



Project Proposal

Diversified Resilient Agriculture for Improved Food and Nutrition Security (DRAIFNS)

Ministry of Agriculture

The People's Republic of Bangladesh

Submission Date: 08 September 2021

Diversified Resilient Agriculture for Improved Food and Nutrition Security (DRAIFNS)

Section 1: Basic Data

a. Project Name	Diversified Resilient Agriculture for Improved Food and Nutrition Security (DRAIFNS)
b. Submitting Country/ies	People’s Republic of Bangladesh
c. Ministry/ies responsible for implementation	Ministry of Agriculture
d. Primary Country Contact(s) <i>(Name, Title, Organization, Email)</i> <i>(Names and contact information for proposal preparation team members should be included in Annex 5)</i>	Md. Mesbahul Islam Senior Secretary Ministry of Agriculture, Bangladesh Secretariat, Dhaka-1000, Bangladesh Email: secretary@moa.gov.bd ; razib16061@gmail.com ; pstosec@moa.gov.bd ; addlsecyppe@moa.gov.bd ; jsic@moa.gov.bd
e. Total GAFSP Grant Funding Requested <i>(refer to Annex 1 – Project Budget Table)</i>	Amount Requested: US\$25 million Minimum Amount Needed: US\$20 million
f. Estimated project start and end date: (07/22 – 06/26)	
g. Preferred Supervising Entity Supervising Entities for Investments and Technical Assistance (Select only one) <input type="checkbox"/> African Development Bank (AfDB) <input type="checkbox"/> Asian Development Bank (ADB) <input checked="" type="checkbox"/> International Fund for Agricultural Development (IFAD) <input type="checkbox"/> Inter-American Development Bank (IDB) <input type="checkbox"/> World Bank (WB) Supervising Entities for Technical Assistance only (optional^{15F1}) <input checked="" type="checkbox"/> Food and Agriculture Organization (FAO) <input type="checkbox"/> World Food Programme (WFP) <i>If more than one Supervising Entity is selected, provide the anticipated cost share between them.</i> [80] % of the grant will be implemented through the [name of investment Supervising Entity] [20] % of the grant will be implemented through the [name of Technical Assistance Supervising Entity]	
h. Has/ve the country/ies previously received a GAFSP grant? <input type="checkbox"/> Yes, please complete <i>Annex 4</i> <input type="checkbox"/> No	

Section 2: Project Description

2.1 Project Development Objective

To contribute to the public investment priority of achieving food security, and promoting sustainable, inclusive, climate-resilient, and nutrition-sensitive agriculture in Bangladesh, and respond to the government’s strategy of restoring and developing the agricultural supply chain aftermath of COVID-19 crisis by minimizing the impact of COVID-19 for smooth agriculture growth and ensuring food security after the crisis.

¹ Each Proposal must be supported by one investment Supervising Entity (AfDB, ADB, IFAD, IDB, or WB). In addition, a country may choose to engage a separate Supervising Entity for Technical Assistance activities only (FAO or WFP).

2.2. Description of the proposed project

Rationale. Although there has been improvement in building social safety nets for the poor and vulnerable, Bangladesh still faces continued challenges in ensuring food and nutrition security due to the increasing population, slow growth of agricultural productivity, and increasing income inequality.

Agriculture is not only one of the most important drivers of growth and rural development in Bangladesh, but also a key determinant factor in rural poverty reduction, food security and nutrition from the supply side. *Most of the people involved in agricultural production are marginal or landless farmers; around 60 percent of the employed women were engaged in agriculture*². After decades of efforts to improve food self-sufficiency, Bangladesh is currently a surplus producer of key staples like rice and potato, while remaining dependent on import of pulses and oilseeds.

Key challenges in agriculture development. The following paragraph from the government's Eighth Five-Year Plan provides a good summary of the key challenges in agriculture development, especially in the crop sub-sector:

*Some of the current and future challenges are linked to rapid industrialization and associated decline in agricultural land. Availability of high-quality seeds, access to credit, inadequate investment in agriculture, and vulnerability to climate change are also important challenges. Furthermore, the volatility in commodity prices is one of the major issues confronted by the farmers. This, in turn, leads to increasing production and large postharvest loss, occasionally over 30 per cent. It will be difficult to sustain the growth of production of high-value and labour-intensive crops unless investment is made in the postharvest management (a 10% reduction of postharvest loss would add 10% additional food for the nation), processing and storage to stagger marketing of the crops throughout the year to match the demand that remains stable across the season. In addition, it is also important to exploit international markets with investment in packaging, Sanitary and Phyto-sanitary Standards (SPS), and safe food production through Good Agricultural Practices (GAP)*³.

Marginal farmers and landless workers in the agriculture sector constitute a major part of the population living below the poverty line and thus the strategic importance of agriculture in meeting food and nutrition security and providing livelihoods for a substantial part of the population deserves a special attention. Land reform has its implications beyond agriculture as it balances the power structure, both economic and political. The government is working on khas land distribution among the landless and the marginal farmers. The Ministry of Land (MoL) is implementing 'Automation of Land Management Project' and 'Capacity Development of Land Records and Surveys to Perform Digital Survey Project' in this regard. Future detail design will further consult the MoL, and exploring cooperation opportunities in land settlement and titling built on the good experience of IFAD-assisted Char Development and Settlement Project IV (CDSP-IV).

In addition, low productivity, institutional bottlenecks in research-extension-farmer linkage, degrading natural resource base and depleting ground water, income inequality, female farmers' precarity, difficulty for rural populations to access IT knowledge and technologies have been identified in the Plan, and by stakeholders active in the country's agriculture development.

The COVID-19 pandemic has re-emphasized the important role of agriculture and its sustained growth in ensuring food security. While Bangladesh did not face a food shortage crisis at the national level, marginal and rural vulnerable groups have been severely affected, as various restrictions adversely affected their daily income and food security. Negative impacts on agriculture can be summarized as: (i) disrupted agricultural supply chains, (ii) curbed food consumption behaviour of poor and vulnerable groups, (iii) widespread temporary unemployment and loss of income sources, (iv) reduced farmers' market access for procuring raw materials and hiring labourers, (v) destroyed underdeveloped productive capacities, (vi) low prices of forced sales of agri-products mainly at farmgate, (vii) increased food loss and waste, and (viii) adversely affected nutrition and food

² Eighth Five-Year Plan, page 289

³ Eighth Five-Year Plan, page 292, 4.3.2 Challenges in the crop sub-sector.

security. Therefore, shielding the agricultural sector from the vulnerabilities exposed during the COVID-19 crisis is essential to cope with the immediate shocks as well as to prepare better to ensure medium- to long-term food security⁴.

Nutrition: Availability of food grains per capita declined slightly in 2020-21 compared to the level of 2010-11, but it was accompanied by a sharp rise in the per capita availability of fish, meat and milk, suggesting a gradual diversification of diets⁵. There has been persistent nutrition imbalance in the country, which research closely links to poor crop diversification, poverty and food consumption behaviours⁶. The diets of rural populations in particular are dominated by rice, a result of the popularity of rice mono-crop cultivation, but also the relatively high prices of food items like animal protein. A good indicator to assess this issue of nutrition imbalance, especially for women and children, is the rate of malnutrition of children under five.

The food security status in Bangladesh is still measured largely by calorie-based estimations. The rate of undernourishment in the total population in Bangladesh was 9.7% (15.9 million) during 2018-2020. At the same time the rate of severe food insecurity was 10.5% (17.1 million) and the rate of moderate or severely food insecurity was 31.9% (52.0 million)⁷. Going forward, measurements of intake of proteins and other important nutrients (micro-nutrient and minerals) should be included in the assessment methodology⁸. There has been a lack of knowledge on nutritional aspects of food items among women, and practices to ensure food hygiene and nutrition-efficient cooking are not implemented, especially in rural settings.

Vulnerability to climate change. Bangladesh is particularly vulnerable to climate change. Two-thirds of the country lies less than five meters above sea level, making it one of the most flood-prone countries in the world. Severe flooding during the monsoon season causes significant damage to crops and property, with major adverse impacts on rural livelihoods. Climate change has exacerbated natural disasters that constantly cause abrupt and negative impacts on agriculture, such as salinity intrusion, tidal submergence, continued erratic and unpredictable monsoon and severe and longer droughts. Natural disasters including cyclones, tidal surges and flooding cause significant damages to livestock. In the aftermath of such a disaster, productivity declines due to shortage of animal feed and outbreak of diseases.

Women and girls, youth. There are fewer employment opportunities for women than for men. At the same time, women bear the majority of the responsibility of caring for their families and are therefore particularly affected by poverty. Women are actively involved in the production, processing and trading of agricultural products and by-products. Women constitute about 49 percent of the total who are the most disadvantaged and vulnerable population segment. More than two thirds of the people under the poverty line are women.

In rural areas, large number of women are not aware of the nutrition composition of food and lack knowledge on balanced diet. Hence, household food diversity is still poor as a consequence of prevailing food consumption behaviour. Traditional cooking practices are not considered nutrition efficient. Food hygiene and food safety also are two areas where women need additional information and related practices. In rural setting, child marriage for girls (marriage before 18 years) is still high. These future mothers know little about mother and child health. In addition, knowledge on nutritional aspects is very poor among these girls. Undernourishment among children (more among girls) is a prevailing problem in the rural areas, especially in the environmentally stressed areas.

*Youth*⁹. While Bangladesh enjoys a 'demographic dividend', with a large number of young adults entering the labour market in the country, rural youth may be more attracted to employment opportunities in urban areas, both because of the possibility

⁴ Eighth Five-Year Plan, page 288

⁵ Eighth Five-Year Plan, page 289

⁶ K. M. M. Rahman & M. A. Islam (2014) Nutrition-sensitive agriculture in Bangladesh: a review. Food Sec. 6:671–683.

⁷ FAO, IFAD, UNICEF, WFP and WHO. 2021. The State of Food Security and Nutrition in the World 2021. Transforming food systems for food security, improved nutrition and affordable healthy diets for all. Rome, FAO.

⁸ Mohammad Amirul Islam, Avik Chowdhury, Md. Anisuzzaman, Md. Shohanur Rahaman Shetu, Khandaker Md. Mostafizur Rahman, Moupia Rahman (2021) Determinants of Food Security in the Environmentally Stressed Areas in Bangladesh. Chapter published in Climate Change in Bangladesh: A Cross-Disciplinary Framework. Edited by Md. Jakariya and Md. Nazrul Islam. Springer Climate, pages 119-134.

⁹ According to the national definition, youth is defined to be in between 15-29 years in Bangladesh.

of higher income and also a lack of assets and skills required to be involved in agriculture. In general, however, the youth are motivated and dynamic; inclusive and tailor-made measures can empower them to become viable socio-economic actors. Needs of female and male youth will therefore be specifically prioritized.

The project approach. This proposed project will be implemented over four years in line with the government’s agriculture and food security development agenda as described in the Eighth Five-Year Plan (07/2020-06/2025). It will invest in restoring and developing agriculture productivity and diversification capacity as immediate reactions to the COVID-19 crisis and subsequently invest in strengthening the basis for a more sustainable and nutrition sensitive food system after the crisis, with a focus on “building back better”. The project implementation will follow the Government DPP for approved donor-assisted project design reports; it will target the vulnerable men and women living in three climate hotspots identified in the Government’s Delta Plan, 2100¹⁰ by taking the farmer groups as entry points to reach out to the vulnerable women, youth, ethnic groups among other target segments. Detail design will elaborate a community-driven development¹¹ strategy that operate on the principles of transparency, participation accountability and enhanced local capacity, making optimal use of the in-place mechanisms and instruments such as multi-stakeholder platforms, farm groups’ capacity building, focus training for women, and AWPB process. Adequate human and financial resources will be allocated to support the capacity building needs of target groups.

The expected outcomes to support the achievement of development objectives are:

- 1) Increased availability of diversified, nutritious, safe and demand-driven agri-foods by increasing agriculture productivity and sustainable production of crops, farmers’ capability and income, efficient technology and technical services, and sustainable management of natural resources (Tier 1 impact indicators of FIES and HH income increase), persons receiving services promoted or supported by the project, beneficiaries of Climate-Smart Agriculture (CSA);
- 2) Enabled agribusiness environment for public-private partnership, with improved post-harvest management and efficiency of market access, increased volume of agricultural production processed by post-harvest facilities, increased sales and profit.

Detailed indicators are included and shown in Annex 3.

Components. Two technical components are proposed, namely Component 1 – Agricultural Diversification and On-Farm Water Management, and Component 2 – Post-Harvest Management and Market Access, supported by a Management and Coordination Component that includes policy advocacy.

The project will support increased production diversification, identify market opportunities for both fresh and processed agri-products, value added post-harvest management, build agricultural competitiveness in stress tolerant and climate-smart, high-value and nutrition sensitive varieties and new technologies at both institutional and household level through two technical components supported by a project management component. FAO technical assistance (TA) will provide technical contributions in support of the three components in areas where its core competencies are recognized both in the country and worldwide. Cross-cutting themes will be addressed under proposed relevant activities and actions as integrated parts of the project implementation, being monitored with measurable indicators.

Component 1 - Agricultural Diversification and On-Farm Water Management. This component aims to develop farmers’ capacities for adopting climate-smart varieties and technologies and linking them to markets through strengthened service support in action research, extension service, and farmer-friendly demonstration and adoption. This component will support the testing, evaluation and adoption of new technologies and management practices by smallholder farmers to enhance their production of diversified products with clearly identified market demand. In parallel, a series of climate-smart on-farm water management technologies will be applied at community and household level, promoting the sustainable use of natural resources and renewable energy.

¹⁰GED, 2018. Bangladesh Delta Plan 2100: Bangladesh in the 21st Century. General Economic Division, Bangladesh Planning Commission

¹¹ Community consultation workshops were held in the three project areas to ensure the proposal reflects local development needs.

This component will contribute to the consolidation of food and nutrition security by developing agricultural diversification and competitiveness responding to market demands.

Activity 1.1 –COVID-19 Response Varieties and technologies will be an immediate response to help restore the food and nutrition production basis at household level. It will be achieved by the diffusion of proven packages adopted from ongoing support programmes, and identification of rapidly ready nutrition solutions for rural women and their children.

Action 1.1.1 – Diffusion of proven existing emergency packages and solutions. Once implementation starts, the project will provide emergency support to the most vulnerable rural households in the project area to help secure their daily food and nutrition needs and undertake basic food production to avoid their nutritional status being impacted by COVID-19 related restrictions. Available support packages exist in ongoing development projects, such as Women-led Homestead Vegetable Gardening in the Smallholders Agricultural Competitiveness Project (SACP) implemented by MoA, protein-rich Mung Bean cultivation in PACE-PKSF, and homestead goat cheese making in the Haor Infrastructure and Livelihood Project - Climate Adaptation and Livelihood Protection (HILIP-CALIP) implemented by the Local Government Engineering Department (LGED). In addition, easy backyard poultry raising and fish-pond management using simple techniques are promoted in the country, providing a rich repertoire of appropriate income generating activities to choose from.

Action 1.1.2 - Identification of rapidly ready nutrition solutions. The project will undertake a quick survey, mainly implemented by field operators who already have technical experience and training, such as farmer field school (FFS) focal points, farmer extensionists, lead farmers of farmer groups (FGs) and Department of Agriculture Extension (DAE) upazila officers. These operators will also be well aware of the food and nutrition situation in the community. The project will also seek local health workers' advice and support on nutrition solutions, and adapt and formulate tailored support package for pregnant women, mothers of young child, and children. Support packages can be either for immediate consumption, or for homestead production, or be combined. Once the response packages are conceived, they will be procured and distributed to the target vulnerable beneficiaries within the project area.

Activity 1.2 - Farmer production group capacity building. DAE has already formed and mobilized farmers' groups under different government and donor-assisted projects, and the proposed project will engage these FGs in the three project areas. Actions will include:

Action 1.2.1 - Selection of FGs. All groups will be mobilized by the field extension workers using different participatory tools like wealth ranking, social and resource mapping, membership profiling, etc. The groups should be inclusive, considering age and gender. The project will promote its tailored support to women-only production and marketing groups where possible, and encourage young farmers to take active part in the group dynamics. Where necessary, the project will form new groups in this regard. For both existing and newly formed groups, it will be essential to involve young farmers from the early mobilization phase. They will serve as catalysts to further disseminate new technologies, and ensuring a high level of ownership by youth will be important throughout the groups' formation process. These groups will also benefit from technical interventions under component 2.

