



AFRICAN DEVELOPMENT BANK

PROJECT: **FOOD AND AGRICULTURE SECTOR DEVELOPMENT PROJECT**
(Funded by the Global Agriculture and Food Security Programme)

COUNTRY: **THE GAMBIA**

PROJECT APPRAISAL REPORT

Date: March 2013

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CURRENCY AND EQUIVALENTS

(March 2013)

1 UA = USD 1.54888

1 UA = GMD 48.9906

1USD= GMD 30.00

FISCAL YEAR

01 January – 31 December

WEIGHTS AND MEASURES

1 metric tonne = 2204 Pounds (lbs)

1 Kilogramme (kg) = 2.200 lbs

1 metre (m) = 3.28 feet (ft.)

1 millimetre (mm) = 0.03937 inch (“)

1 kilometre (km) = 0.62 mile

1 hectare (ha) = 2.471 acres

ACRONYMS & ABBREVIATIONS

AfDB	African Development Bank
ANR	Agriculture and Natural Resources
CAADP	Comprehensive Accelerated Agriculture Development Program
CPCU	Central Project Coordination Unit
CRR	Central River Region
DOA	Department of Agriculture
DLS	Department of Livestock
FFS	Farmers Field School
FBS	Farmers Business School
FBOs	Farmer Based Organizations
GAFFSP	Global Agriculture and Food Security Programme
GBOS	Gambia Bureau of Statistics
GEF	Global Environment Facility
GMD	Gambian Dalasi
GNAIP	Gambia National Agricultural Investment Plan
HDI	Human Development Index
LRR	Lower River Region
M&E	Monitoring and Evaluation
MFI	Micro Finance Institutions
MOA	Ministry of Agriculture
MIS	Market Information System
NARI	National Agricultural Research Institute
NEA	National Environment Agency
PAGE	Programme for Accelerated Growth and Employment
PIWAMP	Participatory Integrated Watershed Management Project
PSC	Project Steering Committee
PSU	Project Support Unit
WFP	World Food Program
WCR	West Coast Region

Loan Information

Client's information

BORROWER: Government of The Gambia
EXECUTING AGENCY: Ministry of Agriculture (MOA)

Financing plan

Source	Amount (USD million)	Instrument
ADF	00.00	N/A
GAFSP	26.60	Grant Fund
GOTG	00.70	Counterpart Funds
TOTAL COST	27.30	

Key financing information

	ADF	GAFSP
Loan/Grant currency	USD0.00	USD 26.60 million
FIRR, NPV (base case)	28%, USD 10.81 million	
EIRR (base case)	23%	

Timeframe - Main Milestones (expected)

Concept Note approval	November 2012
Project approval	May 2013
Effectiveness	July 2013
Completion	December 2018
Last Disbursement	June 2019

Project summary

1.1 Project Overview: The Gambia has a narrow economic base, relying heavily on agriculture which provides employment for about 75 per cent of the labour force. Performance of the sector has fluctuated, contributing on average 22.3 per cent of Gross Domestic Product (GDP) in 2012 and a growth rate of 4 per cent. Despite its potential, agricultural production evidences low and unpredictable yields and high susceptibility to droughts and erratic climate patterns. The sector is basically rain-fed, with only 3 per cent of the arable land estimated under irrigation. The prevalence of drought as a climatic phenomenon was very severe in 2011 to the extent that the gains in the sector were almost completely wiped-off in a single year's drought situation.

1.2 The Global Agriculture and Food Security Programme (GAFSP) is a multilateral mechanism to assist in the implementation of pledges made by the leaders of the G8, in Pittsburgh in 2009. Its purpose is to scale up support to help developing countries reduce poverty and improve rural livelihoods and food security by increasing agricultural productivity, linking farmers to markets, reducing risk and vulnerability, improving non-farm rural livelihoods and providing technical assistance. In line with this, Government of the Gambia submitted its funding proposal as part of the second call for proposals and a sum of USD 28 million was approved, by the GAFSP Steering committee in May 2012. As part of the approval, the Bank was selected as the supervising entity for the investment activities and was thus allocated the sum of USD26.6 million to manage on behalf of the Gambia Government. The balance of USD 1.4 million was allotted to the Food and agriculture Organization of the United Nations (FAO) as Technical assistance.

