs; insufficient supplies and use of improved seeds; limited landholdings under irrigation (estimated at 3 percent, FAO AQUASTAT 2012); diminishing access to good arable land due to population pressures (at 2.1 percent growth per annum);<sup>4</sup> a land tenure regime based on customary practices that do not favor agricultural investment; weak crop, livestock, and fisheries research and extension systems; low intensity of improved seeds and fertilizers; land degradation, poor water management; and lack of coordination. Women have constraints accessing adequate land due to gender-discriminating customary land tenure regimes. They also experience inequitable access to inputs and services despite their major role in cereal, horticulture, livestock and poultry production. Other challenges confronting women in the horticulture sub-sector include lack of processing and storage facilities leading to post-harvest losses, inadequate market outlets and lack of market information systems. Regarding women's participation in small ruminants and poultry rearing, limiting factors include high incidence of diseases (Peste de Petit Ruminant for sheep and goats, and New Castle Disease for poultry) resulting in high morbidity and mortality rates; low levels of nutrition largely due to inadequate availability of feed and high cost of imported feed; and low genetic potential of local breeds.

**1.3.1.3 Commercialization:** Government measures have been inadequate in stimulating increased private sector investment in agriculture and natural resources. In addition to the issues discussed above, constraints include: insufficient agribusiness capacity of smallholders and processors, limiting competitiveness; low access to financial capital; undeveloped access to markets; weak market information systems; limited processing and storage facilities; huge post-harvest losses (estimated at 10-30 percent); high costs of electricity; high transport costs and limited air and sea freight capacities; and poor feeder roads. As predominant actors in horticulture, women in particular have insufficient knowledge and skills and access to services and technical support regarding value-addition, materials, labor-saving equipment, micro-finance, and market information. Linkages between smallholder farmers and medium to large scale farming establishments and other value chain actors (e.g. outgrower schemes) are few.

**1.3.1.4 Food and Nutrition Security and Social Protection:** The Gambia is classified by FAO as a low income food deficit country (LIFDC) and relies heavily on food imports; about 30 percent of cereal needs are covered by rice imports (Cross Border Trade and Food Security in West Africa (2010): CILSS/FEWS/FAO/WFP). National food insecurity reported at 11 percent, shows marked geographic dimensions across the country with higher poor, food insecure or vulnerable populations in Central River Region (CRR), Lower River Region, (LRR) and West Coast Region (WCR). "Feminization" of poverty is exemplified by higher levels of poverty<sup>5</sup> and food insecurity among female-headed households. Poor households are particularly at high risk and vulnerable to sporadic shocks such as seasonal droughts, flooding and can easily fall below the poverty line under prolonged food insecurity during extended lean periods. The share of the poorest quintile in national consumption is 8.8 percent (MDG Report 2010). Children are particularly vulnerable: levels of chronic malnutrition among children under five years are high, 23.4 percent of

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<sup>3</sup> An emergency appeal just announced March 2012 due to acute drought has caused a 70 percent reduction in 2011-2012 crop harvests and a decrease of post-harvest food stock availability from about 6 to 2-3 months.

<sup>4</sup> 2007 NASS indicates that farms less than 0.5 ha account for 69 percent of all farms and up to 85 percent of farms are smaller than 1 ha (Agricultural Policy Note draft, 2011, World Bank).

<sup>5</sup> estimated at 18 percent of rural households: 63 percent fall below the poverty line, and over 78 percent of women engage in the agricultural sector of which one third report receiving cash income compared to 43 percent for men (CSD 2003; IFAD 2012 Concept Note).

children are stunted, 9.5 percent wasted, and 17.4 percent are underweight, mainly due to reduced food intake, weak coping strategies during the lean season, inadequate food utilization, frequent infections, limited knowledge of nutrition/improved food preparation, irregular availability and access to vegetables and fruits.

**1.3.1.5** The few transfer programs in the country are fragmented, and no social protection policy exists. A school feeding program (SFP) exists, supported by GoTG, World Food Program (WFP) and European Union (EU), and acts as the only country-wide safety net for poorer families, who benefit from the income transfer it provides. Decreases in WFP finances may cause retraction in the SFP. Weaknesses in the food security and nutrition information systems (FSNIS) and poor coordination among agencies prevent reliable and timely information for monitoring food security and vulnerability. The National Disaster Management Agency (NDMA) has been playing an active role in coordinating national disaster preparedness, response and mitigation despite institutional/operational capacity constraints.

### **1.3.2 Measures to Address the Issues**

**1.3.2.1 Improvement of Agricultural Land and Water Management and Sustainable Farm Development.** GNAIP aims to increase productivity through the implementation of sustainable land and water management with emphasis on rice intensification, other cereal crops in upland areas, horticulture and livestock production, addressing production and resource management constraints with attention to strengthening support services such as research and extension services, capacity building, micro credit, market information, etc. In the areas of livestock/transhumance, forest and fisheries resources and parks and wildlife the problem of resource depletion, soil degradation, climate change, and unsustainable natural resource management are addressed through improved watershed and conservation management as well as through the establishment of land tenure framework to promote climate-adaptive investments. Sustainable technologies that increase soil organic matter and fertility and conserve limited water resources are promoted in these projects.

**1.3.2.2 Development of Agricultural Chains and Market Promotion:** GNAIP focuses on vitalizing agricultural commodity value chains such as rice, horticulture, livestock and dairy, cereal and cash crops, building on Government measures and programs to support competitiveness and higher investments in value chains. There is particularly high potential for positive impacts on women (who are the predominant actors in food transformation and agribusinesses) and youth employment. GNAIP also addresses capacity weaknesses of producer organizations, with the objective of promoting agribusiness models such as out-grower schemes and linkages with private sector. These measures aim to boost export-led growth and competitiveness.

**1.3.2.3 National Food and Nutrition Security:** Among the programs of GNAIP includes strengthening and improving agency coordination and capacity to produce timely, accurate and relevant data and analysis concerning food and nutrition security. Malnutrition, particularly of children, and weak household resilience, are currently addressed by Government in part, through food transfer programs such as the SFP, and nutrition interventions and education. These measures have shown positive impacts (for instance SFP has been found to significantly contribute to students' minimum daily nutritional requirements (WFP, 2011).<sup>6</sup> Government aims to continue and broaden the SFP as a national mechanism to ensure food and nutrition security for children, building on right to food principles in support of most vulnerable segments of the population. School feeding will also serve as an entry point to boost commercialization of local produce through the local procurement initiative, which will be piloted starting in 2013. In complement, the National Nutrition Agency (NaNA) working with the Ministry of Health and Social Welfare (MOHSW) and other partners have supported activities to boost nutritional levels, e.g. establishment of school gardens, community-based health and nutritional training and education, Mothers' Clubs. In addition, national and community-level social protection measures led by NDMA are in place, such as provision of food and non food items, conducting need assessments, establishing cereal banks in an effort to support household preparation/response and coping strategies to disasters and high risk. GNAIP includes support to NDMA to strengthen and implement disaster preparedness and contingency plans at national and local levels.

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<sup>6</sup> An impact evaluation (WFP, 2011) of school feeding found evidence that the school meal contributes to students' minimum daily nutritional requirements.