Action 1.2.2 - Farmer training on roadmap of adoption of new varieties and technologies, post-harvest and primary processing – DAE and Bangladesh Agricultural Research Institute (BARI) technical staff will provide training on production-level adoption; DAM staff on post-harvest and primary processing. Other training will be focused on food security and nutrition value addition, nutrition balance in diets, organized production in response to market demand, climate-sensitive agricultural techniques, gender empowerment, youth promotion, digital and IT adoption.

Activity 1.3 – Development of stress tolerant varieties and new technologies aims at the generation of climate-smart varieties for vulnerable project areas and the promotion of agricultural mechanization and digital technologies.

Action 1.3.1 - Variety and technology generation for vulnerable areas will build on the ongoing initiatives of action research under close collaboration between DAE and BARI, especially results of analysis and prioritization of value chain studies and field research and demonstrations in response to needs of farmers living in vulnerable areas such as the proposed GAFSP

project areas. Seeds and planting materials for prioritized varieties will be multiplied to ensure availability among farmers. Private seed operators will also be linked through the seeds supply system.

Action research on prioritized technologies identified by the extension, research, private sector and smallholders will be conducted by BARI at its regional stations. Once finalized, the manual for each technology will be developed by BARI and handed over to the DAE for wider dissemination to participating farmers.

Action 1.3.2 – Mechanization. Regarding the evaluation of appropriate mechanization options, the project will form a Technical Committee for performance testing of appropriate machinery promoted by the importers, local manufacturers and traders through floating an Expression of Interest in newspapers. BARI-developed machinery will also be included for performance evaluation. Once testing at BARI is completed, the Technical Committee will come up with recommendations for the appropriate machines and companies to be enlisted in the project.

Action 1.3.3 - Digital agriculture knowledge and generation. The project will collaborate with Departments in MoA working on digital agriculture and (Information and Communication Technology (ICT) initiatives in agriculture, and provide field pilot sites in the project areas to help experiment with digital models at operational level and at farm level. In this regard, cooperation with digital service providers from the private sector is foreseen. In addition, a number of proven solutions can be undertaken by the project once implementation starts, such as support to the introduction of precision agriculture, synchronized farming and piloting of digital village once the MoA has allocated related investments for such initiatives in the project areas. The value addition of GAFSP would not be limited to experimentation, but also extend to bringing international expertise and good practices to help implement the sustainable, inclusive and pro-smallholder models.

Activity 1.4 - Diffusion of diversified and improved varieties and technologies is a follow-up to Activity 1.3, taking a community-based approach and implemented mainly through demonstration and technical coaching.

Action 1.4.1 – Virtual linkages with community-based extension focal points. As an immediate step to overcome the challenges posed by travel restrictions to on-site support during the pandemic, the project will distribute user-friendly IT tools such as smartphones and tablets to field extension associates at union and village levels. These associates include union extension officers, focal points of FFS in communities, lead farmers of farmer groups, farmer extension technicians and some agricultural inputs shop operators. This will help re-establish a mechanism for timely consultation and coaching from the upazila and district extension specialists to the farm gate level despite restrictions on travel and community gatherings. Development of easily integrated programme and mobile applications, and training on utilization by the end-users are foreseen. This strengthened grassroots-level service network will act as a multiplier, enabling further IT initiatives such as online access to technologies and information, digital finance and e-commerce platforms.

Action 1.4.2 - Demonstration and adoption of introduced varieties and technologies. The project will leverage the current SACP-MoA practice of setting up demonstration sites in proximity to farmers to promote the adoption of newly introduced varieties and related technologies. Climate-smart and stress tolerant varieties will be given top priority, especially those that have successfully gone through on-farm testing. Stress tolerant and high-value varieties that have been released by the BARI after successful evaluation in on-farm research field and by farmers can be included for immediate diffusion and adoption.

Action 1.4.3 – Farm mechanization value addition. Machines selected in *Action 1.3.2* will be promoted among farmers by DAE, with a special focus on young farmers who are expected to be more receptive to new machinery. Collaborative efforts are foreseen for public-private partnership in mechanization, technology development and their diffusion. Packages for credit and technical support of the government programmes will be reviewed and adapted to support local machinery producers, and matching grant and access to external financing for buyers will be supported by the project.

Action 1.4.4 - Pilot of digital and IT initiatives will follow the outcomes of digital agriculture knowledge and generation under output 2 and give emphasis on value addition to on-farm level operations. The project will invest in digital and IT knowledge and technologies that ensure optimization of inputs use and maximization of returns, while preserving resources and reducing environmental risks. For example, the project can support land levelling with laser equipment, buried pipe irrigation, drip &

sprinkler irrigation, hydroponic cultivation of vegetables, bed planting, integrated pest management and use of Urea Super Granule (USG).

Action 1.4.5 - Household food-based system will be an adapted expansion of the homestead vegetable gardening model in SACP implemented under the IFAD-funded Rural Poor Stimulus Facility (RPSF) as an emergency response to COVID-19 in the country. The current model includes distribution of micro-gardening kits and provision of capacity-building support to poor and vulnerable households, with a focus on women (at least 50%) and youth (25%). The micro gardening kits comprise mainly varieties of seed, nets for fencing, fertilizers, watering cans and a signboard. GAFSP will build on this model but extend its support to a more food and nutrition-based household package, which in addition to vegetable production, will include support for the cultivation of protein-rich leguminous crops such as mung bean, and small-scale poultry and fish pond raising. The combined household model of protein-rich income generation activities (IGAs) has been proven to be a successful model in ongoing IFAD-assisted projects in Bangladesh, such as HILIP-CALIP and Promoting Agricultural Commercialization and Enterprises Project (PACE).

Activity 1.5 – Climate-smart on-farm water management aims to introduce irrigation technologies that improve water use efficiency. The key activities will involve infrastructure development for surface water conservation and high-efficiency delivery systems for irrigation, addressing drainage congestion, efficient irrigation system management, rainwater harvesting, and energy-efficient water management. Selection of sites for specific activities will be based on ecological and environmental considerations. The following are a range of suggested interventions that have been identified based on needs prioritized by farming communities, lessons learned in other projects, and knowledge of the area and its production constraints.

Action 1.5.1 - Crop Protection dyke. Dykes will be made to protect cropland against tidal floods and heavy rain in low land and char areas. During flooding events, people and their livestock can shelter on these dykes.

Action – 1.5.2 - Re-excavation and maintenance of canals – Canals are an important means to provide water for irrigation and drain excess water. To be undertaken for both water conservation as rainwater harvesting for irrigation and drainage facility. This will be implemented in the areas having problems of drainage congestion or tidal flooding causing delays in crop establishment and or irrigation facilities to meet crop demand. Canal water to be used for household consumption. Dykes will be used for sheltering of domestic animals during flood, fishing facilities created, navigation facilities improved and duck culture introduced.

Action 1.5.3 - Construction of on-farm water management structures - Small-scale structures will be built in canals at farm level as civil works to regulate water. The tidal canals in the project sites divide the homesteads. The structures will be constructed for crossing the canal to wider road and enable easier transportation of agricultural goods and farm machinery.

Action 1.5.4 - Community pond excavation with homestead solar irrigation pump sets – Community ponds will be dug for water storage in areas where the problem of increased water salinity is prevalent. Efficient drip irrigation systems for high value crop (HVC) will be implemented at the homestead level to utilize stored water. In addition, solar energy will be used for pumping water for domestic purposes and homestead vegetables.

Action 1.5.5 - Promotion of solar irrigation pump sets and drip irrigation - to maximize water use efficiency - Solar energy in the remote districts is getting popular for domestic supply. Where feasible, solar energy (no operating cost, thus cheaper option for energy saving) along with high efficiency drip irrigation system will be installed to support high value crops in the project sites. Research institutes may be involved in technological support and share experiences in installation of these high efficiency systems. Around 95 pump sets will be installed in suitable sites.

Action 1.5.6 - Installation of buried pipe system – Buried pipes reduce water loss significantly, need almost no maintenance work, and do not require agricultural land being set aside for earthen canals, making them a popular irrigation solution with farmers. The area covered under one pumping unit is larger than conventional solutions, and the cost of irrigation is almost half. Where patches of land are separated by ditches, homesteads or orchards, the buried pipe irrigation system can be extended to reach them.

Action 1.5.7 - Provision of hose pipes for irrigation scheme – Hose pipes will be provided in remote locations where their flexibility will be an asset. Marginal and small farmers appreciate this cost-effective, durable and portable solution and its capacity to reduce conveyance loss of water while increasing area under irrigation.

Activity 1.6 - Demand-led agricultural extension and marketing support: The project will support the government’s strategic development goal of transforming the agricultural extension system into a demand-led service, which will emphasize improved capacities in transfer of technologies, diversification and intensification of crop production programmes.

Action 1.6.1 – Building back better institutional extension. The project will support technical training of extension professionals and technicians at provincial, district, and upazila level. Issues to be addressed include skill gaps, productivity gaps and promotion of agricultural diversification for attaining food safety, dietary diversity and volume and value addition for agricultural commodities. Specifically, the project will invest in building back better the required extension competence in the three project areas, such as extension of Boro rice cultivation in southern Bangladesh, popularization of salt-tolerant varieties of crops in the coastal region, diversification to high value crops in Barind tracts, and field monitoring for seed, pesticide and fertilizer quality in all the project areas.

Action 1.6.2 - Research-extension-farmers linkages will be further strengthened to achieve and sustain a high level of productivity. The project will invest in the formation and capacity strengthening of the technical committee in charge of three-level linkage and the Agricultural Technical Committees (ATC), each covering 2-6 districts in similar agro-ecological zones (AEZ) in the project areas where applicable. Support package will include training for management and coordination skills, and adequate communication and IT equipment, which are crucial to maintain the committee’s effective monitoring and guidance on farmers-extension-research linkages.

Action 1.6.3 - Adoption of a decentralized extension approach. The project will support this government priority action, which promotes bottom-up planning and micro-planning in order to addressing all categories of farmers with special emphasis on marginal, small, tenant and women farmers. The project will invest in the training of a grassroots network composed of selected FFS technical focal points, lead farmers of FGs, farmer extensionists, and agri-input shop operators to provide extension support backstopped by government extension outlets.

Activity 1.6.4 - Farmer’s Information and Advisory Centre (FIAC). The project will support the establishment of FIACs at union level in strategically selected project unions where agricultural subsectors and value chains are taking shape in order to help boost the promotion of agricultural commercialization.

Activity 1.7 – Component 1 Technical Assistance (TA) and Support (FAO) is designed to complement and further develop the experiences from previous and ongoing agricultural projects funded by the Government of Bangladesh (GoBD), IFAD, FAO and other funding agencies. IFAD has projects already operating in similar environments to the proposed project areas. The support activities will be built around strengthening dissemination of good agricultural practices (GAP) with FAO providing resources to support the existing government field extension staff, making use of the experience already shown in the field but complementing this with targeted inputs from local and, if appropriate, international technical specialists. (*More details are elaborated under section 5.4 – Implementation arrangements.*)

Component 2 – Post-Harvest Management and Market Access. This component will support farmers and producers to access markets in a more efficient manner for better profit margins by creating a conducive business environment for connecting to the private sector. In parallel, promising rural agro-enterprises (individual farmer, farmer groups and rural entrepreneurs) will be assisted in processing primary products for value addition, and in marketing these products. Village-level food processing will be promoted to encourage nutrition enhancement and food safety along the value chains, taking into account the cross-cutting themes. Value addition will be through improved post-harvest practices, processing, storage, packaging and timely transport of agricultural commodities. These measures will contribute to reducing and eliminating market barriers so that agricultural products and by-products will have easy access to local, national and even international markets. Access to finance will target the household level through mobile banking, and agri-business level through value chain financing.

Activity 2.1 – COVID-19 Response in Agri-Product Collection Points intends to provide immediately available options to tackle the issue of compromised market access due to the COVID-19 mobility restrictions.

Action 2.1.1 – Consultation with producers and local collectors. The project will conduct a rapid consultation with local farmers, producers, and local collectors of agri-products and by-products to define a coping strategy with immediate actions. Any intervention will be guided by the general strategy of minimizing contact and travel, and may involve aggregation of products to generate sizeable volumes of agri-products to be transported.

Action 2.1.2 – Product collection points. The project will take a lead in coordinating negotiations or issuing requests to utilize existing facilities or sites that could serve as collection points. In area where such facilities do not exist, temporary or semi-permanent collection points could be established, provided that the construction can take place within three months with reasonably light investment. Co-financing with private operators who intend to establish or extend their shop or storage facilities will be encouraged with incentives such as total ownership granted to the private entities on mutually agreed conditions.

Once the collection points are established, the project will work to establish agreements on procedures to operate the facilities. Payment methods, product grade sorting, minimum packed quantity and condition of setting the daily price and fluctuating margin are the key elements to be defined and agreed before operation. Collectors' conditions should be well-defined, and farmers should agree to produce and send their products in agreed quantities and grades to the collection points, where collectors come regularly at agreed times to move produce to the wholesale or local retail markets. The mark-up should be agreed for the collection point owner or operator based on sales.

Activity 2.2 – Processing, Packaging and Storage will continue good practices implemented by SACP in public-private partnerships and agreements with buyers to connect with producers. The major activities revolve around building producers' capacities on post-harvest activities and primary processing in order to respond to buyers' demands and identifying and supporting potential agro-processing enterprises.

Action 2.2.1 - Farmer training on post-harvest and primary processing – Department of Agricultural Marketing (DAM) district-level staff and Upazila Marketing Facilitators will be trained on post-harvest and primary processing of selected crops for which there is a demand from potential partner buyers. DAM will provide such training to farmers through Sub-Assistant Agricultural Officers (SAAOs), while also involving buyers in a form of contract farming. Buyers (individual or institutions) must develop a sense of ownership of the training activities and therefore should be consulted and involved at each level – starting from the development of training modules and going all the way to training the farmers. The selected buyers are expected to contribute financially (whether in kind, by providing time, resource persons, or venues) in the training events for farmers. For individual buyers, cost-sharing is expected to be at least 10% while for institutional buyers it will be at least 20%.

Action 2.2.2 - Promotion of agro-processing enterprises - The project will provide financial and technical support to selected agro-processing enterprises linked with farmer producer groups. In addition, support services such as dissemination of processing technology, branding, packaging, certification from BSTI and other institutions will be provided to small-scale entrepreneurs. The project will design matching grant implementation modalities for the entrepreneurs (individual/ group) to establish agro-processing enterprises working in the areas of storage infrastructure, pack-house, post-harvest and processing equipment.

Activity 2.3 – Marketing Arrangement focuses on improving DAM institutional capacity to enable them to foster market linkages. Implementation experience has shown that Upazila Marketing Facilitators recruited by SACP are key focal points for working with farmers and their groups on market-access and marketing-related aspects, and they collaborate closely with SAAOs in respective Upazilas to transfer post-production and marketing knowledge to farmers. This output will support the building of DAM operation capacities, especially in capacity building for business management skills, linking with private sector buyers, and developing the local agribusiness entities' ability to organize production and marketing.

Action 2.3.1 - Business management skills development - DAM district level staff and Upazila Marketing Facilitators will be trained on basic business management skills along with Business Development Services (BDS) such as finance, standards, certificates, and legal requirements. Once training is completed they can assist not only SSAOs and farmers but also rural-agro enterprises to avail different BDSs in an informed manner. The project will adopt the training materials developed by SACP in this regard and replicate the process with some required adaptation.

Action 2.3.2 - Agreements with private buyers – After a quick survey of local potential buyers, the project will enter into agreements with these identified buyers, delineating the roles and responsibilities of each party. The major role for the project is to enable farmers to comply with the agreed requirements stipulated by the buyers. The buyers’ major role would be to attend relevant training sessions for farmers arranged by the project and communicate their requirements.