1.3 The Food and Agriculture Sector Development Project (FASDEP) seeks to reduce rural household poverty, food insecurity and malnutrition (stakeholders resilience), through increased agricultural production and productivity and commercialisation. The key outcomes will be: benefitting about 88% project beneficiaries (the vulnerable group women and youth), with reduced constraints hindering agricultural production and productivity. Through this project, the natural resources will be protected on a sustainable basis; market led private sector environment to foster smallholder commercialization promoted; and improved food security and nutritional status of vulnerable groups and households guaranteed. The main outputs of the project include increased agricultural productivity and production.

1.4 The FASDEP will be implemented over a five-year period and it covers three administrative regions comprising four agricultural regions namely: (i) Central River Region-North (CRR-N); (ii) Central River Region-South (CRR-S); (iii) Lower River Region (LRR); and, (iv) West Coast Region (WCR), where poverty and food insecurity is highly endemic, when compared to other regions in the Gambia. The total cost of the FASDEP is USD 27.3 million consisting of USD26.6 million from GAFSP and USD 0.7 million from the GoTG. The total number of beneficiaries is 240,000 in the targeted Regions comprising 150,000 women, and 30,000 men and the rest being the active 60,000 youths. This also translates into a total of 30,000 beneficiary households (8.3 persons per household), representing about 42 per cent of total households in project area and about 20 per cent of the population involved in agriculture. The Ministry of Agriculture (MOA) will be the executing agency with implementation by the Project Support Unit (PSU). Overall coordination and supervision will be under the Central Project Coordination Unit (CPCU) of MOA, which will be strengthened to effectively undertake this role.

1.5 Needs Assessment: The FASDEP is essentially a timely intervention to help revamp the Gambia agricultural sector on a path of sustainable development. Its development is a follow up to the success and lessons learned from the Bank/IFAD supported Participatory Integrated Watershed Management Project (PIWAMP), which showed that women farmers have made significant gains in their rights to use and derive profits from the community lands especially the swamps for rice production. Yet the productivity of the swamp farming has not come close to realizing the full

potentials. Also, integration of smallholder farmers, particularly women and youths, into markets was not sufficiently prioritized in the past intervention but is a high priority going forward. Targeted support for value addition through processing and market linkages to improve farm profits and incomes are critical for enhanced productivity along the continuum from subsistence to commercial rice farming.

1.6 The FASDEP is hinged on the first pillar of the Programme for Accelerated Growth and Employment (PAGE) as the development efforts in the agriculture sector will help promote accelerated growth and economic development in the Gambia. FASDEP is further in line with the AfDB/WB's Joint Assistance Strategy (JAS), which underscores the importance of the agricultural sector for inclusive growth in the Gambia as its central theme and primary area of focus. The JAS also recognizes that the Bank needs to provide a substantial support to the Gambia in support of the Government's efforts to set up an enabling environment to develop agribusiness as a platform to create jobs, ensure food security, and increase incomes.

1.7 The FASDEP is also consistent with both the Bank's Agriculture Sector Strategy (AgSS) 2010-2014 by promoting the development of essential infrastructures to unleash the potentials of the sector (through sustainable water management, irrigation, rural roads, marketing and storage infrastructure, and promoting agro-industry development); and the upcoming Long Term Strategy (LTS 2013-2022), which is hinged on supporting green growth and inclusive development by supporting diversification activities that will promote jobs for women and rural youth as well as build resilience to climatic variability through investment in land and water management for both lowland and upland areas.

1.8 Bank's Added Value: The Bank's comparative advantage and added value in the project are derived from its track record and accumulated experience in funding projects in The Gambia since 1974 covering sectors comprising agriculture, water and sanitation, social, transport and multi sector. The FASDEP will provide opportunities not only to leverage on lessons learnt in enhancing development of the proposed investment, but will provide the Bank, as the supervising entity of the GAFSP grant, an ideal platform for partnership with the GAFSP for African agricultural sector development.