#### 1.4. PLANNED COMPOSITION AND LEVEL OF SPENDING

**1.4.1 Indicative cost of GNAIP:** The total GNAIP program cost over the five-year period (2011-2015) is estimated at USD 296.7 million, including contingencies. Planned expenditure is divided across 6 programs as shown in the table below:

**Table 1 GNAIP Program Costs**

Programs/ Sub-programs	Base Costs (USD)	% of Total
<b>Program 1: Improvement of Agricultural Land and Water Management</b>	82,771,900	29.3
<b>Program 2: Improved Management of Other Shared Resources</b>	37,234,889	13.2
<b>Program 3: Development of Agricultural Chains and Market Promotion</b>	89,845,870	31.8
<b>Program 4: National Food and Nutrition Security</b>	45,130,172	16.0
<b>Program 5: Sustainable Farm Development</b>	18,662,620	6.6
<b>Program 6: GNAIP Coordination, Monitoring and Evaluation</b>	8,907,095	3.2
<b>Total Base Costs</b>	<b>282,552,546</b>	<b>100.0</b>
Contingencies	14,127,627	5.0
<b>Total Costs</b>	<b>296,680,174</b>	<b>105.0</b>

**1.4.2 Public spending in agriculture and food security:** The national budget allocated to MOA has been limited in the past, steadily declining from 2003 and reaching a low of 2.5 percent in 2007. However, this trend has reversed over the past years, showing the Government's efforts towards meeting the Maputo Declaration commitment of allocating 10 percent of the national budget to agriculture. The total budget allocated to MOA increased from 2.6 percent in 2008, in 2009 to 3.5 and 4.3 percent in 2010 and 2011, and is 6 percent in 2012. Government investments in other natural resource sectors have increased more modestly, however. Budget execution rates for MOA are satisfactory and average 79 percent in 2009 and 94 percent in 2010. Government investment in other natural resource sectors has also increased progressively. Noteworthy is the fourfold increase in the development budget of the MOA and the twofold increase in the development budget (which is the government counterpart financing to development projects) of both the Ministry of Fisheries and Water Resources (MOFWR) and Ministry of Forestry and Environment (MOFEN). Total public expenditure in ANR (including all ANR ministries) was 5.9 percent in 2011, and the 2012 approved estimate amounts to 7.09 percent of the national budget. This is a striking demonstration of Government commitment to sustaining a positive trend in support of the ANR sector.

#### 1.5 FINANCING SOURCES AND GAPS

**1.5.1** A number of new programs and projects in the ANR sector have brought in more resources to cover the costs of different priority areas under GNAIP. These include among others, World Bank-funded West Africa Agricultural Productivity Program (WAAP) and Growth and Competitiveness Project (GCP), the successful Participatory Integrated Watershed Management Project (PIWAMP), replicated by the Global Environment Facility (GEF)-supported Sustainable Land Management Project, and new bilateral agreements, such as the Kuwait Goodwill Fund for promotion of Food Security in Islamic Countries. The Government has responded to these new commitments from development partners with a striking increase in its own allocation to the development budget, and a substantial increase for all relevant ministries (MOA, MOFWR, MOFEN) over a five-year period.

**Table 2: Estimated financing gap for GNAIP**

A. Estimated Funds available for GNAIP Financing (USD '000)	Total	GNAIP Program /a					
		1	2	3	4	5	6
Source							
MOA Projects and Programs	70,597	17,032	5,926	24,149	6,607	11,433	5,451
Projects and Programs - Other Ministries	32,885	2,780	7,813	17,173	3,296	1,824	0
Projects and Programs - Outside Government	4,252	2,285	1,084	294	294	294	0
Private Sector	20,000	6,000	6,000	6,000	0	2,000	0
<b>Total</b>	<b>127,734</b>	<b>28,097</b>	<b>20,823</b>	<b>47,615</b>	<b>10,197</b>	<b>15,551</b>	<b>5,451</b>

## Gambia National Agricultural Investment Plan - GNAIP (Gap Financing)

B. GNAIP programme costs	Total costs	GNAIP Programme /a						Cont. (5%)
		1	2	3	4	5	6	
	282,567	82,772	37,235	89,846	45,130	18,663	8,907	14,128

<b>Financing GAP (B - A) in USD '000 *</b>	154,833	54,675	16,412	42,230	34,933	3,112	3,456
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<b>Financing GAP in % *</b>	55%	66%	44%	47%	77%	17%	39%
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\* Financing gap per program calculated on base costs

**1.5.2** The combination of Government and donor partner contributions to the ANR sector resulted in a reduction of the GNAIP financing gap, from 200 million USD, estimated at the design (2010), to the current 154.8 million USD.

**1.5.3** There are four main categories that have been identified as contributing resources to GNAIP financing: (i) projects under the MOA as executing agency; (ii) projects under other ministries as executing agencies; (iii) projects outside Government such as non-government organizations (NGOs); and (iv) private sector investments. The table above shows the financing gaps to meet GNAIP program costs. GNAIP financing is still insufficient to cover the activities in each of its six programs, confirming the need for additional funding. Taking into account ongoing projects, the GNAIP financing gap has been adjusted, estimated at 55 percent of total costs.

### 1.6 STRATEGY AND INVESTMENT PLAN DEVELOPMENT PROCESS

**1.6.1** The Gambia's CAADP Compact and GNAIP documents were prepared through highly consultative and participatory processes under the leadership of a national multidisciplinary taskforce starting in 2008 (see Annex 4)<sup>7</sup>. A number of stakeholder consultations concerning the CAADP Compact and GNAIP were organized, attended by farmer organizations, NGOs, private sector and the government. Consultations were also organized in selected regions of the country to explain the CAADP Compact process and seek views on the way forward. These were attended by a wide range of farmers. The National Farmers Platform (NFP) represented farmers at the signing of the Compact in October 2009. Following the Compact, the taskforce initiated the formulation of GNAIP. A technical multi-ministerial team was formed, including representatives of private sector, farmer groups, NGOs and MOA project staff, to develop the GNAIP. FAO provided technical assistance to the preparation, and African Development Bank (AfDB) also provided support. Extensive consultations were organized culminating into a national consultative workshop led by MOA organized on 15 July, 2010 that also included Cabinet Ministers, development partners and National Assembly members. During the national workshop, the GNAIP was endorsed.

### 1.7 GNAIP IMPLEMENTATION ARRANGEMENTS AND CAPACITY

**1.7.1** Implementation arrangements formalized under GNAIP is a structure led by MOA with the aim of ensuring effective coordination and inter-ministerial harmonization (Annex 5). The structure includes a National Council of Ministers (NCM - to be established); a multidisciplinary Program Steering Committee (PSC); a CPCU, responsible for the implementation and coordination of GNAIP.<sup>8</sup> All GNAIP programs will be managed under the CPCU. CPCU will work in collaboration with MOA Regional Directors and focal points from other relevant ministries to support technical aspects of each program. Implementation will be through local government authorities (under MOLG&L) and decentralized development committees and partner with the private sector, NGOs, farmer based organizations, micro-finance institutions (MFI) and PSUs under relevant ministries. CPCU and stakeholders require technical capacity building and operational support in: coordination, management, M&E, financial/procurement management and gender mainstreaming.

<sup>7</sup> comprising government institutions including MOA, Ministry of Trade, Industry and Regional Integration and Employment (MOTIE), and Ministry of Finance and Economic Affairs (MOFEA), Ministry of Fisheries and Water Resources (MOFWR), Ministry of Forestry and Environment (MOFEN), private sector (represented by Gambia Chamber of Commerce and Industries), and civil society, represented by Action Aid the Gambia

<sup>8</sup> The CPCU currently comprises a Program Coordinator (PC), Financial Controller, Accountant, support staff and would also include an M&E Specialist, Procurement Specialist and an additional Accountant.