Action 2.3.3 -Market arrangements for organized production. Most of the difficulties encountered in accessing markets can be summarized as failure to comply with quality requirements, instability in supply volume, disorganized production management and inadequate marketing. Production needs to be organized and coordinated in order to access new markets, increase bargaining power, access inputs and TA, and eventually secure a favourable market position and achieve empowerment of smallholder farmers. The project will invest in helping farmer groups gain the required enhanced negotiation skills and compliance capacities to convince buyers to commit to long-term arrangements. The project will promote agreements of three types, namely informal linkages, formal linkages and institutional linkages.

Action 2.3.4 - Marketing promotion events. Once the project-supported farmers and producers are able to work on identified sub-sectors and agricultural value chain products, they will be supported to further explore the opportunities to establish formal and institutional linkages through contract farming, as they will present a good potential for steady supply of quality products through its organized farming. Opportunities to diversify market destinations should be explored, by attending sector and sub-sector trade fairs. Inter-village or inter-district business alliances should be established. Close working relationships with sector supporters such as private or state-owned enterprises, consulting firms or government technical agencies will be set up to extend the marketing in existing and new business territories.

Activity 2.4 – E-commerce, Branding and Certification. During the 8FYP, development of interoperable smart logistics and warehouses could be supported to scale up e-commerce, particularly in the rural areas. Digital literacy for smartphone-based service consumption and transactions should be addressed, and incentives given for differentiating products.

Action 2.4.1. - Market Linkage for Rural Products with Rural E-Commerce. The project will assist the agricultural service support services such as DAE, DAM, and BARI to develop their service support capacities for promoting e-commerce. Related investments will complement the government’s provision of ‘E-Commerce for Rural Products’, which is under exploration with multi-stakeholders. The project support will complement the government’s model of rural growth centres, which will work as a catalyst for establishing supply chain systems and add value to local products.

Action 2.4.2 - E-commerce and digital literacy programmes will be organized for rural producers and e-commerce providers, with focus areas including knowledge in drafting business and financial plans, branding, packaging and marketing, and knowledge and application of new product technologies. These programmes will be organized through partnerships between government and private sector stakeholders.

Action 2.4.3 - Branding and certification. DAE, DAM and BARI professionals and technicians at district and upazila levels will be trained on the procedures for branding and certification of agricultural products in partnership with related authorities and leading sector entities and supporters. Grant incentive packages are envisioned to assist product branding, trademark registration, certification and regional indication of agricultural products that have reached scale through organized production for stable quality and quantity. Priority will be given to private agro-enterprises that mostly likely reach contract farming agreement with local farmers and producers and their groups.

Action 2.4.4 - Introduction and popularization of Good Agricultural Practices (GAP) In a standard setting, certification and accreditation will continue to be the main focus for safe food production and marketing at local and export markets. Protocol

development for Good Agricultural Practices (GAP) suitable for Bangladesh agro-ecological and socio-economic conditions of Bangladesh should be a major priority.

Activity 2.5 – Women and Youth Income Generation and Entrepreneurship. The government recognizes the increasing importance of women and youth in the country’s rapidly transforming agricultural sector. As part of the continued support to women and girls’ empowerment and support to rural youth participation in agriculture, this output will replicate proven success cases generated from government-donor cooperation, especially in recently concluded as well as ongoing IFAD and FAO-assisted projects. Following are some indicative examples of successful women empowerment and youth promotion which could be replicated or adapted as models or actions using GAFSP funding.

Example 2.5.1 – Replication of women market stands from IFAD-assisted Coastal Climate Resilient Infrastructure Project (CCRIP) implemented by LGED. This is an intervention aiming to empower women using exclusive targeting. Women entrepreneurs were provided support to open retail and service shops within reserved sections in newly-constructed wet markets. The women benefit from stable and fixed points of sales without incurring extra cost, putting them in a position to explore further off-farm IGA over a longer period of time.

Example 2.5.2 – Replication of women food processing group from IFAD-assisted HILIP-CALIP implemented by LGED. Female farmers were provided training in entrepreneurship, and processing and handling techniques. They were also provided with home-based equipment and tools to process agricultural produce and supply the grocery shops in the neighboring communities.

Example 2.5.3 – Women handicraft IGA groups from IFAD-assisted HILIP-CALIP implemented by LGED. The project supported skilled rural women in exploring business opportunities such as embroidery art and jewelry making. Senior female artisans were recruited to provide technical training to interested women from the neighborhood. The trained women then formed their IGA groups and produced embroidery works and jewelry pieces which were mainly sold in local markets, with occasional orders from other places. Such initiatives provide off-farm income generation alternatives, and are suitable for relatively labor-disadvantaged groups such as women and people with disabilities.

Example 2.5.4 - Youth tailor skill training from IFAD-assisted HILIP-CALIP project implemented by LGED. The project established a sewing skill programme in association with a local training institution. Young people, especially girls benefited from a series of skill training sessions, which also included training for home-based business start-ups.

Example 2.5.5 - Training programme in automobile repair and electricity work by IFAD-assisted PACE project implemented by Palli Karma Sahayak Foundation (PKSF). The project provided training aimed specifically at rural youth who explored IGA and employment alternatives in the neighboring urban centers, or even used these skills in their migration to big urban centers such as Dhaka.

Example 2.5.6 - Sack gardening in flood prone area. A viable solution to the lack of available space for gardening, sack gardening allows the more vulnerable households in flood prone areas to grow vegetables, especially for households lacking resources to purchase vegetables. This can help them diversify their diet and reduce costs for purchasing vegetables, while practicing a relatively simple activity that brings overall well-being. (<https://www.aesanetwork.org/good-practices-49-sack-gardening-in-flood-prone-areas-of-northern-bangladesh>)

Activity 2.6 – Access to finance has been identified in the 8FYP as one of the development constraints for agricultural producers, and will be addressed by interventions promoting mobile banking and value chain financing.

Action 2.6.1 – Mobile Banking. The rapidly increasing mobile network capacity and the marginal use of mobile banking services by the rural population suggests the potential of mobile banking may be underexplored. As subsistence and semi-subsistence farming is still popular among smallholders, possible interventions should be studied in close consultation with the regional banks and mobile phone and IT companies operating the project areas. In principle, joint actions should lead to improved access and wider utilization by the rural population, which should in turn lead to increased use of mobile money/account as savings. These savings will provide the liquidity necessary to reduce the mismatch between high and low

production seasons, and later provide access to microcredit from formal lending institutions. A continued partnership would also have the opportunity of combining mobile banking with e-data platforms, which would deliver voice or text messages on commodity prices, market access, disease prevention, and available advances in crops, among others.

Action 2.6.2 - Value chain (VC) financing. Internal and external VC finance opportunities will be explored in areas where organized production linked to stable supply chains have taken shape.

Good practices for Internal VC finance exist in Bangladesh, and include trader credit, input supplier credit and lead firm financing. The project will explore and promote their replication or adaptation within the identified value chains that have existing or potential arrangements. A prerequisite would be the integration of GAFSP production groups or cooperatives into the existing value chains.

External VC finance will focus on tripartite bank loans or advanced finance to producers. The prerequisite would be a form of contract farming or a similar arrangement to channel quality products in sufficient quantities to storage facilities, either to meet market demand or to capitalize on off-season premiums. Contracts with trusted and likely legally registered buyers, or warehouse receipt from a recognized storage facility are avenues of exploration for GAFSP.

Activity 2.7 – Food Safety and Nutrition, Post-Harvest Techniques: Component 2 Technical Assistance (FAO TA support). FAO TA will support this component mainly in (a) Post-Harvest Activities and (b) Food Safety and Nutrition. More details are elaborated under section 5.4 – implementation arrangement.

Component 3 – Policies, Management and Coordination

A central Project Implementation Unit (PIU) will be embedded in DAE of MoA with coordination focal points from DAM, BARI and other relevant departments and agencies. Under the overall management of this PIU, three Regional Project Implementation Units will be established and located in the project areas of Southern Coastal zone, Barind Tract and Char zone to assume the operational management of planning, coordinating, M&E, knowledge management and financial management in line with the project objective and design. The central PIU will be led by a Project Director appointed by MoA supported by a team of technical experts to monitor and evaluate project activities as they unfold. In addition, a Project Steering Committee (PSC) will be formed Chaired by the Secretary MoA and comprise of representatives from relevant Line

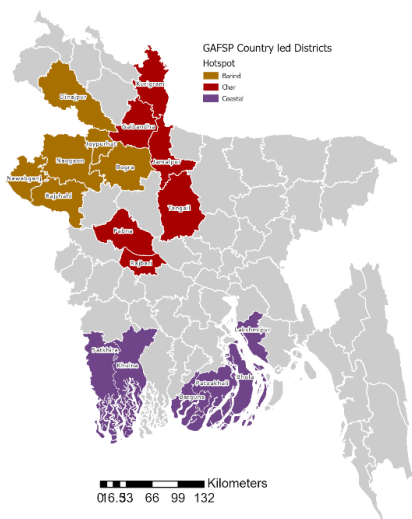
Departments, ERD, the Planning Commission, relevant officers of the Bangladesh Agricultural Research Council (BARC), DAE and DAM, the supervising entities -IFAD and FAO, and Civil Society Organizations and farmers’ organizations at the discretion of the Chair.

The management component will be assisted by **FAO TA**, especially in the area of policy advocacy, synergy and partnership building, results-based M&E and knowledge management. The experience from the GAFSP funded MMI and FAO support to the IFAD funded SACP project in these areas will strengthen the new activities, and care will be taken to ensure both these areas meet GoBD requirements.

2.3. Elaborate on the target population(s) and the targeting strategy for the project

Geographic coverage. 18 districts (out of total 45) and 97 upazilas (out of 257) will be covered by project implementation. The areas covered fall under three of the six climate hotspots identified in the Government’s Bangladesh Delta Plan, 2100¹² – the Coastal Zone, the Barind and Drought Prone Areas, and the River Systems and Estuaries (Char) hotspot areas.

Project Target Area



¹² GED, 2018. Bangladesh Delta Plan 2100: Bangladesh in the 21st Century. General Economic Division, Bangladesh Planning Commission

Target population. More than 38 million people are living in the proposed project districts, of which nearly 20 million are classified as active agricultural labour. The 38% of the population living in the proposed project districts are female; youth are a similar percentage weight in local population. 320,940 people are recorded as belonging to the ethnic vulnerable groups. The proposed project districts cover 14.58 million acres of agricultural land, of which 50% is irrigated land. The project has the potential of directly reaching 800,000 rural households or 4,400,000 people. Female direct participation is estimated at 35%, youth at 40% and ethnic vulnerable people¹³ at 20%.

Target group and targeting strategy. The selection of project beneficiaries will be undertaken based on an inclusive targeting strategy focusing on marginal and small farmers, with at least 80% of beneficiaries coming from these categories. Youth will constitute up to 20% of beneficiaries and women participation will target at least 35%, ethnic vulnerable people 20%.

Table 1: Proposed project districts in Coastal Zone, the Barind and Drought Prone Areas, and the River Systems and Estuaries (Char)

Climate Hotspot Zone	Districts	Remarks
Coastal Zone	Satkhira, Khulna, Borguna, Patuakhali, Bhola, Lakshmipur	6 of total 19
Barind and Drought Prone Areas	Rajshahi, Chapainawabganj, Noagaon, Bogura, Joypurhat, Dinajpur	6 of total 10
River Systems and Estuaries (Char)	Kurigram, Jamalpur, Gaibandha, Tangail, Pabna, Rajbari	6 of total 16

Targeting strategy relies on the selection of existing or establishment of new farmer groups that are formed by local DAE for agricultural production and marketing as its entry point. These groups are composed of 30 members in average, with women ranging from 40 – 55% and youth from 30 – 50% depending on the local situation of urban migration. Targeting of the vulnerable especially women will be ensured by the selection of the FGs, as 60% of the employed women were engaged in agriculture in the country and they constitute 49% of the most disadvantaged and vulnerable population segment, as mentioned by the 8FYP. A Gender Development Plan should be developed as part of the project management instruments to assist the monitoring of empowerment of women. The establishment of new FGs will apply the following inclusion criteria:

- **Smallholder households (5-249 decimals of land)**
- Poor households (with rudimentary wall material, unimproved drinking water source and sanitation facility and/or living below \$1.9 per capita per day)
- Female headed households
- Households with women at reproductive age (15-49 years of age) and youth (15-35 years of age) and children (0-12 years of age)
- Ethnic households

Households will be selected through community consultation followed by a household survey/verification, as to be detailed in further formulation.

2.4 What supply and market failures will be addressed through the proposed project activities?

Supply and market failures caused by COVID-19. Bangladesh did not face a crisis of food shortage at national level but marginal and rural vulnerable groups have been severely affected in their daily income and food security. Negative impacts on agriculture can be summarized as: (i) disrupted agricultural supply chains, (ii) curbed food consumption behaviour of poor and vulnerable groups, (iii) widespread temporary unemployment and loss of income sources, (iv) reduced farmers’ market access for procuring raw materials and hiring labourers, (v) destroyed underdeveloped productive capacities, (vi) low prices of forced

¹³ Data update by MoA from Statistics of proposed project districts.

sales of agri-products mainly at farmgate, (vi) increased food loss and waste, and (vii) adversely affected nutrition and food security. Therefore, shielding the agricultural sector from the vulnerabilities exposed during the COVID-19 crisis is essential to cope with the immediate shocks as well as to prepare better to ensure medium- to long-term food security

Immediate coping solutions. This proposal includes immediate response actions such as for example under component 1: diffusion of proven existing emergency packages and solutions for both consumption and production, identification of rapidly ready nutrition solutions for adaptation, household food-based system adoption with diversified nutrition sources, and under component 2 Covid-19 Response in Agri-Product Collection Points.

Building back better with medium and long-term perspectives. The majority of proposed interventions are related to building back better with longer perspectives but achievable effects in short-term. The project will address the priority areas of government investment priority in agriculture and food security, or a sustainable food system at its production or supply side, with project investments primarily on generation, diffusion and distribution of diversified varieties and new technologies, sustainable and climate-smart on-farm water management, reduction of post-harvest losses and improved market access for better price premium from informed nutritious and safe foods. The project will invest in decentralized and demand-led agricultural extension, research-extension-farmer linkage, post-harvest management, market access, e-commerce and digital solutions as stipulated in the government's Eighth Five-Year Plan, and these constitute the primary activities proposed in this GAFSP proposal. The proposed project will take advantage of the analysis of the private sector investments environments that has been undertaken by the ongoing SACP of MoA-IFAD cooperation. The analysis will be periodically updated by SACP management team and local stakeholders.

2.5 Does the project enable any private sector solutions or opportunities to address identified market failures and/or does it have any intention to promote private investments?

Private sector participation and investments. The project proposal framework envisages a number of areas where solutions from and opportunities for the private sector arise, such as:

- a) working with private seeds operators for field testing and demonstration of stress-tolerant seeds,
- b) private sector participation in action research undertaken by BARI,
- c) partnership with private companies and operators in digital agricultural knowledge and generation,
- d) public-private partnership for mechanization, technology development and their diffusion, with possibility of co-financing or matching government credit package,
- e) co-financing for establishing community collection points,
- f) Co-financing for processing, packaging and storage facilities from private sector especially the agro-enterprises,
- g) Organized production, contract farming for improved market access,
- h) value chain financing especially under both internal and external finance, for example in trader credit, input supplier credit, lead firm credit and tripartite agreement.

On the basis of lesson learnt from the ongoing IFAD-MoA cooperated SACP, the creation of a congenial environment for Public, Private and Producers Partnership (4Ps) is key to promote the participation of private inputs companies, agro-processors, wholesalers, traders and exporters so they can assess potentialities of business opportunities in the project areas, and they can therefore see value addition for their own business expansion, market linkages and work together with government agencies for investing with the project producer and marketing groups.

