

5 September 2021

Dear GAFSP Steering Committee,

Subject: IFAD Statement of Readiness as Supervising Entity

I am pleased to write in reference to the Agriculture and Investment for Markets and Nutrition (AIM-Nutrition) project proposed for GAFSP funding by the Governments of Solomon Islands and Vanuatu.

IFAD has held detailed discussions on the proposed AIM-Nutrition Project with both Governments; and stands ready to serve as supervising entity for the project. The project offers a relevant model for outreach to smallholder farmers – and women and youth - that is complementary to other development interventions within the countries; and has significant scope for replication and scaling in additional provinces. IFAD considers the cost structure suitable for a standalone two-country project, and has allocated co-financing under its IFAD12 Programme of Work towards this project.

Timelines. Should the AIM-Nutrition proposal be approved by the GAFSP Steering Committee, IFAD shall collaborate with FAO to formulate and appraise the project in 2022, with a view to submitting to its Quality Assurance process by August 2022 -- allowing for quality assurance review and management endorsement in September 2022.

Depending on the recommendations of the quality assurance process, the following timeline is envisaged:

- December 2022: IFAD shall present the project to its Executive Board session of 13 December 2022, its last session of 2022.
- March 2023: Signing, entry into force of the financing agreement and first disbursement.
- March 2028: project completion.
- September 2028: project completion report and financial closing.

These timelines may be accelerated if travel to the countries is possible; or extended by up to four months if additional design and appraisal activities are recommended by IFAD management's arms length quality review.

Ongoing projects. IFAD is currently supporting the following projects in Solomon Islands and Vanuatu. Previously, IFAD funded the Solomon Islands flagship Rural Development Project phases 1 and 2, together with World Bank, Australia and the EU.

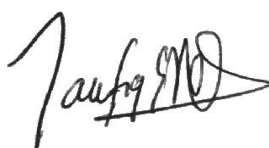
- The Farmer Organisations for Africa Caribbean programme ([FO4ACP](#)), a EUR 42 million programme, whose Pacific portion (\$4.8 million Euro) is executed by the Pacific Islands Farmer Organisations Network (PIFON). Implementation is led by PIFON's country-member farmer organisations, such as Kastom Garden Association (KGA) in Solomon Islands and Farmers Services Association (FSA) in Vanuatu. This project is rated as satisfactory, or 5, on a rubric scale of 6.

- Melanesia Rural Markets and Innovation-Driven Project ([MERMAID](#)) in Solomon Islands and Vanuatu (implemented by World Vision, Bioversity and CIAT) with a US\$ 2.5 million regional grant from IFAD. This \$3.6 million programme offers lessons and R&D that is highly relevant for the proposed AIM Nutrition project. MERMAID's first rating will be assigned in October 2021.
- The \$8.2 million Pacific Islands Rural and Agriculture Stimulus Facility (PIRAS) aims to assist rural households in five Pacific Island States, including Solomon Islands and Vanuatu, to adjust to and recover from COVID-19 socio-economic impacts. Programme funding includes a US\$ 3 million IFAD grant and US\$ 3.7 million Australia DFAT funding, complemented with US\$ 1.5 million in UN Multi-purpose Trust Fund contribution to joint activities by ILO, UNICEF and UNDP. Direct funding to Solomon Islands and Vanuatu amounts to US\$ 2 million, apart from shared regional activities e.g. on digital solutions and food security monitoring. IFAD and Australia approved PIRAS in April 2021; the programme has not yet been rated.
- Driving the Delivery of Results in the Agriculture Sector (DELIVER), provides US\$ 600,000 in improve the institutional capacities in the Ministry of Agriculture, to better enable achievement of results on country rural development strategies and programmes. Korea and IFAD approved the DELIVER programme in December 2020; it has not yet been rated.

We believe the above-listed programmes provide exceptionally relevant complementarities to the proposed project, offering AIM-Nutrition important synergies and benefits. The portfolio also helps establish a useful platform for IFAD to engage in policy support to Government and donor coordination that can help maximize results and impacts from AIM.

IFAD fully supports the importance given by the Governments of Solomon Islands and Vanuatu to this important programme, and is keen to support this opportunity. We hope it will gain your positive consideration.

Yours Sincerely,



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