## PART 2: COUNTRY PROPOSAL FOR GAFSP FUNDING

### 2 SPECIFIC FUNDING PROPOSAL

#### 2.1 SPECIFIC OBJECTIVES AND TARGETED RESULTS

**2.1.1 GAFSP Project Goal and Objectives:** The GAFSP proposal will provide additional funding for implementation, of the six interrelated programs of GNAIP (Annex 1) covering a five-year period. Specifically GAFSP resources will focus on upscaling and expanding proven initiatives and best practices to: (i) boost household food security and nutritional levels (through community-based nutrition initiatives and SFP, and building household resilience); (ii) increase levels of sustainable production and productivity (through improved land and water management technologies covering cereal crops, aquaculture, small ruminants, poultry, and horticulture); and (iii) strengthen smallholder agricultural competitiveness and livelihoods (through diversification and a private-sector led value chain approach). The proposal contributes directly to achieving GNAIP's goal to increase the ANR sector's contribution to economic growth and complements key national policies and strategies. Specific objectives of GAFSP include: (i) increased food and nutrition security and income of farmer beneficiaries; (ii) improved livelihoods and household resilience to disasters, through reduced poverty among the vulnerable and more deprived populations; (iii) increased incomes of agricultural value chain actors (including farmers, input suppliers, processors, traders and exporters); (iv) increased and sustained agricultural production and productivity growth; and (v) well-coordinated and managed institutional arrangements to optimize agricultural potential in the country. GAFSP funding will contribute significantly to the attainment of MDG 1 (related to hunger, malnutrition and poverty, particularly of children under five years) and MDG 7 (related to environmental sustainability) and strengthen mitigation and/or adaptation measures to climate change as recommended in the Gambia's National Adaptation Program of Action (NAPA) to Climate Change. Measures will also be put in place to ensure gender mainstreaming throughout project activities and management structures, such as through targeting, gender sensitization, ensuring women's equitable participation on committees, in groups and in trainings, promoting women's access to project resources and benefits etc..

**2.1.2 Results:** Expected results of the GAFSP-financed components include: increased agricultural productivity by 25 percent over current levels; increased smallholder incomes, through enhanced post-harvest processing, broadened access to markets and enhanced competitiveness; reduced food insecurity from 11 percent to 8 percent combined with improved knowledge and implementation of improved nutritional practices among beneficiary households; and strengthened CPCU capacity in management and coordination, resulting in more streamlined operations, exchange among stakeholders to learn lessons and share experiences, and synergies among interventions.

**2.1.3 Sector Strategy:** Components of the GAFSP funding are derived from GNAIP and designed to ensure complementarities and sustainability of interventions and associated outcomes. GAFSP will contribute to meeting the goal of increasing the ANR sector's contribution to GDP from 30 percent in 2010 to 40 percent by 2015. Emphasis is placed on increasing production and productivity of smallholder farmers through commercialization, reducing the currently high prevalence of rural poverty. By 2015, GAFSP resources will contribute to national goals of attaining increased agricultural sector growth from 4 to 8 percent per annum and in parallel support efforts to increase food self sufficiency by increasing domestic cereal production from 50 percent to 75 percent<sup>9</sup>. These efforts will contribute to national goals of increasing household incomes with the aim of reducing levels of poverty from 61 percent to 44.6 percent (PAGE 2011). Currently, these objectives are on track: average agricultural sector growth is at steady 4 percent; 61 percent of the population is below the poverty line; 60 percent of the population was reported to meet their food requirement in 2011. (Post-Harvest Assessment 2011). Due to the drought spell encountered in late 2011 however, a severe food shortage has caused a drought emergency

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<sup>9</sup> Already domestic production of cereals meet 50 percent of the national cereal consumption requirement at the time of preparing the GNAIP and added to this is the 25 percent increment leading to 75 percent by 2015



declaration in the Sahel, including The Gambia (March 9). Cereal harvest is estimated to last between 2-3 months, from 6 months in a normal year.

**2.1.4** To achieve the sector strategy and GNAIP objectives, GAFSP interventions and deliverables will be mainly directed at women and youth, strengthening gender empowerment and equality as well as youth retention and employment in the rural areas, particularly engaging them in productive options in the ANR sector. The knowledge, skills-base and opportunities for youth will be broadened through capacity development and targeted support, with the aim to improve their self-reliance, livelihood opportunities and contribution to economic growth. Government has demonstrated its full commitment by allocating a substantial proportion (7.09 percent in 2012) of its budget to the ANR sector, with contributions committed by the development partners, mainly in the form of programs and projects.

**2.1.5 M&E framework.** The GAFSP M&E framework is designed to complement the GNAIP M&E Plan. In this regard, the M&E Plan will use data collection tools that will be designed as specified in GNAIP. See details of the M&E section below and Annex 6.

## 2.2 PROJECT DESCRIPTION – ACTIVITIES TO BE FINANCED

**2.2.1** GAFSP financing will support activities organized around four inter-linked components aligned with GNAIP. These are: (i) Improved Agriculture, Land and Water Management; (ii) Commercialization of Smallholder Agriculture; (iii) Integrating Improved Approaches to Food and Nutrition Security; and (iv) Strengthened GNAIP Coordination and Management. To reach optimal impact, the components will be implemented in an integrated approach, as one component alone cannot achieve expected outcomes. The CPCU, strengthened under GAFSP, will ensure coordination and synergy among activities, exchanges to learn lessons and scale up best practices and proven models.

**2.2.2 Impact pathways:** Improving sustainable production systems and productivity is central to increasing food and nutrition security, household incomes and reducing poverty. Current production levels primarily derived from subsistence and rain-fed agriculture are well below potential. This results in major food deficits annually (estimated between 40-50 percent) that has had a direct effect on food and nutrition security for the last 10 years. The gap is made up by commercial imports and food aid. Improved and diversified production systems under GAFSP will address “availability” and quality constraints of food and nutrition. GAFSP support will bridge these gaps, improving productivity while covering a range of crops through an integrated farming systems approach (and livestock, horticulture and fisheries) to boost nutritional dimensions of food security and provide raw materials for value addition. Women stand to benefit significantly from the GAFS financing as they are primary producers in rice, horticulture, and small ruminant and poultry subsectors. A gender-sensitive approach will be used in the formulation and implementation of the GAFSP resources to ensure women have access to benefits and opportunities proportional to men (e.g. gender equitable targeting, gender balance in access to project resources, trainings, group support, equitable inclusion of women in project-supported committees, organizations, and management and decision-making structures).

**2.2.3** Improving post-harvest processes through improved storage, value addition and commercialization contributes to increased and diversified revenue streams and spreading risk. Increased household incomes have been shown to improve levels of food and nutritional security and resilience to shocks (CFSVA 2011). Horticulture, small livestock and aquaculture have been identified as priority investment options that would provide both sources of protein, and opportunities for value addition and commercialization. To reach agricultural trade potential, enabling conditions must be conducive for commercialization. Project activities will reinforce the trade environment and opportunities for investments by smallholders for example through improving information systems, infrastructure, strengthening producer organizations, promoting private sector partnerships, enabling access to micro-finance, etc. The proposed local

procurement pilot<sup>10</sup> will provide an additional *innovative market opportunity* for producer organizations. Safety net programs such as the SFP and nutritional gardens and education, contribute not only to children's nutritional daily requirements, they also provide vital value transfers to poor households freeing up resources for expenditures on other essential food and asset items. Together, project activities provide a ***package of integrated support*** that offers pathways to increase household incomes and attain positive impacts on food and nutrition.