In addition to the business and cooperation opportunities outlined under components 1 and 2, the proposed project will promote private sector participation and invite the private sector representatives to join training of trainers (ToT) sessions on market-led Farmer Field Schools, market facilitation and post-harvest techniques. Which companies and traders will be invited will depend on the results of the buyer arrangement. The private sector would be willing to contribute to these ToTs because it will ensure that DAE and DAM training programmes for farmers respond to market realities. For buyers ultimately it will

contribute to enlarging their supply base and lowering their transaction costs. For input suppliers, it will enlarge their customer base.

2.6 Describe results and how they will be measured at output, outcome, and impact levels.

Main results are summarized under expected outcomes, such as:

- 1) Increased availability of diversified, nutritious, safe and demand-driven agri-foods by increasing agriculture productivity and sustainable production of crops, farmers' capability and income, efficient technology and technical services, and sustainable management of natural resources (Tier 1 impact indicators of FIES and HH income increase), persons receiving services promoted or supported by the project, beneficiaries of Climate-Smart Agriculture (CSA)
- 2) Enabled agribusiness environment for public-private partnership, with improved post-harvest management and efficiency of market access, increased volume of agricultural production processed by post-harvest facilities, increased sales and profit.

Detailed indicators are included and showed in Annex 3.

Activities will be closely linked in support of the expected outcomes and measurable indicators at output and outcome levels will be set as part of the RMM and the result-based logframe and M&E framework.

2.7 What evidence is there that the proposed approach and activities will successfully address the issues identified?

Success factors. The proposed approach and related activities are fully in line with the government's strategic planning as detailed in documents such as the Eighth Five-Year Plan (2021 – 2025) for the short-term, and medium and long-term visions stipulated in the Strategic Development Goals (SDGs) and Bangladesh Vision 2041.

The majority of planned activities are value-added support to the priority areas of agriculture and food system development in the country, and build on the proven successes achieved in recent and ongoing government agriculture and rural development programmes and donor-assisted projects such as IFAD and FAO. The successful models will be either replicated or scaled up to reach more beneficiaries.

Complementarity of the PO-led Proposal. A PO-led proposal is under preparation at the same time in Bangladesh and it builds on an impressive number of good practices generated by the ongoing Missing the Middle Initiative (MMI) that are worthy replication and scaling-up. For example, MMI's business models are highly recognized by stakeholders and active players of agriculture and food security in the country, especially in the areas of value chain development, producer group's governance strengthening, revolving fund as part of the access to finance. Mutual leverage and cooperation are foreseen between the country-led and PO-led proposals, especially in the areas of policy advocacy and development synergy building, complementarity of technical resources and integrated value chain development. While multiple avenues of cooperation will be explored, are indicative the examples, such as the successful proven ToT model under PO-led proposal will be adapted to support the country-led proposal, while the latter's strengthened extension support network will further support the smallholder farmers and their organizations in their diversified IGAs and adoption of new technologies, contribute to institutionalize the research-extension-farmer linkage. In addition, the PO-led proposal will continue to support the MMI target groups in the Barind Tract and Coastal area; the proximity to the proposed districts in the country-led proposal will be of value addition for experience sharing and learning among others.

2.8 In summary, why should GAFSP provide grant funding to the proposed project?

Justification for GAFSP grant funding. The GAFSP grant funding will help the government maintain its commitment to the goal of achieving food and nutrition security, and ensure equitable socio-economic growth for its people, despite the severe shocks of the COVID-19 pandemic and recent natural disasters. In the short term, the funding will accelerate post COVID-19 recovery in the agricultural sector, which is the driving force not only for socio-economic development in the country, but also a key sector for achieving rural poverty reduction. In the medium to long-term, the funding will greatly contribute to the ongoing transformation of agriculture in the country, enabling the transition to sustainable, diversified, climate-smart, nutrition

sensitive and market competitive food systems. The grant will also help catalyze increased private investments and public-private partnerships in this vital sector.

Section 3: Context and Policy Environment for the Proposed Project

3.1 Describe the state of the country’s agriculture and food system, including any current and future pressures on the sector (e.g., climate risks). Describe any national impacts and disruptions caused by COVID-19 on the agriculture sector and food systems, and also particular impacts in project activity area(s) and on the target population(s).

Agriculture Sector in Bangladesh plays a vital role in ensuring food security for the people and accelerating economic growth in the country. The sector contributes about 13.82 per cent to the GDP of the country and employs around 40.6 per cent of the labour force (BBS, 2021). The crop sub-sector plays a dominant role, contributing more than 53 per cent of overall agricultural output followed by fisheries (23%) and livestock (13%). While net cropped area in Bangladesh declined from 20.3 million acres in 1970-71 to 19.7 million acres in 2018-19, the production of all major crops increased several fold over this period (see table below).

		Volume of Production of Major Crops (in million metric tonnes)						
		Rice	Wheat	Maize	Potato	Pulses	Oilseeds	Vegetables
Period	2005-06	26.53	0.74	0.52	4.16	0.28	0.33	2.03
	2019-20	38.69	1.25	5.4	10.92	1.07	1.15	18.45
% Change		146%	169%	1038%	263%	382%	348%	909%

While this increase in productivity has helped Bangladesh ensure food and nutrition security for a majority of its population, the goal of ensuring food and nutrition security for all is going to be challenged by a number of hurdles like increasing population (which is expected to be 215.4 million in 2050), decreasing resources and increasing frequency of natural disasters like floods, droughts, salinity, exacerbated by climate change.

The COVID-19 is a sudden onset global health crisis. Since the onset of the COVID-19 pandemic in March 2020 in Bangladesh, it has hit the country exceptionally hard and caused a shock to food and agricultural systems affecting production, supply chains, trade, markets and people’s livelihood and nutrition. As a resource poor country with underdeveloped social protection system, the threat of COVID-19 to vulnerable agriculturalists and food systems in the country became potentially catastrophic. Across the country, food production and supply chains have been paralyzed by the nation-wide COVID-19 lockdown resulting in increased food insecurity, shortage in food reserve, difficulties in obtaining agricultural inputs including machineries, fluctuating food prices and economic crisis (FAO, 2020).

Country immediate response to COVID-19. In response to the COVID-19 lockdown that has disrupted the supply of agro-products to markets and consumers the Ministry of Agriculture formulated an Action Plan – 2020 for implementation, which aims to continue increased agricultural production, develop marketing system and ensure fair prices of commodities. This has helped minimize the negative impacts on food security, nutrition and livelihood of the farmers and other actors working along the food supply chain.

The action plan is also made to diversify agriculture and to produce more nutritious crops to meet people’s nutritional requirements and to achieve sustainable capability in dealing with COVID-19. Under short-term action plan 38 programmes are taken including steps for ensuring continued production providing necessary input supports and labor availability in affordable and subsidized way, ensuring health safety measures for farmers and extension workers, motivating the farmers to

make home gardening during the quarantine period, ensuring the timely supply of the essential import-based inputs, providing loans to farmers, agricultural entrepreneurs as well as small, medium and large agricultural traders, transferring agricultural incentives and loan money directly to the farmer's bank account etc. For improved marketing systems and fair price, programmes are taken in the plan to assist in establishing consumer connectivity with producers and sellers and formation of agricultural marketing group, ensure the smooth transportation, warehouse, storage and marketing of agricultural products, initiate the e- agricultural marketing and intensify mobile marketing activities of Agro-commodities with necessary safety measures.

With the financial aid from the Government of Japan, FAO implemented a project in the climate vulnerable Haor area of Bangladesh supporting smallholder farmers, small and medium enterprises (SMEs) and private sectors to enable them to continue regular production that is better adapted to markets impacted by COVID-19. The project also targeted vulnerable groups such as street food vendors who have lost their livelihoods, by investing in upgrading their food carts and providing them with opportunity to become COVID-19 tested delivery personnel/agent to transport food from rural to urban areas.

Medium and long-term responses. Twenty-eight programs are taken under mid-term action plan where sustainable agriculture mechanization through integrated farm management, demand based agricultural system development, expansion of advanced, environment friendly and climate smart technologies among the farmers, development of modern weather forecasting system are emphasized. Necessary programs are also taken in this plan to strengthen research and development for food-based nutrition as well as stress tolerant crop varieties with higher yield potential and better qualities. The action plan also adopts program targeting to play effective role in the development of women agro-entrepreneurs and take initiatives to recognize the participation of women in agriculture so that they can tackle the impact of COVID-19 in a better way. Long-term action plan, where 27 programs are chosen, was designed in the way to accelerate basic and applied research and innovation in technology related to development and production of high yielding variety of different crops and applied nutrition and also to strengthen research and development activity for controlling new/ emerging diseases and insects. Programs on the production technology of high value and nutritious crops and their value addition technology, extension of market infrastructure, crops storage and specialized cold storage are highlighted in the plan. The plan encourages investment in infrastructure and logistics through Public-Private Partnership to develop agricultural marketing with branding, packaging, certification etc. for agricultural commodities.

3.2 How will the proposed project address medium- to long-term COVID-19 response and recovery of the agriculture and food sectors in a changing climate and support the principle of 'building back better'¹⁴?

Climate change Impacts on Agriculture: Vulnerability to climate change. Bangladesh is particularly vulnerable to climate change. Two-thirds of the country lies at less than five meters above sea level, making it one of the most flood-prone countries in the world. Severe flooding during the monsoon season causes significant damage to crops and property, with major adverse impacts on rural livelihoods. The following paragraph from the country's 8FYP summarizes the primary aspects of the country's vulnerability to climate change:

Agriculture remains of the most vulnerable sectors to the effects of climate change. The key channels through which climate change damages the productivity of the agriculture sector are: (i) rising temperatures and solar radiation increase the incidence of insects, diseases and microorganisms hurting soil fertility; (ii) rising temperatures can reduce the yields of different types of rice; (iii) rise in salinity due to sea level rises undermine soil fertility, hurting farm productivity. In fact, a study conducted in Khulna, Bagerhat, and Shatkhira projects that a sea level rise of 32 cm could reduce the suitable area for Aman rice cultivation by 60 percent, compared to only 12 percent with a sea level rise of 88 cm. 6 million people are already exposed to high salinity, and climate change is expected to

¹⁴ Deriving from its origins in disaster recovery, the term 'build back better' in the context of the present COVID-19 pandemic and recovery encompasses attention to economic recovery while addressing today's global environmental threats: <https://www.oecd.org/coronavirus/policy-responses/building-back-better-a-sustainable-resilient-recovery-after-covid-19-52b869f5/>

increase it to 13.6 million people by 2050; (iv) increased flooding, land erosion and cyclones resulting from climate change will hinder agricultural output¹⁵.

Project responses in the context of changing climate. As immediate reactions to disaster and COVID-19 emergency, the project will provide support packages in both food and production materials to secure the household-level livelihoods. As actions to support the building back better and respond to medium and long-term objectives, the project takes an approach of institutional capacity building for more systematic support in the future context of changing climate. A series of activities and related actions are proposed and they will be further designed, with highlights on diversification, institutionalized farmer groups, embedded business development services. Both participating and beneficiary institutions and households will be strengthened with improved knowledge and skills, and enhanced technologies.

The project promotes the generation and adoption of climate-smart varieties and technologies with institutional capacity building for participating agencies, especially at operational level of district, upazilla and union. Demonstrations will be set to help transfer the required knowledge and skills to the farmers and their groups. Meanwhile extension services will be strengthened with knowledge and skills updated to the changing climate conditions

The project supports rural alternative livelihoods by introducing off-farm IGAs, which should help reduce the dependence on natural resources such as water and soil.

The project aligns its investments with the government's Commitment to Green Growth by introducing sustainable on-farm water management, with drip irrigation system and renewable energy such as solar panels for pumps.

The project will apply a pro-poor climate change management strategy, emphasizing on adaptation, resilience building, disaster risk reduction, low carbon development, green technology in its production support package to the beneficiary households.

The project addresses the climate resilience at both the levels of institutional capacity building and household coping strategy. More details are under **Section 4.2** regarding climate resilience.

3.3 Beyond COVID-19, provide additional national, regional and/or local context for the proposed project.

National alignment. The proposed project complements the Bangladesh Delta Plan 2021¹⁶, a major initiative of the government. It also relates to plans and activities of the Barind Multipurpose Development Authority (BMDA)¹⁷, the Master Plan for Agricultural Development in the Southern Region¹⁸, and IFAD and Netherland government-funded Char Development and Settlement Project IV (CDSP IV)¹⁹.

Several natural disasters have severely impacted the country in recent years, such as:

1. 2020 Flood: The 2020 monsoon floods impacted a wide swathe of the Northern, North-Eastern and South-Eastern region of Bangladesh. A total of 30 districts experienced moderate impacts, with severe impacts in 15 Districts. It affected 83,000 ha of paddy fields, 125,549 ha of agricultural land and damaged crops worth US\$42 million according to the Ministry of Agriculture (MoA)²⁰;

¹⁵ 8FYP, page 487

¹⁶ <http://www.plancomm.gov.bd/site/files/0adcee77-2db8-41bf-b36b-657b5ee1efb9/Bangladesh-Delta-Plan-2100>

¹⁷ <http://www.bmda.gov.bd/site/page/db57511d-2cd1-4ce3-8678-a7d83423b991/>

¹⁸ <http://fpmu.gov.bd/agridrupal/content/master-plan-agricultural-development-southern-region-bangladesh>

¹⁹ <https://www.ifad.org/en/web/operations/-/project/1100001537>

²⁰ https://www.humanitarianresponse.info/sites/www.humanitarianresponse.info/files/documents/files/nawg_monsoon_flood_preliminary_impact_and_kin_20200802_final.pdf

2. 2020 Cyclone ‘Amphan’: When Amphan hit the coastal regions of the country in late May, the cyclonic storm caused devastation to mango, lychee and other seasonal fruits, Boro and Aus paddy, vegetables and other crops. It caused damage to crops estimated to be worth US\$79 million²¹;
3. 2019 Cyclone ‘Bulbul’: The government has estimated crop losses from Cyclone Bulbul at US\$31 million, with major damage occurring in the south-western coastal districts²²;
4. 2017 ‘Haor’ Flash flood: Heavy rainfall in late March was compounded by an onrush of water from the upstream Meghalaya hills in India, leading to the inundation of vast areas of croplands in the Haor areas of the northeast. Six districts (Sylhet, Moulvibazar, Sunamganj, Habiganj, Netrokona and Kishoreganj) in the north east region were affected. Rising water levels breached embankments in many places and damaged ripened boro rice over nearly 219,840 hectares²³.

3.4 Is the proposed project aligned with the country’s agriculture and food security strategies, the national COVID-19 Response Plan, or other approved development plans?

Alignment with country’s agriculture and food security strategies and plans. The country’s Eighth Five Year Plan has six core themes: (i) rapid recovery from COVID-19; (ii) GDP growth acceleration, employment generation and rapid poverty reduction; (iii) a broad-based strategy of inclusiveness; (iv) a sustainable development pathway that is resilient to disaster and climate change; (v) improvement of critical institutions necessary to lead the economy to Upper Middle Income Country status by 2031; and (vi) attaining SDGs targets and mitigating the impact of Least Developed Country (LDC) graduation. The following paragraphs further explore these themes, and how the proposed project’s objectives are well-aligned with them.

The issue of agricultural development and food security has become a central point of concern for the 8FYP²⁴ during the COVID-19 pandemic²⁵, with the rural poor suffering the worst impacts from the resultant disruptions. Different donors, national and international organizations, and CBOs are aligned in their support for prioritizing recovery from COVID-19, along with increased employment for women and youth, and improved nutrition and food security.

Agriculture is the most important sector of Bangladesh’s economy due to its role in providing food security, employment and livelihood. This dynamic sector is improving with the changing demands of people, availability of agriculture technologies, and changing management practices. In order to accelerate growth in this sector, capacity-building of the farmers on GAP, GHP and IPM should be prioritized to produce safe, pesticide-free, and nutritious food to help build a healthy nation. All necessary inputs for crop production must be made easily accessible for farmers to ensure a resilient and sustainable food system. Agriculture value chains and market linkages should be strengthened for the benefit of producers, market entities and consumers.