1.9 Knowledge Management: The project will contribute to knowledge management through the proposed support to the development of comprehensive framework policy document for the sustainable management of Gambia agricultural water resources. This and other knowledge data generated by the FASDEP will be instrumental in designing and managing similar Bank-financed projects in the future. Provisions made for knowledge and information management include baseline studies in project year one (PY1) with gender-disaggregated data, other special studies and reports from project experts in subsequent years, supervision missions, Mid-Term Review (MTR), Project Completion Report (PCR), and linking of the project to the MOA and the Planning Services Unit of the MOA databases to facilitate efficient data collection and use.

Country and Project Name: GAMBIA: Food & Agriculture Sector Development Project (FASDEP)

Purpose of the Project: To reduce rural household poverty, food insecurity and malnutrition through increased agricultural production, productivity and commercialization.

RESULTS CHAIN		PERFORMANCE INDICATORS			Means of Verification	RISKS / MITIGATION MEASURES
		Indicator (including CSI)	Baseline	Target		
IMP	Reduced poverty, food insecurity and malnutrition through enhanced household income from agricultural productivity and commercialization	<ul style="list-style-type: none"> National Poverty Rate Food Security Status Malnutrition status 	<ul style="list-style-type: none"> 48.4% below USD 1.25 purchasing power parity (PPP)/day; 11% food insecure (CFSVA, 2011); Caloric intake (1770 calories); Wasting (under 5) 9.5% ; 	<p>By Year 2018</p> <ul style="list-style-type: none"> 40.6% below USD 1.25 PPP/day; 8% of pop food insecure; Caloric intake (2200); 5% wasting (under 5); 	GBOS Poverty Reports; Assessment HDI MICS IV	<p>Risks/Mitigation:</p> <ul style="list-style-type: none"> Inadequate capacity of service providers. <i>Service providers will be competitively recruited and trained with TA support and close supervision</i> Limited private sector involvement and lack of market linkages. <i>FBO capacities will be strengthened and will be linked to markets, infrastructure improved and market access enhanced.</i> Poor gender awareness and mainstreaming and limited youth involvement. <i>Training in gender issues and mainstreaming and targeted youth involvement.</i> Erratic weather patterns and adverse climatic change. <i>Promotion of year round irrigation and sustainable soil and water conservation techniques and early warning climatic information for farmers</i> Lack of environmental awareness and technical monitoring capacity. <i>Training and capacity building targeting farmers on best practices and extension services on environmental monitoring.</i>
	OUTCOMES	<p>1. Improved land management to enhance agricultural production and productivity</p> <p>2. Market led private sector environment to foster smallholder commercialization promoted</p> <p>3. Improved food security and nutritional status of vulnerable groups and households</p>	<p>1.1 Hectares developed under improved lowland rice production</p> <p>1.2 Hectares under upland soil & water conservation</p> <p>2. Increased number of smallholder agro processing and agro business enterprises</p> <p>3. Improved nutritional levels of at risk groups and households.</p>	<p>1.1 926 Ha (LADEP)</p> <p>1.2 800 ha (PIWAMP):</p> <p>2. Seventy five (75) agro processing business enterprises;</p> <p>3. Nutritional status: (wasting 9.5%)</p>	<p>1.1 1,600 ha of new lowland improved with 75% targeting women</p> <p>1.2 400 ha additional area under upland conservation 75% targeting women</p> <p>2. 120 new agro-processing business enterprises 60% of which are women owned</p> <p>3. Wasting prevalence at less than 5%</p>	
OUTPUTS	<p>A. Improved Agriculture infrastructure development and management</p> <p><i>A.1 Land, soil and water management</i></p> <p><i>A.1.1 Tidal irrigation schemes established</i></p> <p><i>A.1.2 Tidal access and water retention schemes established</i></p> <p><i>A.1.3 Upland Soil Improvement and Erosion control</i></p> <p><i>A.1.3.1 upland conservation schemes established</i></p>	<p>A.1.1 Hectares under tidal irrigation</p> <p>A.1.2 Hectares under tidal access and water retention schemes</p> <p>A.1.3.1 Area under upland soil and water conservation</p>	<p>A.1.1 3,000 ha (ROC: 1,800 ha; FMRIP: 1200 ha ;)</p> <p>A.1.2 2127 (LADEP)</p> <p>A.1.3.1. 2000 ha of upland</p>	<p>A.1.1 200 ha new development and management/capacity development for 3,200 ha; 70% of which is accessed by women</p> <p>A.1.2 500 ha of new tidal access and 900 ha of new water retention; 75% of which is accessed by women</p> <p>A.1.3.1 400 ha of new upland developed with associated capacity building</p>		