### **2.2.4 Financing Modality and Sustainability**

**2.2.4.1** The recommended financing modality for the GAFSP funding is an investment project. As much as possible the GAFSP resources will partner and create linkages with ongoing investment projects. Details of the modalities for linkages and operational synergy would be determined during project formulation. Technical assistance would be essential, accessed for targeted support where national expertise would particularly benefit from regional and global experiences, such as: good agricultural practices (e.g. Farmer Field Schools (FFS), watershed planning, agro-processing and value chain development, strengthening market information systems).

**2.2.4.2** Despite promising indications of growth in private sector investment, public financing is still required to ensure sustainability of interventions and to further strengthen investment opportunities and fill gaps. A number of efforts (discussed above) reflect Government commitment to improving performance in the investment sector. Importantly, the consistent increase in Government financing of the sector, reaching 7.09 percent in 2012, and the fourfold increase in MOA's development allocation to development assistance counterpart funding shows clear commitment to the country-owned development process. Government ownership of the national SFP is also progressing, where slow but steady transfer of responsibility to Government is underway, to assume incrementally costs and operational responsibility.

### **Component 1 - Improved Agriculture, Land and Water Management**

**2.2.4.3** The aim of the component is to mitigate constraints hindering agricultural production and productivity while protecting natural resources on a sustainable basis. Activities aim to optimize land and water use, and to further promote complementarities and integration between production systems. Activities will focus on the provision of infrastructure for enhancing productivity of vulnerable smallholders in the production of food crops (rice and other upland coarse grains), which also have a vital role in household food security and nutrition. Supporting horticulture, aquaculture and livestock (small ruminants and poultry) has the additional objective to make available a greater diversity of sources of micronutrients and protein as well as income generation, particularly for women. In view of the above, GAFSP will integrate environmental safeguards in all project designs to protect the environment by conducting environmental impact assessments on proposed activities. Activities to address climate change will be mainstreamed throughout components 1 (and 2), in order to build smallholder capacity to adapt and/or mitigate to climate change and its effects. Farmers will be trained in techniques such as sediment retention and flood control, improved soil fertility and reduced erosion, increased carbon sequestration through reforestation and agro-forestry. Activities involving aquaculture development will also comply with best practices to minimize the risk of water pollution through effluent discharge into adjacent water bodies. Farmers will therefore be trained on the various aspects of aquaculture "best practices" (including site selection, pond construction, and day to day management, etc).

**Sub-component 1.1: Lowland Development for Rice Production** contributing to GNAIP's Program 1 of achieving rice self-sufficiency (over a 24,000ha land area), the project envisages putting a 1400 hectares of lowland under sustainable land and water management practice for rice cultivation, 6 percent of the GNAIP target. This is an activity mainly performed by women. Target intervention areas include 500ha of

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<sup>10</sup>A pilot local procurement through the EU-MDG initiative to include: (i) purchasing through small agribusiness enterprises contracting with rice-out-growers, (ii) direct procurement through selected small farmer groups; and (iii) procuring from regional cereal bank stocks. These options will provide linkages between producer organizations and agribusinesses.

difficult to access but fertile tidal flood plains and 900ha of run-off inundated, back swamp and/or natural depressions to mitigate the negative effect of climate change. For example capacity of small holder farmers will be strengthened in water harvesting techniques and other sustainable environment and natural resources management practices. The project will provide an initial provision of production inputs and services after which smallholders will be supported in accessing funds through micro-financing institutions (MFI). Support will be implemented through demand-driven approaches, encouraging sustainability and reinforcing long-term maintenance of infrastructures.

***Infrastructural development:*** Causeways, waterways, bridges, spillways and dikes will be constructed. These infrastructures were cited as priorities during the consultation.

***Beneficiary capacity development:*** Beneficiaries will be trained on operation and maintenance of infrastructure, agro-forestry, integrated pest management, irrigated agriculture and fish farming, and other environmentally sustainable ecological practices. Others will include crop husbandry including water management and organizational management. Women farmers will be primarily targeted. The beneficiaries, estimated at 2800 household, will be linked to service providers and/or programs (input dealers, MFIs, etc) through their appropriate Regional Agricultural Directorates.

***Sub-component 1.2: Upland soil management and erosion control.*** This sub-component includes arresting and/or retarding erosion and land degradation where coarse grains are cultivated with negative environmental impacts on agricultural land (uplands where the top soil is washed away and lowlands where siltation and subsequent plugging of waterways occur). Emphasis will be given to climate smart technologies to reduce degradation and soil loss. A total of 400 ha upland, 13.3 percent of the GNAIP target, will be put under improved conservation practices with a view to enhancing upland soil fertility and productivity, thereby, contributing to the realization of the upland target area specified in GNAIP (3,000ha).

***Construction of conservation structures:*** The support will provide for construction of run-off diversion and gully control structures, such as gabions. Structural stability will be improved through planting of cover crops and reforestation and agro forestry (also providing fruits and fuel wood). Beneficiaries will contribute to local materials and unskilled labor during construction and maintenance and management of the structures.

***Capacity building:*** Beneficiaries will be trained in improved upland conservation practices. To enhance local ownership and sustainability, “phased” interventions with sufficient backstopping will be provided.

***Sub-component 1.3: Improved horticultural crop production*** – This sub-component will target 1000 women and 500 youth farmers to establish/improve 100 ha for year-round production of high value horticultural crops. Commercial horticulture production will be particularly emphasized near urban areas which offer ready markets, notably in the WCR. Groups supported in horticulture under Component 1 will also be supported in value chain approaches under Component 2. These activities will contribute to increased food and nutrition security and boost income-generating capacity of farmers, especially women and youth.

***Garden development*** - Watering facilities including solar pumping systems and distribution network, and fencing will be provided. Garden tools and equipment, and initial production input and services will be provided as grant to the group but managed as a revolving fund to finance subsequent season’s operation.

***Capacity building:*** - Training in organizational management, leadership, and technical issues such as maintenance of infrastructure and crop husbandry including water management will be provided through experienced NGOs, service providers and MOA.

**Sub-component 1.4: Aquaculture Development** - In this sub-component rice-cum-aquaculture development will be undertaken to increase producers' nutritious high-protein sources to meet their dietary needs and serve as sources of income. Farmers cited this activity during the consultations as a high potential source of income, notably in CRR, and advise its scaling up. This will be implemented in all three regions of the target sites in combination with rice irrigation activities. The project will target 2000 women farmers. Environmental Impact Assessments will be carried out to address potential negative impacts.

**Pond construction:** Two and a half hectares of ponds with spawning tanks will be constructed within each agricultural region for about 500 women farmers in groups of 10 and on demand-driven basis. Initial production inputs such as fingerlings, starter feed and working tools would be provided as grant but to be managed as a revolving fund by the benefiting farmer group. Should land tenure issues arise, they will be addressed through community consultations.

**Capacity building:** A training package will be provided for beneficiary groups on technical and managerial skills required for effective operation and maintenance of the scheme.