Climate change²⁶ poses a fundamental threat to socio-economic condition related to land use, agriculture, forests, hydrological systems, human health and well-being. These challenges are laid out in the national adaptation plan²⁷, and in order to successfully address the climate crisis, we must urgently reduce carbon pollution and prepare for the consequences of global warming. Another recognized environmental threat is deteriorating soil health. Soils in many parts of the country are deficient in essential macro- or micro-nutrients. Depletion of soil organic matter, unbalanced use of fertilizers, nutrient leaching, high salinity, scarcity of irrigation water during winter are other concerns. Sustainable soil improvement methods are thus needed.

²¹ <https://www.thefinancialexpress.com.bd/trade/amphan-causes-damage-to-crops-worth-tk-672b-1590896569>

²² <https://www.thefinancialexpress.com.bd/national/cyclone-bulbul-destroyed-crops-worth-tk-263-billion-says-agriculture-minister-1573550259>

²³ https://reliefweb.int/sites/reliefweb.int/files/resources/Update%20Report%20of%20Flash%20Flood_MAY%2003%2C%202017.pdf

²⁴ Government of the People’s Republic of Bangladesh. 2020: [Eighth Five Year Plan July 2020-June 2025](#)

²⁵ [Tackling the COVID-19 Pandemic. The Bangladesh Perspective: Journal of Public Health Research 2020; volume 9:1794, Md. Taimur Islam,1 Anup Kumar Talaukder,2 Md. Nurealam Siddiqui,3 Tofazzal Islam4 COVID-19 Pandemic: COVID-19](#)

²⁶ Bangladesh Climate Change Strategy and Action Plan 2009: [Please click here](#)

²⁷ Bangladesh Country Investment Plan. 2011: [Bangladesh Food Security CIP 2011 Final](#)

Critical institutions should be improved by developing linkages and cooperation between different service providers, private entities, NGOs, CBOs, FFS, women's groups, farmers organizations, government agencies, research stations, and universities. The goal should be to disseminate information, new technologies and resource-sharing in agriculture.

Section 4: Cross-cutting Themes

4.1 Does the proposed project address any of the GAFSP priority cross-cutting themes?

- Gender and empowerment of women and girls
- Climate resilience
- Improved nutritional outcomes

4.2 Describe how the project will address the identified thematic focus area(s).

The project will address the identified thematic focus areas by: a) designing specific and exclusively tailored activities, and b) building relevant actions under these activities to ensure the issues will be addressed, target groups reached and targets achieved.

Measurable outcome level indicators will be set to ensure that they are integral to guiding activities and positively impact achievement. Output-level indicators that reflect the related activities and actions will be closely monitored during implementation as part of the result-based M&E system. Accountability will be made clear to ensure expected results are dutifully pursued.

Gender and empowerment of women and girls, youth promotion: Following are some examples of exclusive and focused targeting:

Activity Under COVID-19 Response: Distribution of seeds of nutritious crop varieties and technologies will be an immediate response to help restore the food and nutrition production basis at household level. Adapted from ongoing IFAD and MoA projects in the country such as SACP, the package will include nutrition-enhanced solutions for rural women and children, with a combination of components for immediate consumption as well as production. The project will seek advice and support from local nutrition and health workers to formulate tailored support packages with the right combination for pregnant women, mothers of young child, and children.

Activity of Fostering Women Exclusive Production and Marketing Groups: This activity will replicate the good practice of forming women exclusive groups for production, processing and marketing from ongoing projects such as SACP, HILIP-CALIP, CCRIP, PACE. Participating women will benefit from tailored training in leadership, production of diversified varieties and adoption of new technologies, entrepreneurship, and marketing. It is anticipated that production and food-processing kits will be provided to help kick-start group activities.

Activity of Supporting Homestead-based Food Production: This will be an adapted expansion of the homestead vegetable gardening model in SACP implemented under the IFAD-funded Rural Poor Stimulus Facility (RPSF) as an emergency response to the COVID-19 pandemic in the country. Under the current model, micro-gardening kits are distributed along with capacity-building support to the target group of poor and vulnerable households with a particular focus on women (at least 50%) and youth (20%).

Activity of Adoption of Decentralized Extension Approach: This activity is designed to support the government priority action of promoting bottom-up planning and micro-planning in order to address needs of all categories of farmers, with emphasis on women farmers, along with marginal and smallholder farmers.

Activity of Women and Youth Income Generation and Entrepreneurship: The government recognizes the increasing importance of women and youth in the country's agriculture as it undergoes critical transformation. As part of the continued support for this endeavour, the project will replicate and scale up a number of good practices, which are women and youth-

centered if not exclusive, such as: women exclusive market stands, women food processing groups, women handicraftsmanship groups, youth tailor business training with majority of young girls, youth training in automobile repair and electrician work and qualification (PACE).

In addition to the above-mentioned activities that are tailored to support women and youth empowerment and participation, the project will specify in its Project Implementation Manual (PIM) that this cross-cutting theme will relate to all the project support activities to help raise awareness and result-based execution. The detail design will attribute sufficient budgets for training of women and youth, ensure related allocations to support the execution of its Gender Development Plan. Gender and Youth Specialists should be recruited at relevant levels as part of the PIU team.

Climate resilience will be mainly addressed at the levels of institutional capacity and household coping strategy. Success cases will be captured by the project knowledge management system for in-project replication and scaling up, and dissemination to other development stakeholders in the country and elsewhere.

Institutional capacity: Under activities of generation, demonstration and adoption of varieties and technologies and FAO TA, focus will be given on GAPs, sustainable farming, climate-smartness, diversified varieties and smallholder friendliness of technologies. The building back better investments such as decentralized extension network and linkage of research-extension-farmer will be guided to establish and strengthen the service support system with improved knowledge and capacity in climate resilience therefore better coping and response capacity to sudden and long-term climate-related challenges such as temperature change, natural disasters.

Under climate-smart water management, key activities will involve infrastructure development for surface water conservation and utilization for irrigation (high efficiency delivery systems), addressing drainage congestion, efficient irrigation system management, rainwater harvesting, and energy efficient water management etc. Selection of sites for specific activities will be based on ecological and environmental situations in the project areas and will be location specific.

Household coping strategy: Under activity of supporting farmer groups, specific training will be provided on climate change challenges and household-level coping knowledge and skills will be promoted. The introduction of climate-smart and stress-tolerant varieties will be a key element, especially for later demonstration and adoption. Under climate-smart on-farm water management, micro irrigation system will be introduced, homestead solar and irrigation pump will be installed where suitable, buried pipe system will be installed to help reduce water loss and increase water use efficiency.

Improved nutritional outcomes will align with the GAFSP RMM by adopting the outcome indicator of People receiving improved nutrition services and products, gender disaggregated, age disaggregated. To reach this objective, project interventions will aim at improve nutrition-sensitive services from participating institutional partners and civil society organizations where applicable. Typically,

Activity related to COVID-19 Response varieties and technologies will support the restoring of food and nutrition production basis at household level. It will be achieved by the diffusion of proven packages adopted from ongoing support and adaptation of nutrition-enhanced solutions for rural women and their children. For example, the project will provide emergency support packages to the most vulnerable households and help them to secure their daily food and nutrition needs and undertake some basic food production without being constrained by travel restrictions. a quick survey on rapidly ready nutrition solutions will take place at project start, working close with local health and nutrition workers in order to tailor the support package to address the special nutrition needs of pregnant women, mothers of young child, and children. Support packages can be either for immediate consumption, or for production., or combined.

Longer-term nutrition interventions at household level will be led by training and coaching on household food and nutrition balance and production, as part of the household-level coping strategy in food and nutrition security for both consumption and production. As indication, a food and nutrition-based household support model is foreseen, which promote vegetable production, cultivation of pulse such as Mung bean that is protein rich, combined with small poultry and fish pond raising, and goat cheese making.

At institutional and service provision level, the project will integrated nutrition knowledge and techniques in the capacity building of participating agencies such as DAE, DAM, BARI at multi-levels, especially in key activities that introduce and diffuse diversified varieties and new technologies, and supporting community-based information and market centers. Techniques for nutrition value addition of agricultural products will be promoted at production, post-harvest management and marketing, and where applicable in possible branding and certification. FAO TA will give emphasis on support food safety and nutrition; related policy dialogues regarding food safety and nutrition are also foreseen under FAO TA under management component, and as part of the policy advisory support to the government.

4.3 How are the proposed activities informed by and how do they respond to the country's policies and strategies related to the selected cross-cutting themes?

Proposed Key activities are fully in line with government's Vision 2041 and the Perspective Plan (PP) 2021-2041 and especially the development vision for crop sector under the 8th Five Year Plan this is to ensure food security and nutrition through increasing productivity, minimizing yield gaps, stabilizing price of agricultural products, improving farmers' profitability and securities, diversification of crop products towards climate-resilient production, strengthening agricultural supply chains, increasing commercialization through uses of information and communication technology (ICT), easing credit facilities for small farmers, escalating HRD for undertaking frontier research and delivery services, and ensuring efficient utilization of natural resources²⁸.

Direct connection to 8FYP opportunities. The majority of these proposed activities are in direct connection with the major opportunities stipulated on the crop sub-sector for the Eighth Five-Year Plan, such as increased availability of food, increase farmers' capacity and income, restore and develop the agricultural supply chain aftermath of COVID-19 crisis, develop agricultural research, assistance to farmers in increasing agricultural production and ensuring marketing facilities of agricultural commodities and obtaining fair prices, introduction of precision agriculture, ensuring sustained agricultural growth, encouraging more use of surface water for irrigation, expanding irrigation facilities, installation of solar panels for small scale irrigation, improving supply chain, demand-driven agricultural development²⁹.

In-country good practices and success stories. The priorities of proposed themes and interventions are drawn from continued partnership and consultations of IFAD and FAO with the government, development programmes and projects in partnership with MoA and other line agencies, and results consultations of sector working group for agriculture development in Bangladesh. where representatives from key ministry such as Ministry of Agriculture, Ministry of Food, Ministry for Rural Development, ERD, Ministry of Planning, Ministry of Finance actively participate to reflect the government priorities in development planning and investments, which include gender empowerment, nutrition enhancement and climate resilience strengthening.

4.4 Describe the role and involvement of women and girls in the project.

Response to gender gap. The 2020 Global Gender Gap Report (GGR) published by World Economic Forum, records the solid progress made by Bangladesh in reducing the gender gap, but shows that the Bangladesh ranking is low in the area of economic participation and opportunity. This concern: low female labour force participation rate, wage discrimination against women, inadequate representation of women in senior civil service positions and inadequate female managerial jobs in the private sector.

Quantified targets and focus areas of support. The project intends to address the areas for improvement by: ensuring at least 40% female participation or as project direct beneficiaries; promoting women entrepreneurship and women exclusive production and processing groups, providing women market stands for their off-farm businesses and sales, incorporating % of women leadership in farmer groups and organizations that the project support the creation, and giving priority access to

²⁸ 8FYP, page 296: 4.3.3. Strategies for crop sub-sector during the 8FYP.

²⁹ 8FYP, page 296-297: Major objectives of the crop sub-sector for the 8FYP.

woman-led agro-enterprises of private sector. In summary, women will be owners, participants and beneficiaries of the project-supported gender-sensitive activities.

Section 5: Project Implementation, Sustainability and Budget

5.1 What are the risks to achieving the proposed project's objectives and what are the potential negative externalities or spillovers that could result from the proposed project activities and targeting?

The overall residual risk is assessed as moderate. Despite a challenging operating environment that includes high risks of climate and natural disasters, and additional challenges deriving from COVID-19 and its aftermath, this project will build upon proven approaches to implement risk mitigation measures, bringing residual risks down to a moderate level. Risks will be addressed using continuous risk monitoring (Systematic Operations Risk Rating Tool-SORT), close supervision, and implementation support missions. The proposed design will align the GAFSP investments with the Government's development policies and strategies in agriculture diversification and improved food and nutrition security, sustainable development related to environment and climate change, social inclusion and gender empowerment; it will be based on the development needs and priorities that related stakeholders and beneficiaries identified, proposed and experimented.

In summary, risks associated to the proposed project should therefore mostly relate to the uncertainties caused by the climate changes and especially by natural disasters. or being of operational nature that is controllable with relevant management structures and instruments applied. Several risk factors have been identified and reviewed with proposed mitigation measures primarily learnt from previous country experience therefore the associated risks are at controllable levels despite their likelihood and current rating, as outlined below and in tables of [Annex 3](#).

Risks related to technical design:

- a) Field exposure and studies impeded by COVID-19 travel restrictions. It will be mitigated by target studies and analysis by field partners before launch of design missions and use of digital communication, and allowing sufficient time for field data and information collection and in-depth analysis;
- b) Uneven technical composition of design team that compromises the design quality. This risk will be mitigated by keeping the key technical experts involved in preparation of the Proposal, and recruitment of sector, sub-sector and theme specialists who participated in the design and implementation support of similar and convergent interventions such as the ongoing Southern Agriculture Competitiveness Project (SACP) under partnership of IFAD-MoA with FAO TA;
- c) Change of government grant and credit support programmes that may affect the PPP design and related co-financing. This risk will be mitigated by maintaining regular update on government development programmes and continued exploring opportunities of partnership and alternative co-financing from other interest parties;
- d) Mismatch with government DPP submission deadline and missing the first year annual budget allocation. This risk will be mitigated by informing and involving related key ministries such as Finance, Planning and Agriculture, and completion of design reports before MoA's annual budget submission and allocation;
- e) Technical complexity of design and efficiency of management structure. This risk will be mitigated by drawing good practices and lessons learnt from recent and ongoing projects such as SACP, HILIP-CALIP, PACE, ToRs should be drawn on PSC, PIU and key participating institutions based on institutional analysis that needs to be done at detail design, and start-up plan to guide the project start-up with adequate budgetary provisions confirmed by government prior to the first Development Project Proposal (DPP).

Risks related to institutional capacity for implementation:

- f) Complexity of inter-department/agency coordination. This risk will be mitigated by strong guidance from PSC and set up of technical coordination mechanism with focal points from each participating agency, and FAO TA in support of management and coordination;

- g) Insufficient field technical staff of implementing agencies in some project areas. This risk will be mitigated by working with decentralized structures and linked to grassroots technical focal points such as farmer group leaders, FFS focal points and private agri-agencies and NGOs in relevant technical fields;
- h) Lack of transparency in selection of participating and recipient enterprises and producer organizations (POs). This risk will be mitigated by setting up strict criteria and operational procedures;
- i) No formal internal audit function in place. this risk will be mitigated by applying internal auditing carried out by private firm twice a year in the life of project, covering involved levels and agencies.

Potential Negative Externalities:

- j) Environmental - Natural disasters destroying project-built physical assets. This will be mitigated by agreement on incorporation into state O&M plan and budget before civil work;
- k) Social - Lack of interest of the beneficiary groups in governance strengthening and ownership building of the infrastructure. This will be mitigated by capacity building for group ownership and governance, and exposure to changes in successfully transformed groups;
- l) Gender - Insufficient position share in the management structure. this will be mitigated by introducing quota for recruitment and annual progress plan.
- m) Macroeconomic - COVID-19 uncertainty causes worldwide and country economic downturn, especially in balance of payments and fiscal position. This will be mitigated by earmarked project financing and defined activities.

SECAP. IFAD as SE for investments will apply its Social, Environmental and Climate Assessment Procedure (SECAP) at design and during the implementation. It is worthy mentioning that for the ongoing IFAD-MoA cooperated SACP that invests in enhanced production, post-harvest management and marketing of high-value crops in Southern Bangladesh, The environmental and social risk falls under the category B in view of little or negligible adverse impact potential on natural and social environment, while it also falls under category 'High' regarding climate change risks. The SACP has been committed to similar approaches and activities, it seems to be able to significantly reduce the perceived risks. This GAFSP proposal is therefore expected to be as efficient as SACP in the mitigation of social, environmental and climate risks, and contribute to enhancing resilience and reducing poverty of smallholders in the target areas.