A.1.3.2 Community land use/watershed plans developed	A. 1.3.2 No. of community watershed/ land use plans developed	A 1.3.2 Zero	A.1.3.2 50 community watershed/ land use plans
A. 1.3.3 Hectares under community agro forestry established	A.1.3.3 Number of ha under community agro forestry	A. 1.3.3 213 ha	A 1.3.3 Additional 8 ha under community agro forestry
A.2 Market Access expanded through improved infrastructure			
A.2.1 Access roads rehabilitated	A.3.1 Number of kilometres of access feeder roads rehabilitated/ and improved	A.3.1 120km (PIWAMP)	A.3.1 additional 200 km of access roads rehabilitated to ease market access and reduce post-harvest loses of women farmers & traders
A. 2.2 Structures in municipal markets constructed	A.3.2 Number of municipal market structures constructed	A.3.2 10	A. 3.2 Additional 20 municipal market structures constructed benefitting 80% women.
B. Diversified and commercialized agricultural production			
B.1 Aquaculture, small ruminants and poultry schemes established	B.1 Number of Aquaculture, SR and poultry schemes established	B.1 33 schemes	B.1 245 schemes operational benefitting 1000 women & youth
B.2 Improved horticultural management practices			
B.2.1 Community gardens established	B.2.1 Area under improved horticultural management practices of community schemes	B.2.1. 100ha (LHDP)	B.2.1 155 ha under improved horticultural management practices targeting 1500 women; and 600 youth farmers, 70% of women
B.2.2 School gardens established	B.2.2 Area under improved horticultural in schools gardens	B.2.2 Zero	B.2.2 60 ha – school gardens
B.3 Agro enterprises promoted	B.3 Agro enterprises promoted with % women owned	B.3 Zero	B.3 120 agro business enterprises established and supported with 60% women owned.
B.4. Producers linked to Markets	B. 4 Number of producers linked to markets and Agricultural MIS equipped and operational	B .4 Zero linked to MIS at Planning Support Unit of MOA	B.4. 100 Value chain actors' platform established agribusiness for, trade fairs, market days organized. MIS in Planning Services of DOA providing market data.
C. Improved approaches to national food and nutrition security			
C.1 Addressing malnutrition			
C.1.1a School feeding programme (SFP) implemented	C.1.1a Number of school children benefiting from SFP	C.1.1a 15,000 (NaNA)	C.1.1a 35,500 pre and school children in 101 schools accessing SFP
C.1.1b Pilot local procurement for SFP implemented	C.1.1b Amount of local cereals purchased	C.1.1b Zero	C.1.1b 680 Mt of cereals locally purchased