**Sub-component 1.5: Improved Livestock production and productivity - small ruminants and poultry:** In this sub-component, GAFSP will target 40 beneficiary groups of 10 members each (400 women and/or youth) particularly those more vulnerable groups (women and youth) whose production base is at risk due to land degradation.

**Infrastructure development and production inputs:** Provision of small ruminant and poultry houses, water supply facilities, drinkers and feeders, initial lots of day-old chicks, small ruminant breeding stock, fencing and seeds for feed production, and starter feed with necessary animal health services for the first production cycles. Initial inputs provided would be seed money for subsequent operations and would therefore be managed as a revolving fund.

**Capacity building:** Farmer groups and frontline extension workers will be trained on animal husbandry and primary health care, business management and entrepreneurship development, leadership and organizational management, as well as gender mainstreaming. The benefiting groups will be linked to the market through their FBOs.

### **Component 2 - Smallholder Agricultural Commercialization**

**2.2.4.4.** The aim of the component is to promote a market-led, private-sector environment to foster smallholder commercialization. Activities are aimed to enhance value chain actors' capacity to add value to their products and access markets with quality commodities that meet standard consumer needs. It will also promote beneficiaries' linkages with MFIs. Increased productivity is expected as a result of implementing the activities under component 1. This will result in increases in primary products (rice, horticultural produce, live birds and eggs, live animals) for value addition and commercialization. Provision of agro-processing packages, coupled with capacity building in skills, will serve as additional incentives for FBOs who are primarily subsistent to transform their farming operations to be more market oriented enterprises including value addition. Other value chain actors such as traders, contract framers, service providers, and medium to large scale investors can take advantage of the increase in production to also engage in the commercialization of the primary produce and value addition and their marketing. Attention to gender and youth mainstreaming will be emphasized throughout activities of this component. Access to improved information systems and infrastructure will be supported to better access domestic and regional markets. As in component 1, mainstreaming of sound environmental management practices in this component will be carried out. Wastes generated through the various value chain processes will, as much as possible, be recycled and/or reused in an integrated manner; this will protect the environment and cut costs in fertilizer purchase particularly where farmers carry out good integrated management practices.

#### **Sub-Component 2.1: Development of Agro-processing Enterprises:**

**Capacity Development of Farmer-Based Organizations (FBOS):** This activity includes organizational, technical (agro-processing, preservation and packaging, quality assurance and food safety) and marketing and entrepreneurship development of FBO members - targeting both existing groups (around 60) and newly formed one (around 60). Value-chain studies targeting a selected number of commodities will be undertaken. Selection of commodities will be demand-driven within a range of products. The capacity building program will prioritize farmer field schools (FFS) and farmer-business-schools (FBS). FBOs will be supported in identification and selection of competent service providers and to develop linkages with MFIs.

**Provision of Agro-processing Packages:** Provision will be made of start-up kits and small-scale infrastructure (e.g. small structures, storage facilities, utilities) for FBO micro-enterprise ventures will complement FBO capacity development on a matching-grants basis (local contributions). The scope of support from packages will vary according to levels of capacity and need. Service providers will provide ongoing support and coaching sufficient to ensure long-term sustainability.

**Linkages to MFIs:** Credit lines implemented with existing MFIs in project areas will be supported and made available to project beneficiaries, targeted to those who have completed capacity building programs. GAFSP resources will support MFIs in offering an innovative medium-term higher-lending micro leasing facility<sup>11</sup> for activities requiring medium to large, longer-term investments (e.g. infrastructure such as storage; large equipment. In Senegal and in Kenya, this product has been implemented successfully through a micro-leasing program.

### **Sub-component 2.2 Facilitating Market Access**

**Strengthening of National Market Information Systems (MIS):** Assistance will be provided to collect, analyze and disseminate timely and accurate market information, through national media, rural community radios and other media.<sup>12</sup> Stakeholders met during consultations underlined the importance of rural community radios as a reliable and accessible source of market information. Operational costs will also be supported (e.g. office and field and communication equipment, publication and dissemination of market information).

**Expanding Market Linkages through Improved Infrastructure:** To stimulate private sector linkages, the GAFSP will support infrastructure upgrading, including storage for marketing in 20 municipal markets in towns and growth centers. Market managers and vendors will be sensitized on good food handling and marketing practices, complying with national food safety and quality regulations. Upgrading of existing 300 kilometers of access roads will be undertaken to expand market linkages.

## **Component 3 - Integrating Improved Approaches to Food and Nutrition Security**

**2.2.4.5** The aim of this component is to improve household food security and nutritional levels including during periods of disaster, with attention to targeting the most vulnerable groups and households. The component will support social safety nets, particularly aiming to raise nutritional levels of at-risk groups, namely children and also households who include people living with HIV/AIDs. Community resilience to disasters will be strengthened through measures such as community cereal banks and improving household nutritional practices.

### **Sub-Component 3.1: Addressing Malnutrition**

**2.2.4.6** The sub-component will address malnutrition through a range of complementary interventions. The project will provide direct nutritional support particularly targeting primary school-age children and

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<sup>11</sup> In Senegal and in Kenya, this product has been implemented successfully through a micro-leasing program.

<sup>12</sup> This will complement the FAO-TCP "Support to strengthen capacities in the Gambia Government for policy planning, programming, statistics and monitoring in the ANR Sector," establishing and operationalization of The Gambia Market Information System (GAMIS).



children under five years through the national school feeding program, nutritional education including practical. Through community-based nutritional programs, rural households in communities of the project area will benefit from knowledge and skills in good practices nutritional, food preparation and processing, targeting mothers in particular.

**Implementing school feeding program (SFP):** The project will provide and distribute food and non-food items to support the implementation of school feeding in 164 primary and pre schools (i.e. Early Child Development Centers) covering 57,400 children in WCR and LRR schools.<sup>13</sup> This is a contribution to the extension of the ongoing WFP-supported Food for Education Program (FFE) (2007-2011) and in specific, a WFP and GoTG project to expand the SFP coverage across the country.<sup>14</sup>

**Local procurement for SFP (LRR, CRR, WCR):** A pilot local procurement will be implemented according to WFP modalities designed to complement the EU-MDG initiative pilot (pending approval). It involves procurement of locally produced food items for school feeding programs through innovative ways. Procurement arrangements would likely include: (i) purchasing through small agribusiness enterprises contracting with rice-out-growers (i.e. smallholder farmers); (ii) direct procurement through selected small farmer groups in major rice growing regions; and/or (iii) procuring from regional cereal bank stocks proposed in sub-component 3.2. These options will provide linkages between producer organizations and agribusinesses supported under Component 1 and 2.

**School-based nutritional education:** Classroom and practical trainings in school farms and gardens will be supported to facilitate learning and gain access to essential micronutrients/rich foods complementing school meals.<sup>15</sup> This will improve nutritional quality of school meals and also introduce school children to good agriculture practice. All targeted schools will receive a comprehensive support package.