IPRM. IFAD will also apply its enhanced project risk management approach that is supported by the IPRM (Integrated Project Risk Management Matrix). The IPRM is intended to succinctly capture key project risk information and serve as a summary project risk register, comprising: identified risks, risk ratings, mitigation plans, and updates on risk trends. It facilitates insightful risk analysis at project, country, regional and overall portfolio levels, and modern data-driven management oversight and decision-making. Typically, the IPRM will capture risks at different phases of project life, in relationship with i) Country Context, ii) Sector Strategies and Policies, iii) Environment and Climate Context, iv) Project Scope, v) Institutional Capacity for Implementation & Sustainability, vi) Procurement Financial Management, vii) Environment, Social and Climate Impact, and viii) Stakeholders. The project design will integrate the GAFSP-proposed risk factors into the IPRM for the sake of risk mitigation efficiency.

5.2 What are specific design measures that will be incorporated to increase the likelihood of sustainability of the project outcomes?

The proposal incorporates numerous features, which will be further designed to promote long term sustainability.

The component 1 is based on capacity building of existing and/or new farmer groups to adopt new varieties and technologies, identify market opportunities and identify the service providers along the value chain who are needed to increase their productivity, profitability and reduce their food security risks from engaging more in market-led agriculture. Increased capacities in DAE, DAM and BARI staff will continue to be applied after the project has ended, as will the group capacities. These initial skills will be further supported and sustained through linkages with other GoBD departments and the private sector along the selected diversified VCs. Further project design will include the formation of water user groups (WUGs) who will be the primary beneficiaries of on-farm water management. The capacity of the groups will be enhanced through training

so that after completion of the project, the groups will have the necessary knowledge and skills to be responsible for general O&M of the interventions of water management infrastructures.

Component 2 attempts to address inefficiency of the post-harvest management and market system where buyers do not invest time and resources to build the capacity of small holders to enable the latter to supply their produce in an informed way. With the creation of the platform base (the farmer groups) private sector buyers will find it cost-effective to reach them in sustainable way where DAM and DAE through increased capacity will assist the private sector to invest in the training and production of the farmer groups. Once this connection has been developed, private sector is likely to continue the direct relationship with small holders to continuously educate them on their needs and requirement. On the other hand, DAM with its increased capacity to assess market and buyers will take this knowledge forward to carry out the same business model in new areas beyond the project. Private agro-enterprises supported through matching grant will create a demand-pull for more products affecting a production growth of the primary commodities in the project areas. Through promotion of nutrition enriched processed agro-products, there will be higher demand of such products and new similar enterprises are likely to join the rally seeing the market opportunity. Multi-stakeholder platform created under this component will open a new window to discuss the problems of all the stakeholders in a single forum, address them through collective actions and advocate to concerned authority to create more conducive business environment.

Sustainable O&M. The project design will highlight the establishment of sustainable operation and maintenance (O&M) mechanism for community-based and governed assets, such as for water access with Water User Groups (WUGs). The capacity of the groups will be enhanced through training so that during the project life and after completion, the groups will have the necessary knowledge and skills to be responsible for general O&M of the interventions of the water management infrastructures. Some short-term consultancy provisions will be proposed, either from the private sector and relevant Non-Government Organizations (NGOs), or under FAO TA in further detail budget allocation for ensuring sustainable water user groups formation and community participation in O&M in line with the participatory water management rule, environmental aspects in water management. Similarly for processing and storage facilities if they will be of collective assets.

Risk-sharing co-financing from private sector. The likelihood of increased private sector's total matching is high (depending on total project grant matching fund available), as indicated in previous experiences of SACP in similar matching in agricultural machinery, processing and storage facilities, knowledge and skill training of farmers connected to market arrangements and value chains. As rule of thumb, a 30% of matching is expected from the private sector agro-entrepreneurs.

Project overall financing and perspective of other cofinancing. The proposal projected a conservative co-financing, US\$ 5 million from the government and US\$ 2 million from the private sector. While the government matching will be better planned and budgeted once the detail vertical structure of management and coordination is laid out, the project will continue to explore additional co-financing from other government programmes and donor agencies active in agricultural development in the country.

Roadmap of FAO TA. FAOBD is a long-time committed partner with the Government and especially with MoA. Its continued TA can be cited in related sector consultation and working platforms, and tailored TA to the ongoing IFAD-assisted SACP. FAO TA for this proposed project will establish a roadmap along with the government's reform and reengineering of its agricultural service support system, taking a reduction phasing along the project life, allowing the project strengthened service providers to take more responsibilities, and leaving the ground to public and private sector providers. This will be reflected in the annual budget planning and other resource contributions of FAO TA.

Exit strategy. The proposed project will address enhancing efficiency in service delivery of agency and relevant stakeholders; it also focuses on community ownership of the water management infrastructure through (i) formation, mobilization, training and development of Water User Groups (WUGs), (ii) skill development of participating technical agencies and private sector players, and (iii) developing institutional facilities for better service delivery. The future design will emphasize the development of self-sustaining community-based organisations such as farmers' interest groups in production, marketing and

water management, which will be strengthened to play a key role in the implementation and on-going management of project activities where applicable, such as in the area of O&M for the sustainable use of collective assets.

5.3 Who has been involved or consulted in the development of the Proposal?

The development of the proposal has been led by the Ministry of Agriculture as lead agency mandated for agriculture development in the country, supported by the country offices of IFAD and FAO including their respective country teams and technical resources. A team combined of national and international experts were engaged to formulate the proposal, under the strong support and guidance of the MoA's technical departments namely DAE, DAM and BARI. Community consultation workshops were held in the three proposed project areas to help capture the regional priorities and concerns under the project proposal; donor agencies and relevant ministries were consulted through the platform of country sector working group in agriculture.

5.4 Describe the proposed project implementation arrangements

The overall responsibility for GAFSP project will be assumed by the Ministry of Agriculture (MoA), which will be the Lead Project Agency. MoA will implement the project through its line-agencies and other related organizations such as Global Alliance for Improved Nutrition (GAIN).

Project Steering Committee (PSC). The Project will be implemented under the overall direction of a Project Steering Committee (PSC) chaired by the Secretary of MoA and encompassing representatives from the related ministries such as MoF represented by ERD, Ministry of Food, Ministry of Rural Development, Ministry of Health, line agencies and other stakeholders that are related to the Project. Representatives from the civil society active in agriculture support, rural development, social-economic development will be included. The PSC will evaluate and approve annual work plans, reports and budgets, provides directives on strategic aspects of the implementation management, and approve major competitive agreements and contracts. A Technical Advisory Committee (TAC) will be formed to provide technical guidance and bring in synergy with stakeholders and partners other than the MoAs. The TAC will be chaired by the GAFSP Project Director and it will be composed of PDs from the IFAD and FAO-assisted projects in the country, representatives of leading private firms, trade associations and other donor-assisted projects and programmes.

Project Implementation Unit (PIU). The implementing ministry will establish a PIU by appointing a Project Director in charge of the operational management and coordination. The PIU will include a management team of government-deputed officers and support staff provided by the government, and a technical team of externally recruited experts funded by the project. The PIU will be supported by FAO TA, primarily in policy advocacy, M&E and knowledge management. The PIU will be newly created and tasked for the implementation of the GAFSP-funded project only. District-level Implementation Coordination Units (ICU) will be established and embedded in local DAE offices, supported by upazilla DAE office teams and DAM and BARI focal points and facilitators where applicable.

Management efficiency assurance. Several measures will be undertaken, especially at design and at start-up in order to secure the required efficiency of management structure:

- Institutional analysis and ToRs for key institutions: The design will include an institutional capacity building specialist to undertake an in-depth analysis on key participating institutions, and mechanism of management structure put in place such as PSC, TAC, PIU, multi-stakeholder platforms, MoA, DAE, DAM and BARI, and other possible partner institutions. Related ToRs will be drawn, and revised to be part of the PIM, and likely one of the conditions prior to the initial deposit;
- A start-up plan designed to guide and shorten the learning curve of the project start-up, which will include adequate budgetary provisions agreed with the Lead Agency for their availability and use included in the DPP prior to start-up, with consideration for retroactive financing from the project funding. The start-up plan will stipulate the milestones with budget allocations, including the set-up of project management structure such as government degree on establishing the PSC with due representation and leadership, PIU and its key staffing, the setting up of key management

systems for finance and fiduciary, M&E, KM, designated account opening with authorized signatories, crucial capacity building for staff, important field studies and surveys, and criteria of selection for project communities and target groups.

FAO TA will support the implementation in areas where its technical leadership is highly recognized in the country and worldwide.

Under component 1 and as part of the technical interventions, FAO TA is designed to complement and further develop the experiences from previous and ongoing agricultural projects funded by the GoBD, IFAD, FAO and other funding agencies. IFAD has projects already operating in similar environments to the proposed project areas. The support activities will be built around strengthening dissemination of good agricultural practices (GAP) with FAO providing resources to support the existing government field extension staff, making use of the experience already shown in the field but complementing this with targeted inputs from local and, if appropriate, international technical specialists. The role of these specialist inputs will be to build the capacity of the upazila level staff and lead farmers through exposure visits, ToT training in relevant new technologies and approaches, and development and use of appropriate group mobilization and development material and processes to facilitate the wider take-up of the technologies identified in activities above.

FAO will provide TA in the following areas:

- (i) *Improving family nutrition at village level.* Based on rapid field assessments, a Nutrition Behaviour Change Communication (NBCC) strategy will be developed with the appropriate GoBD agencies to implement the priority activities identified. FAO Bangladesh has nutrition specialists to contribute to this work.
- (ii) *Farmer / producer group capacity building.* To build on the existing DAE and IFAD funded farmer group development, FAO will adapt and introduce the successful group mobilization and capacity building training modules and processes from the highly rated Missing Middle Initiative (MMI) activity funded under an earlier GAFSP grant. This approach focuses on strengthening the governance of the producer groups and providing training on business management and development skills.
- (iii) *Farmer field schools.* Where appropriate for developing farmer confidence in new technologies/crop varieties, FFSs will be developed to support adoption. In addition to using group strengthening tools used in MMI, a focus will be on ensuring groups members have a clear understanding of the financial costs and benefits of adopting new technology and also the risk factors involved. Where possible, demonstration plots will be developed around FFS participation to increase the chances of adoption of successful approaches.
Digital agriculture. FAO will bring its extensive experience and knowledge with digital technologies to work with the department in MoA in charge of digital agriculture and ICT. This project will build on the experience of model digital village at Kalu Fakir Para near Cox's Bazar developed by DAE with FAO support. A digital village centre (DVC) has been developed supported by five DCFs in the village who are knowledgeable about digital information, particularly the government-endorsed offline apps *krisoker janala* (Farmers' Almanac) and *krisoker digital thikana* (Farmers' Digital Address). The DCFs have helped installed these apps on more than 300 farmers' smartphones so they can access offline farm production information. Farmers can also call government call centre service (16123) to access agricultural advisory services. With the DAE, this DVC model will be reviewed and improved making use of experience from FAO-supported ICT initiatives in regional countries before being scaled up across the new project area. Increasing accessibility and affordability of smartphones makes this a timely initiative.
(<http://www.fao.org/asiapacific/perspectives/digital-villages/bangladesh-dvi/en/>).
- (iv) *Climate-smart water management technologies.* To complement the extensive irrigation and drainage capacity in Bangladesh, FAO TA will work with government agencies to identify relevant innovations that may provide more cost-effective solutions to the areas identified in Action 1.5. In addition to short-term expert inputs, awareness visits by groups of farmers considering upgrading their water management systems to other parts of Bangladesh to see relevant examples will be funded. Funds would also be available for field level technical staff to undertake study tours and to participate in relevant short courses in the region, and for co-funding installation of demonstration-scale

irrigation systems as part of a structured FFS activity where the costs, returns and risks will be documented and clearly displayed.

Mechanization. FAO TA will make use of the extensive experience FAO has in appropriate small-scale crop mechanization in the region. In addition to supporting the Technical Committee in testing of equipment, FAO will work with DAE to promote use of appropriate mechanization in the project areas and to encourage alternative machinery ownership models. In areas where adoption of mechanization is lagging, the TA could be used to co-fund purchasing of specialized small machines so the benefits from mechanization can be demonstrated. An FFS approach would be used to include farmers in the testing processes and to ensure that the range of costs, benefits and risks are identified. Tests will also include analysis of production activities to compare the returns of mechanization to identify best returns. This information will be made easily available to all farmers.

- (v) *Demand-led agricultural extension and marketing support.* FAO TA will provide resources for specialist training/capacity building of the higher-level organizations identified in this section. During the first project year, FAO specialists will liaise with the institutions identified in 1.6 to identify areas where capacity building support is needed and the types of support required. The focus will be on practical adult learning processes complemented by exchanges and visits to successful examples of the identified activities. In subsequent years, FAO will work closely with the MoA section responsible for extension/technical staff development. An FAO TA specialist would assess the current effectiveness of the Agricultural Technical Committees (ATC) and, with the committees, develop and supervise implementation of appropriate capacity building activities. The focus would be on task-focused skill and knowledge development based around the committees' activities.

Under component 2 and as part of the technical interventions, FAO TA will support:

(a) *Post-Harvest Activities*

FAO TA activities will build on the experience of FAO implementing the very successful GAFSP-funded MMI project since 2018.

- (i) *Producer organization development.* An important part of this project is the formation and development of farmer groups to aggregate crops for sale and to purchase inputs in bulk. The associated processes developed by MMI are highly relevant for the prospective round of GAFSP funding. FAO will provide the ToT and training material needed to train DAM district level staff, upazila marketing facilitators or other appropriate government workers to work with producer organizations (PO). This ToT and training material is designed to build basic group dynamics and governance before providing business management skills and knowledge needed by the group to move into post-harvest activities. In some cases, FAO will work with the PO to identify a suitable local resource person who can be trained to facilitate the group. Funds would be earmarked for this. TA will be used to provide specialist ToT trainers for the field staff, monitoring systems for the newly formed groups and ongoing support. New business facilitators will be hired to implement the training and work alongside the newly formed organizations. Some funds would be used for experience-sharing visits by new groups to more experienced groups implementing relevant value addition activities.
- (ii) *Aggregation activities.* An early activity for the producer organizations will be to use the MMI experience in aggregating production and input requirements to obtain better prices. FAO TA will provide the ToT and resource material for facilitators to train the POs. FAO will introduce the use of its Ruralinvest tool so that the groups can develop a simple business plan for the proposed aggregation activity. This business plan will be supported by giving simple business management training in accounting, market assessment and negotiation skills. Based on its wide experience in small-scale handling and storage of crop production, FAO TA will work with the specialised GoBD agencies to ensure that operations guidelines and procedures are documented and introduced to the newly formed aggregation groups. In vulnerable areas, low-cost options to reduce storage losses and to protect seedstocks would be demonstrated.
- (iii) *Promotion of value adding agro-processing activities.* The MMI model developed by FAOBD will be used to promote and support development of value adding activities. The model uses small grants and matching of revolving funds to enable

the supported POs to start a small activity and, if successfully completed, graduate to a larger, more complex activity using a mix of the groups' own funds, project grants and borrowed funds.

FAO TA will be used to fund development of ToT and resource material for activities in E-commerce, Branding and Certification, and women's and youth income generation activities. The TA resources will also fund matching grants or incentive payments where appropriate, to allow poor households to participate.

- (iv) *Market facilitation.* The FAO TA team, in collaboration with DAM, will develop a training manual on market facilitation techniques. Subsequently, FAO will train DAM district officers and upazila level marketing facilitators engaged by the GAFSP project.

(b) Food Safety and Nutrition

FAOBD has provided support to food safety in Bangladesh. This included providing technical assistance to the Bangladesh Food Safety Authority (BFSA) towards formalizing food safety education in Bangladesh. Accordingly, Bangladesh Agricultural University (BAU) has launched the "BSc Food Safety Management" degree, and graduates will be offered a new profession – Safe Food Officers – who will be Class 1 Civil Servants³⁰.

This project will build on activities being supported by the WB in its livestock sector project on food safety. These activities could be supported through FAO TA after consultations with other major donors in the food safety area to minimize duplication.