**Community-based nutritional education:** - Activities will include training specific target groups (e.g. mother's clubs, school management teams, village support groups, households with People Living with HIV/AIDs) on basic nutritional knowledge, food preparation and hygiene; supporting information, education and communication (IEC) and advocacy to improve healthy balanced diets based on locally available foods; and sensitization on nutritional practices at the household level. Activities will also include: (i) promoting infant and young child feeding practices; (ii) procuring ready-to-use therapeutic feeds for the rehabilitation of malnourished children; (iii) supplementary feeding to vulnerable children. This will build on existing actions and initiatives such as the Baby Friendly Community Initiative (BFCD) supported by United Nations Children's Fund (UNICEF) and the World Bank being implemented by NaNA, the NGO-supported Mother's Clubs, and the Nutrition Without Borders supported Centre for Care and Rehabilitation of Malnourished Children

### **Sub-Component 3.2: Building Household Resilience**

**2.2.4.7** The expected outcome of this sub-component is to build sustainable community and household resilience to shocks and broaden coping strategies, particularly of vulnerable households. Activities will include: expanding access to food/cereals and seeds; strengthening decentralized disaster management operations - in alignment with the NDMA Policy and Act (2008); and supporting a participatory policy formulation process with the view of establishing a national social protection policy framework.

**Expanding access to seed and cereal banks:** –A total of five existing cereal and seed banks will be rehabilitated and ten new banks constructed at strategic locations identified by communities and in complement with ongoing initiatives. These will provide ready access to seeds and cereals at the time of need; reduce post harvest loss and stabilize prices. A proven implementation strategy promoted by Action

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<sup>13</sup> Estimated at about 380 students for 1 rural ECDC and primary school combined.

<sup>14</sup> Under an EU-MDG initiative project (pending approval), WFP and GoTG aim to implement the SFP in CRR and NBR.

<sup>15</sup> Lessons will include business skills and planning to encourage youth to view agriculture as a viable business - a point emphasized by stakeholders to address lack of youth employment opportunities.

Aid in collaboration with a number of farmer organization will be adopted, where an initial grant is provided to FBOs to work with committees who mobilize surplus cereal purchases for storage. Cereals will be loaned to community members. Three regional banks would be stocked and serve as emergency cereal stores. Capacity building on procurement and management and operations would be supported.

***Strengthening decentralized contingency planning:*** NDMA has established regional and District Management Committees under the National Disaster Management Council to coordinate and manage disaster issues. These include Regional and District Disaster Management Committees. All the 45 structures in the three regions will be strengthened to better prepare for emergencies (e.g. ensuring contingency plans are designed and up to date, preparing regional stocks).

***Participatory Policy Development*** – The project will support activities to formulate a social protection policy and strategic plan of action through wide stakeholder inclusiveness.

#### **Component 4 - Strengthening GNAIP Coordination and Management**

**2.2.4.8** This component will comprise two main areas of support: (i) strengthening capacity of CPCU to effectively coordinate and manage GNAIP programs, ensuring synergies among partner institutions; and (ii) establishing the GAFSP Project Support Unit (GPSU), responsible for the implementation and monitoring of GAFSP activities. The GPSU will be working directly under the CPCU.

***Subcomponent 4.1: Strengthening Operational and Technical Capacity of CPCU:*** Resources will be provided to strengthen CPCU effectiveness. A capacity needs assessment will be conducted to identify main areas of support - technically and operationally.

***Capacity Development*** – Technical assistance and training will be provided to CPCU and collaborating partners to strengthen performance and build expertise within MOA and partners (e.g. project planning, project preparation, and implementation, and participatory M&E, implementation communications and outreach).

***Operational Support*** – Support will be provided based on a comprehensive needs assessment and in collaboration with other partners. Support may include mobility, office equipment, communications, and IT.

#### **Subcomponent 4.2: GAFSP Project Support Unit (PSU) Management**

***Project Support Unit (PSU) Technical Expertise:*** A PSU will be established, including: a Project Officer, a Land and Water Management Specialist, a Commercialization Specialist, Food and Nutrition Specialist, M&E and support staff.

***Project Support Unit (PSU) Operations-*** GAFSP funds will provide support to cover PSU operations: e.g. IT equipment, office furniture, vehicles, operating expenses.

**2.2.4.9 Project Area and Beneficiaries:** The project area will cover three administrative regions comprising four RADs. These four include: (i) CRR North; (ii) CRR South; (iii) LRR; and (iv) WCR Regions. Selection has been based on four main criteria: poverty levels; malnutrition of children under five years, food insecurity; and production potential. Investment in areas with high market-led potential was also prioritized. According to PAGE, the 3 selected regions show markedly higher levels in household poverty, malnutrition and vulnerability than the national average, ranking among the highest in all categories (poverty, food insecurity, malnutrition) as shown in the Table 3 below:



**Table 3 – Regional Distribution of Poverty and Food and Nutrition Insecurity**

Region	Percent of poverty level (National rank) <sup>1</sup>	Percent of under -5 malnutrition (rank) <sup>2</sup>		Percent of households food insecure and vulnerable (rank) <sup>3</sup>
		Underweight	Stunting	
CRR North	79 (1)	27.3 (1)	25.0 (4)	24.1 (1)
CRR South	73(2)	26.1 (3)	29.1 (2)	18.2 (3)
LRR	57.2 (4)	27.0 (2)	29.0 (3)	15.5 (4)
WCR	54.4 (5)	16.8 (6)	19.9 (5)	20.2 (2)
National	48	20.3	22.4	10.7

Source: 1 – PAGE (2011-2015), 2. - MICS, 2006, 3 CFSVA, 2011

**2.2.4.10** The LRR, CRR/N and CRR/S regions have particularly high productive potential. They are key rice and leafy vegetables growing areas with relatively fertile lowland soils, which can be developed to increase national food security. The uplands, particularly in the north of the LRR, have high potential for the production of coarse grains which are key sources of household income for smallholders. The WCR is a key area for horticulture, providing opportunity for development of value chains and market linkages to urban areas, facilitating partnerships with private sector actors, such as export traders. The project will use *an integrated “intervention area” approach*, to optimize synergies of investments in targeted impact areas.

**2.2.4.11** About 240,000 members of the population in the target areas (i.e. 150,000 women, 60,000 youths and 30,000 men) are estimated to potentially benefit from GAFSP support. This includes 30,000 beneficiary households (8.3 persons per household), representing about 42 percent of total households in project area and about 20 percent of the population involved in agriculture.

**2.2.4.12** The project will benefit **directly** about 12,000 households or 100,000 persons: farmers, processors, community members (e.g. involved in emergency prevention activities), and local actors engaged in activities within project impact areas, with a proportionally targeted number of women and youth, and women headed-households, together estimated at least 50 percent of project beneficiaries. Under **Component 1** beneficiaries will include about 2000 women supported in rice, cereal and horticulture production and about 400 women livestock farmers, while about 500 households will benefit from upland support. Under **Component 2** it is estimated that 6,000 beneficiaries will benefit from capacity development and agribusiness development and employment, representing a large proportion of FBOs comprising women and youth. These beneficiaries include small-scale agro-processors, traders, a targeted number of MFIs in the project area, public and private players. **Component 3** will target about 57,400 school children in 164 schools in the project area under the SFP. In addition, direct support will be provided to about 1000 households in nutritional and food security, including gaining access cereal/seed banks. **Component 4** will build the capacity of about 400 staff in the ANR sector through training in specialized fields such as financial management, M&E, IT, procurement and contract management, project appraisal and risk management, agri-business and marketing, and project management

**2.2.4.13** A total of 18,000 households are estimated to benefit **indirectly** from investments funded under GAFSP in a number of ways, for example: (i) access to improved technologies and conservation measures such as those relevant in upland areas; (ii) access to reliable, timely market information and infrastructures (e.g. storage, roads) and improved private sector-smallholder partnerships; (iii) enhanced emergency preparedness systems to improve emergency response (such as drought); (iv) nutritional information.

**2.2.4.14 Project benefits:** Expected benefits from the project are broad, and classified as follows: (i) **benefits at the private/HH level** (improved post-harvest practices, including through value addition and improved storage increased incomes, improved agricultural production including increased productivity food security, greater awareness and improved practices in food preparation, food quality, dietary and nutrition; increased nutritional levels of infants and school-children, etc); (ii) **benefits at the community level** (improved storage, improved market access, , strengthened disaster preparation and resilience, improved coping strategies to shocks, increased employment - notably for youth and women); (iii) **public benefits** (such as institutional strengthening and capacity building, for example the CPCU, increased

market activity and improved market information and commercialization); and (iv) **more global benefits** (such as reduced land erosion and degradation).

**2.2.4.15** More specifically, **Economic** benefits will include: (i) increased incomes through increased and diversified production, and enhanced commercialization, ultimately leading to foreign exchange savings through importation substitutions; (ii) access to rural financial services, including medium-term loans to promote investments; (iii) increased market/business opportunities and returns from smallholders' investments in agriculture; (iv) strengthening FBO capacities in commercial transactions and market exchanges.

**2.2.4.16 Environmental** benefits will include: (i) improved sediment retention and flood control; (ii) improved soil fertility and reduced erosion; (iii) improved water management; (iv) improved climate change mitigation and adaptation, including drought, mainly through afforestation.

**2.2.4.17 Social and Institutional** benefits underlie all components and include: (i) producer, agro-processor and marketing groups effectively functioning, increasingly self-reliant, with established market linkages; (ii) local decentralized structures engagement to support project activities; (iii) local authorities are able to better plan, monitor, evaluate economic development and link with other stakeholders/potential partners; (iv) public/private partnerships strengthened; (v) management capacities of national and community-based institutions such as PSU at national level, and disaster management committees at local levels. Women in particular will benefit significantly from project activities. Women and youth's asset base will be vastly broadened including through skills and knowledge development, increased access to resources, materials and equipment, access to finance, increased information, broadened partnerships and networks in commercialization. This will enhance their productivity, income gains, empowerment and livelihood opportunities.

### **2.2.5 Project Sustainability**

**2.2.5.1 Economic sustainability:** The increased budget allocations to the ANR sector - up to 7.09 percent of national budget allocation in 2012 – evidences committed public investment towards economic growth. Smallholder linkages with national supply chains and regional and international markets will strengthen their integration. Linkages between smallholders with private sector partners and MFIs will ensure long-term impact of project support.

**2.2.5.2 Institutional sustainability:** Evidence of country ownership and commitment to strengthening sector performance and sustaining project interventions is reflected through inter-ministerial coordination under GNAIP. Institutional strengthening is a cross-cutting feature integrated across all components, intended to ensure sustainability and effective performance. MOA has put priority on improving coordination and management in the sector, particularly in strengthening the M&E systems.<sup>16</sup> The project will build on these efforts to strengthen CPCU to fulfill its mandate. This will result in cost savings as duplication will be avoided and better coverage will be achieved. The project will build institutional and organizational capacity of different actors and partners of MOA, from public and private sector, including FBOs, working with services providers.

**2.2.5.3 Physical sustainability:** Stakeholder ownership and commitment to manage and operate structures supported by the project will be reinforced by participatory approaches used in design and implementation approaches (e.g. matching grants, demand driven). For example, management committees, responsible for operations and maintenance of irrigation schemes, will be formed and supported by the project to ensure sustainability of infrastructures. FBOs will be supported to assume technical/physical and organizational responsibility of their equipment. Cereal bank management committees will be strengthened to maintain and replenish stocks. As per Government policy, communities will be involved in and responsible for the construction and maintenance of access roads and infrastructures. School Food Management Committees will be supported to ensure continuation of nutritional education and garden activities.

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<sup>16</sup> For example Government request for IFAD support to improving M&E within CPCU.

**2.2.5.4 Environmental Sustainability:** The project will adhere to sustainable environmental practices and provide safeguards to project interventions based on principles of conservation and sustainability. National laws and other legislation that require environmental impact assessments (EIA) will be enforced to ensure that environmental safeguards are integrated in project designs (notably infrastructure and access roads). Implementing institutions will be made aware of and given support to mitigate and/or adapt to the impact of climate change through applying smart agriculture practices.

**2.2.5.5 Results Framework and M&E:** A results framework and M&E tracking system has been designed based on proposed outputs and activities (see Annex 6 for M&E and Annex 7 for results framework). The project will make use of national data sets (e.g. NASS, MICS, GBOS, nutritional surveillance) whenever possible during establishment of the baseline. The project will put in place an M&E computerized system, simple but adequate for measuring inputs, outputs and analyzing outcomes.

**2.2.5.6 Stakeholder participation in M&E:** The project will use participatory approaches in implementing M&E activities. Both quantitative and qualitative methods will be used, such as beneficiary assessments, focus groups etc. Stakeholder inclusion will be integral to M&E to ensure transparency, accountability, and voice. This is central to understanding the most significant changes in people's lives due to benefits brought on by project interventions. Findings from M&E will be analyzed, documented and shared as lessons learned to enhance project performance. M&E results will be fed back into planning systematically; an iterative evaluation and planning cycle will be implemented. The project will ensure that findings of assessments and evaluations are shared with beneficiaries, and that stakeholder views are incorporated into final reports and recommendations. All data/indicators will be gender-sensitive and disaggregated when and where possible and will be summarized to produce quarterly, biannually and annually reports on implementation progress and achievement of results. The M&E framework is detailed in Annex 6.

### 2.3 INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS

**2.3.1** The Government of The Gambia has designated the MOA as the technical Ministry responsible for the coordination of GNAIP implementation. In fulfillment of this responsibility, the MOA established the CPCU responsible for the overall implementation, monitoring, coordination and alignment of GNAIP related projects. The CPCU is supervised by a multi-stakeholder PSC. For effective and efficient implementation of GAFSP a PSU will be established under the CPCU. This Unit will be headed by a Project Officer (PO) assisted by three component managers; an M&E Officer; and an Accountant. In addition, support staff will be recruited. Technical assistance will be recruited on "as needs" basis to reinforce quality and robustness of project implementation. To minimize administrative costs, enhance project accountability and build synergies, the CPCU Financial Controller will be responsible for the implementation of GAFSP financial management, audits and reporting, following procedures of the Integrated Financial Management Information System of the GoTG, and the Supervising Entity. The accountant of the PSU will support the Financial Controller for effective and efficient day-to-day financial management of GAFSP. GAFSP activities would be implemented through signing of MOUs and contracts with the implementing partners (e.g. Regional Directorates of MOA in the targeted project areas, relevant ministries including the Ministry of Basic and Secondary Education, NGOs, private enterprises and FBOs). GAFSP implementation will prioritize up scaling and expanding ongoing initiatives that have proven successful.

### 2.4 AMOUNT OF FINANCING REQUESTED

**2.4.1** The amount of **USD 29.3 million** (including contingencies) will be requested under GASFP. This will contribute to filling financing gaps of the GNAIP, currently estimated at an overall USD 154.8 million. These funds would reduce the current financing gap from 55 percent to about 35 percent. The Government counterpart to project implementation will be additional 7 percent of the base costs (about USD1.9 million), and will consist of : (i) hosting the Project Support Unit within CPCU, (ii) providing equipment, materials and staff, and (iii) enhancing support to CPCU's operations. Beneficiaries are

expected to contribute in kind by providing materials and unskilled labor, for a value equivalent to 10 percent of the proposed base costs ((about USD 2.7 million). This amounts to a total envelope of USD 34 million.