Based on food safety issues identified by the participating producer and farmer groups, FAO TA will respond with tailored practical short courses or extension material for the local extension workers. Basic household nutrition issues will be addressed in the FAO TA proposed under Component 1. FAO TA will especially emphasize on occupational safety and nutrition of farmers.

The management component will be assisted by **FAO TA**, especially in the area of policy advocacy, synergy and partnership building, results-based M&E and knowledge management. The experience from the GAFSP funded MMI and FAO support to the IFAD funded SACP project in these areas will strengthen the new activities, and care will be taken to ensure both these areas meet GoBD requirements.

FAO will train those responsible for project M&E at national, district and upazila level on results-based M&E and Knowledge Management, and also train the team on the use of handheld devices for data collection and data analysis and reporting (3 ToT sessions). Subsequently, FAO M&E experts will coach the project M&E team in the training of agency field staff involved in data collection to use the system. A lesson learning-cum-refresher training will be organized in the second year to address any issues that may have arisen during the first year.

FAO TA will be available to support the PIU and PSC to address relevant high-level advocacy issues identified as being a constraint to project success. Where appropriate, FAO TA would fund special studies required to elaborate high-level issues that the PSC wishes to address.

5.5 How will the implementation of this activity be coordinated with other partners active in the same sector/geographic area(s) to maximize effectiveness, create synergies, and avoid duplication/overlap of activities?

The Technical Advisory Committee (TAC) will play the role of technical exchange platform and synergy building among different development projects, where good practices and lessons learnt can be drawn to support the GAFSP implementation at operational level, and shared for cross-benefits. In addition, the GAFSP-funded project will join the working group of IFAD and FAO-assisted projects, be present at relevant sector consultation platforms of the government and the donor community in the country.

5.6 Present the overall project budget using the *Tables A, B and C in Annex 1*

The overall project budget as suggested in proposal preparation guideline is presented in Annex 1.

³⁰ <http://iifs.bau.edu.bd/>

Annex 1 – Project Budget Tables

Provide comprehensive budget information for the proposed project. All figures should be in US\$ and rounded to the nearest '000.

Table A: Summary of Overall Project Funding

Funding Source	Amount (In US\$)	Has this funding been secured Yes/No)?
GAFSP grant amount requested	25,000,000	n/a
- Investment	20,000,000	n/a
- Technical Assistance	5,000,000	n/a
Government co-financing	(Machinery matching, staff, office...) 5,000,000	
Other Funding Sources (<i>SE, ODA, private sector, etc.</i>)		
- Private sector matching	(PPP, VC finance) 2,000,000	
- [specify source]		
- [specify source]		
Total Project Funding	32,000,000	

Table B: Detailed Budget for Investment Project

Components	Activities	GAFSP Funding Amount Requested (US\$)	Other Funding Sources Amount (US\$)
Component 1: Agricultural Diversification & On-Farm Water MGT	Activity 1.1: COVID-19 Response varieties and technologies	900,000	
	Activity 1.2: Development of stress tolerant varieties and new technologies	1,000,000	
	Activity 1.3: Diffusion of diversified and improved varieties and technologies	1,800,000	700,000
	Activity 1.4: Climate-smart on-farm water management	1,000,000	
	Activity 1.5: Demand-led agricultural extension and marketing support	3,000,000	
	- Government programme matching		800,000
	Activity 1.6: Component 1 Technical Assistance (FAO TA) and Support	2,000,000	
Component 2: Post-Harvest GMT & Market Access	Activity 2.1: Covid-19 Response in Agri-Product Collection Points	900,000	
	Activity 2.2: Processing, packaging and Storage (GAFSP and Private)	3,000,000	1,000,000
	- Government programme matching		1,000,000
	Activity 2.3: Marketing Arrangement	1,200,000	300,000
	Activity 2.4: E-commerce, Branding and Certification	1,500,000	
	Activity 2.5: Women and Youth Income Generation and Entrepreneurship	1,500,000	
	Activity 2.6: Access to finance	1,000,000	
	Activity 2.7: Component 2 Technical Assistance	2,300,000	
Component 3: Policies, Management & Coordination	Management and Coordination	2,000,000	3,200,000
	M&E, KM, Fin MGT	1,200,000	
	FAO TA to component 3 incl. service charge	700,000	
TOTAL BUDGET FOR ALL COMPONENTS		25,000,000	7,000,000

Note: Do not include separate line items for contingencies. Instead, factor contingencies into component costs.

B.1 For the investment project, briefly discuss the impact on the proposed project design if full requested amount is not awarded. Would a reduced award mean working in fewer geographic areas, a reduction in the target population, scaled back activities, etc.?

>>GAFSP grant funding will be very crucial for the country to shorten its path of restoring the capacities of agriculture development, food and nutrition system and security enhancement. The proposed funding aims to support three of the six hotspots of the Delta Plan, which are the country’s most vulnerable areas in terms of climate change challenge, agriculture production, food security and nutrition at both regional and household levels. If there is reduced award, the government may need to consider focusing the awarded investments in two hotspots instead of three as proposed, in order to maintain the critical mass of investment and support efficiency. In any case, the Government will explore complementary funding from other donor agencies active in the country.

B.2. Clarify the underlying assumptions for the proposed budget. For example, indicative unit costs for major investments (including how derived), program coordination costs, additional budget notes, etc.

>>The proposed round-up budget is projected on the basis of: estimated scales of activities in the three project areas, a combination of key unit costs from the ongoing SACP project implemented by MoA in Southern Bangladesh, both estimated during design in 2017 and recently revised during last year’s implementation. The temporary effect of increased costs during the COVID-19 pandemic was not taken into consideration, and it would be addressed during future design as part of the update or contingency.

Costs and expenses related to management and coordination and technical assistance are of current prices. Following are some examples of the unit costs for key activities proposed for the GAFSP project; they are subject to further revision at design.

Examples of unit costs	USD
Component 1	
HV crop research (new variety)	146,000
Workshop on technologies 40-50 pax)	1,223
Demo block in village	306
Farm small machinery	1,834
Seed village (with seed producer group)	10,000
Farmer training (30-40 pax)	3,100
Rain harvest site	2,500
Training of WUG (av. 30 pax)	670
Component 2	
ToT of DAE DAM upazilla officials (30 pax)	2,500
Multistakholder platform (4 meetings/yr)	1,000
Av. Matching grant for agro-processing equip	15,000
Women technical and nutrition training (30 pax)	3,500

Annex 1, Section C Technical Assistance from FAOBD

Table C: Detailed Budget for Technical Assistance from FAOBD

(these may change for the final project proposal as planned activities are refined)

Components	Activities	TA Funding (US\$)
Component 1: Agricultural Diversification and On-Farm Water Management	Activity 1: COVID-19 Response varieties and technologies (nutrition/health)	\$250,000
	Activity 2: Farmer production group capacity building	\$300,000
	Activity 3: Diffusion of diversified and improved varieties and technologies	\$450,000
	Activity 4: Climate-smart on-farm water management	\$700,000
	Activity 5: Demand-led agricultural extension and marketing support	\$300,000
Component Total		\$2,000,000
Component 2: Post-Harvest Management and Market Access	Activity 1: Covid-19 Response in Agri-Product Collection Points	\$400,000
	Activity 2: Processing, Packaging and Storage	\$650,000
	Activity 3: Marketing Arrangements	\$250,000
	Activity 4: E-commerce, Branding and Certification	\$250,000
	Activity 5: Women and Youth Income Generation and Entrepreneurship	\$450,000
	Activity 6: Access to finance	\$300,000
Component Total		\$2,300,000
Component 3: Policies, Management and Coordination	Activity 1: Project Management	\$200,000
	Activity 2: M&E and knowledge management	\$250,000
	Activity 3: Strategic policy research and advice	\$250,000
Component Total		\$700,000
TOTAL COSTS	(includes FAO Project Service fees - 7% of expenditure)	\$5,000,000

Notes:

1. Contingencies are included in component costs.
2. These are indicative allocations between the component activities. The final allocation of costs to activities will be made after the inception activities have worked with the local stakeholder to determine the priorities with each participating group. Participating producer groups will be offered a menu of the activities outlined in this proposal. Funding of additional activities by a group will depend on successful implementation of the initial funded group activity.

C.1 Impact on the proposed technical assistance component if funding reduced

project design if the full requested amount is not awarded. *Would a reduced award mean working in fewer geographic areas, a reduction in the target population, scaled back activities, etc.?*

The technical assistance planned for the GAFSP activity is designed to allow scaling up of the planned activities across the planned target regions. The broad regional spread would remain but within each target area, the level of activities will need to be reduced. The reduction of the number of groups (and members) that can be serviced with the reduced TA funding will reduce the final number of rural households that can benefit for the direct project activities.

In addition the building of capacity of the supporting government and NGO agencies will be reduced so there will be reduced resources capable of extending the project group building and technical extension activities to the much larger group of non-supported rural households in the project's target areas.

C.2. Assumptions for the TA budget.

Item	Unit	Unit Cost Allowed
1. FAO project service fee (a standard rate)	Project TA expenditure	7 %
2. Fees for advisers and consultants		
Senior technical adviser (STA)	Per person month	US\$18,000
International (fee rate up to)		
Senior specialists	Per person month	US\$15,000
Specialists	Per person month	US\$12,000
National (fee rate up to)		
Senior specialists	Per person month	US\$3,500
Consultants	Per person month	US\$3,000
Mid-level consultants	Per person month	US\$2,100
IT consultants	Per person month	US\$1,700
DSA and local travel (based on 12 days per mth in field)	Per person month	US\$945
3. FAO technical support service to coordinate and provide adhoc specialist technical advice.	Per year	US\$15,000

Annex 2 – Proposal Stage Results Monitoring Matrix

Review **Table D** below for the list of GAFSP Tier 1 (impact) and Tier 2 (output and outcome) indicators and select the indicators that are relevant to the Proposal. The selected GAFSP Monitoring & Evaluation (M&E) indicators should be included in the Results Monitoring Matrix presented in **Table E** and should feed into the project Results Framework or Log Frame if the Proposal is approved.

Present a proposal stage Results Monitoring Matrix in **Table E**. This should include indicators for the project as a whole and for all components, as well as indicative end-of-project target values. Refer to the [GAFSP M&E Plan](#) for requirements to be followed for any approved proposals. Refer to the list of Tier 1 and Tier 2 indicators in **Table D** and include those selected in **Table E**.

Note that the GAFSP M&E Plan is currently undergoing revision and there may be changes to the current set of core indicators. These changes (once finalized) will be communicated to successful recipients for incorporation into the final Results Monitoring Matrix in the SE project design document.

Table D: GAFSP Tier 1 and Tier 2 Core Indicators

#	Tier 1 impact indicators for all GAFSP projects	Check if Yes
1	Food and nutrition security ▶ Mandatory Food Insecurity Experience Scale (FIES) indicator and optional indicators are Food Consumption Score (FCS), Minimum Dietary Diversity-Woman (MDD-W) and Minimum Dietary Diversity -Children (MDD-C)	<input checked="" type="checkbox"/>
2	Household income	<input checked="" type="checkbox"/>
3	Crop yield (apply only to those projects with explicit productivity gain goals)	<input type="checkbox"/>
#	Tier 2 indicators for all GAFSP projects, <i>Mandatory Breakdowns</i> † (unit) ▶ Indicator notes	
1	Number of beneficiaries reached, gender disaggregated, percentage who have been helped to cope with impact of climate change†† ▶ People receiving benefits from the project. ▶ Disaggregation for gender and those receiving Climate-Smart Agriculture (CSA)-specific support.	<input checked="" type="checkbox"/>
2	Land area receiving improved production support, <i>percentage of these that are climate smart</i> (ha) ▶ Area that adopted new inputs/practices, new/rehabilitated irrigation services, land registration, etc. ▶ Disaggregation for climate-smart interventions.	<input checked="" type="checkbox"/>
3	Number of smallholders receiving productivity enhancement support, gender disaggregated, climate-smart agriculture support ▶ Number of end-users who directly participated in project activities. ▶ Includes technology/technique adoptees, water users with improved services, those who had land rights clarified, people offered new financing/risk management services. ▶ Using CSA approaches.	<input checked="" type="checkbox"/>
4	Number of producer-based organizations supported (number) ▶ Relevant associations established or strengthened by project.	<input checked="" type="checkbox"/>
5	Volume of agriculture loans that are outstanding. ▶ Volume of outstanding loans for agriculture and agribusiness in a financial institution	<input type="checkbox"/>
6	Percentage of beneficiaries with secure rights to land, property, and natural resources (percent of total beneficiaries) †† ▶ Measured as those with legal documentation or recognized evidence of tenure and those who perceive their rights are recognized and protected.	<input type="checkbox"/>
7	Roads constructed or rehabilitated, percentage resilient to climate risks (km) ▶ All-weather roads built, reopened, rehabilitated, or upgraded by project. ▶ Percentage that are designed to withstand changes in climate.	<input type="checkbox"/>
8	Number of post-harvest facilities constructed and/or rehabilitated (number) ▶ Includes markets, agro-processing/storage/quality control facilities.	<input checked="" type="checkbox"/>
9	Volume of agricultural production processed by post-harvest facilities established with GAFSP support, <i>by food group</i> (tons) ▶ Tons of total produce processed sorted by 10 major FAO food groups.	<input checked="" type="checkbox"/>

10	People benefiting from cash or food-based transfers, <i>gender disaggregated</i> (number of people) ▶ Number of people who benefited from cash or food transfer interventions.	<input type="checkbox"/>
11	People receiving improved nutrition services and products, <i>gender disaggregated, age disaggregated</i> (number of people) ▶ Number of people who received nutrition counseling/education, recipients of Ready-to-use-Therapeutic Foods, bio-fortified foods, and Vitamin A and micronutrient supplements. ▶ Number of people receiving extension support for nutrition-relevant techniques (e.g., homestead gardens, Farmer Field School support, etc.).	<input checked="" type="checkbox"/>
12	<i>Direct employment provided; gender disaggregated</i> (full-time equivalent) ▶ Number of direct employees in a client company. ▶ Part time jobs aggregated to full-time equivalent.	<input type="checkbox"/>
13	Persons receiving capacity development, <i>gender disaggregated, organization type</i> (number of people) ▶ Agricultural and non-agricultural rural training and capacity building support provided. ▶ Distinguishes between individual producers/household members, civil society organization staff, and government officials.	<input checked="" type="checkbox"/>
14	Number of substantive deliverables on food security processes completed (number) ▶ Measures “soft support” for institutional development provided through discrete deliverables. ▶ Deliverables include policy studies, strategies and plans, best practices, and lessons learned, among others.	<input type="checkbox"/>

Note: The definitions for the Tier 2 indicators can be found on pgs. 24-27 of the [GAFSP M&E Plan](#).

† Reporting on the indicator requires reporting all mandatory breakdowns for the indicator.

†† Climate-related language is included for indicators 1, 2, 3, and 7. In view of discussion and some concerns expressed by the GAFSP Steering Committee, it is noted that the experience of gathering such data at the SE/project level will be tracked and reviewed to assess the ease/feasibility of application and resulting “meaningfulness” of the data that are gathered. Please also see earlier footnote #6 on the use of the term ‘climate-smart’ in the GAFSP M&E Plan.

‡‡ GAFSP projects have not traditionally supported land-ownership reform, although both the TAC and most SE project preparation processes currently evaluate project readiness against a criterion that includes land access and land user rights, and they typically verify such aspects through their respective “safeguards” and appraisal policies. There was demand from SC members to see a standalone indicator, however, that can capture a focus on land use rights.

Table E: Proposal Stage Results Monitoring Matrix

Indicators ^{18F31}	Unit of measurement	Baseline ^{19F32}	End-of-project target	Data sources (Data collection instruments)
Project level indicators				
Project’s highest-level indicator 1: Number of persons receiving services promoted or supported by the project, disaggregated by sex, by youth, and by ethnic groups	# of members from those households receiving services promoted or supported by the project, disaggregated by sex, by youth, and by vulnerable groups	0	619,200 [50% female]	Baseline and impact evaluation
Project’s highest-level indicator 2: Number of persons receiving services promoted or supported by CSA specific support	# of persons receiving services promoted or supported by CSA specific support, disaggregated by sex, youth, and by vulnerable groups		TBD	Baseline and impact evaluation

³¹ If any cross-cutting themes were selected in Section 3.1, this table must include some indicators that correspond to the selected theme(s).