**2.4.2** Activity costs have been determined, presented below at component level.

- Component 1 - Improved Agriculture, Land and Water Management: USD 6.6 million (24 percent of total base costs);
- Component 2 - Smallholder Agricultural Commercialization: USD 10.9 million (42 percent of total base costs);
- Component 3 – Integrating Improved Approaches to Food and Nutrition Security: USD 8.9 million (30 percent of total base costs);
- Component 4 - Strengthening GNAIP Coordination and Management: USD 1.1 million (4 percent of total base costs).

**2.4.3** Contingencies have been estimated at 5 percent of total base costs. Project costs by component, sub-component and activity area are fully detailed in Annex 8.

### 2.5 PREFERRED SUPERVISING ENTITY

**2.5.1** The preferred supervising entity is the AfDB based on the long standing engagement of the Bank in the Agriculture sector in the country and the in-depth knowledge developed in the sector since the Bank Group commenced operations in 1974. The agricultural sector accounts for 22 percent of the net commitments from the Bank amounting to USD 320.73 million. The interventions have contributed to capacity development in the agriculture sector particularly through the effective and efficient project implementation teams seconded from the MOA. The regional representation of the Bank provides a close assistance in procedures such as disbursement, procurement and financial management. Valuable lessons have been learnt during the implementation of the Bank-funded projects resulting in improved design and implementation of the interventions. The AfDB also has established partnerships with key development institutions in the Gambia and have Memoranda of Understanding with FAO and IFAD. The AfDB is currently financing four interventions in the agriculture sector amounting to USD 29.20 million.

**2.5.2** FAO will provide technical assistance during formulation and implementation. The FAO has extensive knowledge of the agriculture sector, and has assisted Government in a number of food security programs<sup>17</sup> in support of national priorities. FAO provided lead technical support to Government, working with World Bank, WFP and other partners in the Inter-Agency Assessment of the Soaring Food Prices (2008), resulting in proposals have been financed<sup>18</sup>. FAO provided lead technical assistance to Government in preparing the sector investment plan, GNAIP (2011-2015).<sup>19</sup> FAO is currently providing technical support to implementation of the Italian-financed Food Security through Commercialization of Agriculture Project (FSCA) and has a number of Technical Cooperation and Telefood Projects ongoing or recently closed.<sup>20</sup> With Government, FAO and WFP are currently finalizing a proposal under the EU-MDG1c initiative.

### 2.6 TIME FRAME FOR SUPPORT

**2.6.1** The activities identified in the GNAIP are designed to cover a period of five years. However, GNAIP should be viewed as a rolling plan to meet the Vision 2020. This proposed project is an integral part of GNAIP and will be implemented over the period 2013-2017 and will fall within the period covered by GNAIP and beyond.

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<sup>17</sup> e.g. the Special Program Food Security, the National Program for Food Security

<sup>18</sup> through support from the World Bank, EU, WFP among others

<sup>19</sup> In collaboration with partners notably the AfDB and WFP

<sup>20</sup> Post-harvest storage, strengthening planning, data collection, analysis, curriculum development nutrition education.

## 2.7 RISKS AND RISK MANAGEMENT

**2.7.1** GNAIP implementation, and GAFSP, will not be without risks, although generally, they are expected to be low to moderate. GAFSP will not be an isolated process, it will be implemented through existing structures and experienced partners. Most interventions are based on proven approaches and/or focus on areas of intervention that have been successfully supported by ongoing or past programs.

**2.7.2** A number of risks have been identified that could potentially limit achieving project objectives. These relate to: (i) socio-political and economic environment; (ii) commitment by Government and development partners; (iv) capacity of Government institutions and implementing partners/service providers; (v) private sector interests; (vi) access to finance and markets; (vii) impact of climate change; and (viii) gender, youth and vulnerability aspects.

**Table 4 Risk Analysis**

Risk description	Risk rating	Risk mitigation measures incorporated in project design	Risk rating after mitigation
Socio-economic environment, including unstable food prices.	Low-Moderate	The project will target rural poor and promote employment creation; production of food staples and agro-processing to increase incomes.	Low
Development partner commitment to provide sufficient, timely and long-term financial support to the ANR sector.	Low-Moderate	Capacity of MOA will be strengthened to better coordinate and implement programs demonstrating effective performance.	Low
Political interference; mismanagement of project funds and assets.	Low-Moderate	Transparent procurement procedures and regulations will be developed along with requisite training. There will be regular supervisions, M&E activities as well as stakeholder sensitization and awareness programs. .	Low
Inadequate capacity of implementing partners and/or service providers to effectively implement the program.	Moderate	Implementing partners/service providers will be competitively recruited, with provision of training, close supervision, monitoring and constant quality control.	Low
Limited private sector involvement and lack of viable market outlets and opportunities for agribusiness development and expansion.	Moderate	FBO capacities will be strengthened and will be linked to markets Upgrading of market infrastructure will be performed; market analyses for domestic and regional outlets will be conducted along with the promotion of trade fairs and establishment of a viable marketing information system.	Low
Adverse impact of climate change and climatic variability, which affects agricultural productivity and sustainable use of natural resources.	High	The project will promote irrigation and sustainable water management and conservation practices; strengthen early warning systems; conduct awareness raising and promote activities for enhancing climate resilience.	Moderate
Insufficient gender mainstreaming and inclusion of youth in project activities.	Low – Moderate	The project will systematically use the practice of proactive targeting and conduct gender awareness training for PCO and implementing partners; incorporation of gender and youth issues in all trainings; attention to gender and youth during supervision and evaluations will also prevail.	Low

## 2.8 CONSULTATION WITH STAKEHOLDERS AND DEVELOPMENT PARTNERS

**2.8.1** The proposed project formulation was led by a multi-stakeholder national Steering Committee Chaired by the PS of MOA, and including representatives from government ministries and agencies, NGOs, private sector, farmer organizations, technical experts, development partners and UN agencies. Regional consultations were organized to ensure the proposal was built with views and inputs from all categories of stakeholders. These were supported through Government, and led on the ground by the NGO Action Aid International The Gambia jointly with the apex body of farmer organizations, the National Coordinating Organization for Farmer Association (NACOFAG), who is the national focal point of the regional West African network of farmers and agricultural producers, Reseau des Organisations Payasannes et de Producteurs de l’Afrique de l’Ouest (ROPPA).<sup>21</sup> Over 160 smallholders attended including community leaders, smallholders, private sector, civil society organizations, and staff from government departments and projects (Annex 9).

<sup>21</sup> ROPPA aims to promote and defend competitive and sustainable farming; inform and share experiences; support peasant farmers and agricultural producers’ participation/involvement in the definition/ implementation of development policies and programs in agricultural and rural sectors.

**2.8.2** In addition, a consultation with development partners was organized to solicit views and ensure synergies with ongoing and planned interventions (see Annex 9) Finally, a national validation of the draft proposal was held in Banjul on 9 March attended by representatives from farmer organizations, NGOs, private sector, Government, national agencies, relevant donor-supported programs (see Annex 9).