³² If this is unknown, write TBD (to be determined).

Indicators ^{18F31}	Unit of measurement	Baseline ^{19F32}	End-of-project target	Data sources (Data collection instruments)
Project's highest-level indicator 3: Prevalence of food insecurity	% of households	TBD	20% decrease	Baseline and impact evaluation integrated with Food Insecurity Experience Scale (FIES) module
Project's highest-level indicator 4: Minimum dietary diversity of women	% of women at reproductive age	TBD	15% increase	Baseline and impact evaluation integrated with Minimum Dietary Diversity-Woman (MDD-W) module
Project's highest-level indicator 5: Household income	% of households reporting an increase	TBD	20% increase	Baseline and impact evaluation with cost-benefit and home produced food consumption modules
Component level indicators ^{20F33}				
Component 1: Agriculture productivity				
- Outcome Indicator 1.a: Percentage of persons reporting adoption of new/improved inputs and environmentally sustainable and climate resilient technologies or practices	% of direct project participants (disaggregated by sex, and CSA inputs/practices)	TBD	60%	Baseline and impact evaluation
- Outcome Indicator 1.b: Persons reporting reduced water shortages/needs	% of direct project participants reporting reduced water shortages/needs (disaggregated by sex and youth)	TBD	60%	Baseline and impact evaluation
- Output Indicator 1.1: Smallholders receiving productivity enhancement and climate smart agriculture support (production	# of direct project participants (disaggregated by sex)	0	TBD [30% female]	Input distribution register/muster-roll

³³ Please identify indicators that can clearly represent the causal links in the results chain that bridge the gap between the current status and the objectives (desired high-level indicator). Ideally, under each component, there is at least one outcome indicator and correspondent output indicator(s).

Indicators ^{18F31}	Unit of measurement	Baseline ^{19F32}	End-of-project target	Data sources (Data collection instruments)
inputs/technological packages)				
- Output Indicator 1.2: Persons receiving training and capacity building support (in production practice/technologies)	# of direct project participants (disaggregated by sex and type of stakeholder)	0	TBD [30% female]	Training register/attendance
- Output Indicator 1.3: Land area receiving improved production support (new inputs/practices, new/rehabilitated irrigation services, climate-smart interventions)	# of acres (disaggregated by type of intervention)	0	TBD	Infrastructure/physical work register
- Output Indicator 1.4: Number of producer-based organizations supported (strengthened or established)	# of groups (disaggregated by sex of members, type of group)	0	TBD [30% female]	Group register
- Output Indicator 1.5: People receiving extension support for nutrition-relevant techniques (e.g., homestead gardens, FFS etc.).	# of direct project participants disaggregated by sex, youth, and by vulnerable groups	0	TBD [30% female]	Training register/attendance and Input distribution register/muster-roll
- Output Indicator 1.6: Persons provided with climate information services	# of direct project participants disaggregated by sex, youth, and by vulnerable groups	0	TBD [30% female]	Progress report
- Output Indicator 1.7: Demonstrations established	# of demonstration established	0	TBD	Progress report
- Output Indicator 1.8: Women and youth receiving training on food processing and income generating activities	# of direct project participants disaggregated by sex, youth, and by vulnerable groups	0	TBD	Training register/attendance

Indicators ^{18F31}	Unit of measurement	Baseline ^{19F32}	End-of-project target	Data sources (Data collection instruments)
- Output Indicator 1.7: Farmer field schools established	# of farmer field schools	0	TBD	Training register/attendance, Progress report
Component 2: Post-harvest management and marketing				
- Outcome Indicator 2.a: Percentage of people reporting improved access to markets, processing and storage facilities	# of direct project participants disaggregated by sex, youth, and by vulnerable groups	0	20%	Baseline and impact evaluation
- Outcome Indicator 2.b: Percentage of supported producers' organization members reporting new or improved services provided by their organization	% of PO members	TBD	30% increase	Baseline and impact evaluation
- Outcome Indicator 2.c: Percentage of producers' organizations members reporting an increase in sales	% of PO members	TBD	30% increase	Baseline and impact evaluation
- Outcome Indicator 2.d: Percentage of producers' organizations members reporting an increase in profit	% of PO members	TBD	10% increase, TBD	Baseline and impact evaluation
- Outcome indicator 2.e: Volume of agricultural production processed by post-harvest facilities	Tons of agricultural production processed by post-harvest facilities, disaggregated by main varieties	0	TBD	Baseline, impact and thematic evaluation
- Output Indicator 2.1: Number of post-harvest facilities, aggregation points, market infrastructure established and/or rehabilitated	# of facility (disaggregated by type of facility)	0	TBD	Infrastructure/physical work register
- Output Indicator 2.2: Number of persons in trained in business skills	# of direct project participants disaggregated by sex,	0	TBD [30% female]	Training register/attendance

Indicators ^{18F31}	Unit of measurement	Baseline ^{19F32}	End-of-project target	Data sources (Data collection instruments)
and financial literacy and/or use of financial/business products and services	youth, and by vulnerable groups			
- Output Indicator 2.3: Farmers trained on post-harvest and primary processing	# of direct project participants disaggregated by sex, youth, and by vulnerable groups	0	TBD	Training register/attendance
- Output Indicator 2.4: Percentage of producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities	% of PO members	TBD	10% increase	Baseline and impact evaluation
Component 3: Policies, Management & Coordination				
- Outcome Indicator 3: Percentage of people reporting satisfaction with project activities	% of direct project participants (disaggregated by sex)	0%	80%	Baseline and impact evaluation
- Output Indicator 3.1: Regular coordination meetings held	# of meetings (disaggregated by location)	TBD	TBD	Progress report
- Output Indicator 3.3: Physical and financial progress reports submitted regularly	# of reports	0	TBD	Attendance sheet
- Output Indicator 3.4: M&E and KM system established	# of systems	0	1	Progress report and guideline

Annex 3 - Risks and Negative Externalities

F. Describe important potential risks to achieving the project’s development objective(s). Provide an assessment of the likelihood (probability) and risk rating (severity, impact) of the risks, and proposed mitigation measures. Add additional rows to the table for additional risks if needed.

Table F: Project Risk Assessment

Risk	Likelihood (L, M, H)	Risk rating (L, M, H)	Risk description	Proposed mitigation measures
Technical design ³⁴ :	M	M	- Field exposure and studies impeded by COVID-19 travel restrictions	- Target studies and analysis by field partners before launch of design missions and use of digital communication, or allow sufficient time for field data and information collection and in-depth analysis.
	M	M	- Technical composition of design team	- Consider key technical experts involved in preparation of the Proposal; Recruit sector, sub-sector and theme specialists who participated in the design and implementation support of the ongoing Southern Agriculture Competitiveness Project (SACP) under partnership of IFAD-MoA with FAO TA.
	M	L	- Change of government grant and credit support programmes that may affect the PPP design and co-financing	- Maintain regular update on government development programmes and explore alternative co-financing from other interest parties
	M	H	- Mismatch of government DPP submission deadline and	- Inform Ministries of Financing and Planning and ensure timely communication and preparation of design documents before MoA’s annual budget submission for allocation. - Draw good practices and lessons learnt from recent and ongoing projects such as SACP, HILIP-CALIP, PACE;

³⁴ Indicative list of risks to assess: the technical complexity of the project; the extent to which project design is informed by analytical work; adequacy of number of components and subcomponents; past experience in designing and implementing similar operations; whether the design incorporates or relies on untested or unfamiliar technologies and processes; the extent to which project benefits dependent on external factors beyond the scope of the project.

Risk	Likelihood (L, M, H)	Risk rating (L, M, H)	Risk description	Proposed mitigation measures
			miss the first-year annual budget allocation - Technical complexity of design and insufficiency of management structure	-Institutional analysis and ToRs for key institutions, and start-up plan with due project to guide project start up
Institutional capacity for implementation ^{22F35} : Risk that there is insufficient capacity to implement the project	M	M	- Complexity of inter-department/agency coordination	- Strong guidance from PSC and set up of technical coordination mechanism with focal points from each participating agency. FAO TA in support of management and coordination
	M	M	- Insufficient field technical staff of implementing agencies	- Working with decentralized structures and linked to grassroots technical focal points such as farmer group leaders, FFS focal points and private agri-agencies and NGOs in relevant technical fields
	M	M	-Lack of transparency in selection of participating and recipient enterprises and POs	- Setting up strict criteria and operational procedures
	H	M	No formal internal audit function in place	-Internal auditing carried out by private firm twice a year in the life of project, covering involved levels and agencies

For Likelihood: L (low probability), M (moderate probability), or H (high probability).

For Risk rating: L (low risk or impact), M (moderate risk or impact), or H (high risk or impact).

³⁵ Indicative list of risks to assess: the complexity of the institutional arrangements (at central and local levels) such as number of implementing entities involved; geographical spread of project intervention areas and remoteness of these areas; experience of proposed implementing agency with similar scaled projects with international organizations.

G. Describe important potential negative externalities or spillover effects *that could arise from the project implementation*, as well as an assessment of likelihood (probability) and risk rating (severity, impact) of the risks and proposed mitigation measures. Add additional rows to the table for additional potential negative externalities if needed.

Table G: Evaluation of Negative Externalities

Potential Negative Externalities	Likelihood (L, M, H)	Risk rating (L, M, H)	Description of potential negative externalities	Proposed mitigation measures
Environmental ^{23F36}	H	H	Natural disasters destroy project-built physical assets Problem of access for some Upazila during monsoon and flood seasons	Agreement on incorporation into state O&M plan and budget before civil work Implementation planning taking into account seasonality
Social ^{24F37}	M	L	Lack of interest of the beneficiary groups in governance strengthening and ownership building of the infrastructure	Capacity building for group ownership and governance, and exposure to changes in successfully transformed groups
Gender	H	M	Insufficient position share in the management structure	Introduce quota for recruitment and annual progress plan
Macro-economic			COVID-19 uncertainty causes worldwide and country economic downturn, especially in balance of payments and fiscal position	Earmarked project financing and defined activities

For Likelihood: L (low probability), M (moderate probability), or H (high probability).

For Risk rating: L (low risk or impact), M (moderate risk or impact), or H (high risk or impact).

³⁶ This could include the potential effects on natural resources such as water sources, forests, and protected areas; potential effects on biodiversity; and where appropriate, potential impacts on the climate arising from unchecked anthropogenic emissions of greenhouse gases (GHGs) and short-lived climate pollution (SLCPs).

³⁷ This could include the potential effects on human health and safety; the nature, scale and duration of social effects such as the need for land acquisition and/or involuntary resettlement; potential impacts on, equity, and indigenous peoples; and potential impacts on physical cultural resources.

Annex 4 - Prior GAFSP Grant(s)

Provide details about each prior GAFSP grant the country has received (if applicable). Complete the information for each grant received and for each country in case of a multi-country proposal.

Project Name	Integrated Agricultural Productivity Project (IAPP)
Country	Bangladesh
GAFSP Grant Amount and Amount Disbursed	Total Grant: US\$ 50 million Amount Disbursed: US\$
Grant Approval Date	2011
Project Status	Completed
Project Closing Date	2016
Project Implementation Update <i>(Implementation progress, results, challenges, etc.)</i>	<p>An informal structure of inter-departmental coordination and harmony developed but the reliance on specifically-hired project staff meant that ownership did not build up properly at field level.</p> <p>Also, with increased productivity smallholders often faced challenges in marketing. The lack of focus on commercialization and strengthening linkages between smallholders and markets means that 'productivity projects' may not deliver fully on expected results. Future projects should take care of this emerging issue of marketing and commercialization. With regard to commercialization and market access, strong producer organizations can help modify transaction conditions, such as price and quantity, and can exert influence over the value chain for a specific commodity. Although extension agencies practice group-based extension approaches, farmers groups are often simply a means to deliver project activities and inputs. The key principles for the development of strong organizations are not applied consistently. These key principles are: autonomy, inclusive leadership, strong bonding among members, business service provision and a clear owned purpose. Considering these key principles, producers organizations should be mobilized for which a uniform extension manual for all agencies is necessary.</p>
Most recent/last Supervising Entity Implementation Rating for (i) achieving project objectives and (ii) implementation progress.	<p>Achievement of Objectives: Substantial</p> <p>Implementation Progress (Efficiency): High³⁸</p>
Will the project proposed under this proposal build on or be linked to this prior GAFSP grant? If so, in what way?	The project will adopt relevant best practices identified from the project

³⁸ https://www.gafspfund.org/sites/default/files/inline-files/ICRR-Disclosable-P123457-09-25-2017-1506353326173_1.pdf

Project Name	Increasing Access to Finance for Farmers' Organizations in Bangladesh - Missing Middleman Initiative (MMI)
Country	Bangladesh
Responsible Implementing Entity	Food and Agriculture Organization of the United Nations Sara Bangla Krishak Society
Responsible Supervising Entity	Food and Agriculture Organization of the United Nations
GAFSP Grant Amount and Amount Disbursed	Total Grant: US\$3,701,000 Amount Disbursed (August 22, 2021): US\$3,145,900
Grant Approval Date	October 14, 2016
Project Status (active or closed)	Active
Project Closing Date	September 2022
Project Implementation Update <i>(implementation progress, results, challenges, etc.)</i>	<p>While the COVID-19 pandemic continues to impact project activities, the project and Sara Bangla Krishak Society (SBKS) have adapted to using digital services in an innovative way to successfully continue activities while requiring fewer resources. Such initiatives are: the establishment of virtual call centers (VCCs) for buying inputs and selling produce in bulk; a community webinar series with value chain actors; virtual auditing; and monitoring.</p> <p>At the FO level, revolving loan fund (RLF) and business operations were able to continue efficiently. As a result of capacity building and regular backstopping support of SBKS to FOs, overall FO's organizational management performance scores increased by 114% against the baseline.</p> <p>The project developed several apps that have allowed the team to continue regular M&E activities, performance assessments of FOs and operation of RLFs and Virtual Call Centres. As of the end of June 2021, more than 7,500 producers have benefited from the VCCs— 68,809 calls have been received for selling products, 33,833 calls for buying inputs and 23,855 calls for technical advice.</p> <p>The Project Advisory Committee (PAC) meeting was satisfied with the performance of the project. Moreover, the Project Steering Committee (PSC) recommended to FAO to strengthen the apex producer organization (SBKS) and to mainstream MMI across the country especially in agribusiness clusters.</p> <p>At the outcome level the project has achieved the following (as of June 2021):</p>

Project Name	<p>Increasing Access to Finance for Farmers' Organizations in Bangladesh</p> <ul style="list-style-type: none"> - Missing Middleman Initiative (MMI)
	<ul style="list-style-type: none"> - 93% of FOs scored a satisfactory institutional maturity rating while 100% of FOs have attained the gender equality indicators; - The average overall FO performance score was 34 out of 40; - 52 (out of 55) FOs have value chain projects or businesses that are generating revenue, while 55 FOs are successfully providing revolving credit to members of their organization; - 29 FOs mobilized BDT 51,010,100 (USD 603,700) in non-project financing for new or expanding initiatives. <p>Following the receipt of additional financing for COVID-19 recovery, SBKS developed a guideline for a dedicated COVID-19 recovery revolving (CRR) loan fund. They also provided facilitation FOs to produce safe agricultural produce following the One Health approach, are strengthening VCCs and providing mechanization and transport services to FO members.</p>
Most recent/last SE Implementation Rating for (i) achieving project objectives and (ii) implementation progress.	<p>Achieving project objectives: A</p> <p>Implementation progress: A</p>
Will the project proposed under this proposal build on or be linked to this prior GAFSP grant? If so, in what way?	<p>Yes, the proposed project will be a scaling up of this project. SBKS will expand the MMI approach to new regions that are climatically fragile and will mobilize women-only producers' organizations. Through this proposed project, SBKS will also have the opportunity to scale up their own capacity as well.</p>

Annex 5 - Proposal Preparation Team

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