	<p><i>C.1.2 Improved school and community based nutrition education and good food preparation practices promoted</i> <i>C.1.3 Ready to use therapeutic feeds purchased</i></p> <p>C.2 Building household resilience in food and nutrition security C.2.1 Seed/cereal banks established</p> <p>C.2.2 Replenishing grain buffer stocks C.2.3 Agriculture Water Management Policy Framework</p> <p>D Project Management and Capacity Building D.1. Strengthening Operational and Technical Capacity of CPCU <i>D.1.1 CPCU's capacity enhanced in programmes/projects coordination and M&E</i> D.2 Project Management <i>D.2.1 FASDEP Project Support Unit established</i> <i>D.2.2 Technical Assistance</i></p>	<p>C.1.2 Number of schools implementing school and community based nutrition program and % of households using good food preparation practices C.1.3 number of cartons of Therapeutic feeds purchased</p> <p>C.2.1 Number of community seed/grain banks established C.2.2 Number of regional buffer/cereal banks stocked. C.2.3 Comprehensive Agriculture Water Management Framework/ Policy</p> <p>D.2.1 CPCU's capacity in programmes/projects coordination and monitoring enhanced D.3.1 Support Unit established D.3.2 Number of Technical Assistance provided</p>	<p>C.1.2 40 (NaNA) C.1.3 500 (NaNA) C.2.1 5 community seed/grain banks C.2.2 Zero C.2.3 N/A D.2.1 Zero D.3.1 Zero D.3.2 Zero</p>	<p>C.1.2 101 Schools and 65% of households C.1.3 .2,000 cartons of therapeutic feeds C.2.1 15 community seed/grain banks C.2.2 4 regional cereal banks (buffers) stocked to serve as emergency cereal stock C.2.3 Agriculture Water Management Policy D.2.1 CPCU staff trained (and retained) in project coordination, M&E, financial management; and gender mainstreaming. D.3.1 FASDEP Project Support Unit established and functional D.3.2 TAs (FAO)</p>		
	COMPONENT	INPUTS		FUNDING		
KEY ACTIVITIES	<p>Component 1: Improved Agriculture infrastructure development and management Sub-component 1: Land, soil and water management Sub-component 2: Development of market access</p> <p>Component 2: Agricultural/natural resources production, diversification and commercialization Sub-component 1: Establishment of aquaculture, small ruminants and poultry schemes Sub-component 2: Improved horticultural management practices Sub-component 3: Promotion of agro enterprises Sub-component 4: Linking Producers to Markets</p> <p>Component 3: Improved approaches to national food and nutrition security Sub-component 1: Addressing malnutrition Sub-component 2: Building Household Resilience Sub-Component 3: Purchase of Therapeutic feeds</p> <p>Component 4: Project Management and Capacity Building Sub-component 1: Strengthening Operational and Technical Capacity of CPCU Sub-component 2: Project Management:</p>	<ul style="list-style-type: none"> • Demographic data, including gender statistics • Existing land use maps • Meteorological and hydrological data • Market information • Existing rice irrigation, horticultural aquaculture and poultry & small ruminant schemes; • Research results on crop yields, livestock productivity and aquaculture • Production inputs and propagating materials (improved seeds, improved livestock breeds) • Technical Assistance • Equipment • Trainers from NGOs, service providers and research institutes • Established guidelines and policy, official statistics and baseline information • Technical guidance and best practices; Monitoring tools; Cash-flow projections 		<p>Component 1=USD 9,974,772 Component 2=USD 10,928,011 Component 3=USD 3,952,087 Component 4=USD 2,445,130 Total Cost = USD 27,300,000</p> <p>Funding Sources (USD)</p> <p>a) GAFSP = 26,600,000 b) GoTG = 700,000 c) Total = 27,300,000</p>		

PROJECT TIME FRAME

s/n	Task NAME	2012				2013				2014				2015				2016				2017			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	PROJECT IDENTIFICATION																								
1.1	GAFSP proposal preparation (AfDB/FAO/GoG)		■																						
2	PROJECT PREPARATION																								
2.1	Preparation Mission			■																					
2.2	Project Concept Note			■																					
3	PROJECT APPRAISAL																								
3.1	Appraisal Mission				■																				
3.2	Appraisal Report				■																				
4	AfDB BOARD PRESENTATION, DISTRIBUTION & APPROVAL																								
4.1	Signature								■																
5	PROJECT IMPLEMENTATION																								
5.1	Procurement																								
5.1.1	Procurement																								
5.2	Project Supervision																								
5.2.1	Supervision Missions 1 to 10																								
5.3	Monitoring and Evaluation																								
5.3.1	Monitoring by PIU																								
5.3.2	Mid Term Project Review																								
6	PROJECT COMPLETION																								
6.1	Project Completion Report																								

**REPORT AND RECOMMENDATION OF MANAGEMENT TO THE BOARD OF DIRECTORS
ON A PROPOSED GRANT TO GAMBIA FROM GAFSP
FOR FOOD & AGRICULTURE SECTOR DEVELOPMENT PROJECT (FASDEP)**

Management submits the following Report and Recommendation for a grant of USD 26.60 million from the Global Agriculture & Food Security Program (GAFSP) for the financing requirement of the Food & Agriculture Sector Development Project (FASDEP) in the Gambia.

I – Strategic Thrust & Rationale

1.1. Project linkages with country strategy and objectives

The Program for Accelerated Growth and Employment (PAGE 2012-2015) is currently the main driver of the Gambia Government's development agenda and it is upon this, the Joint Assistance Strategy (JAS) is premised. FASDEP aligns with Pillar 1 of the approved AfDB/World Bank Joint Assistance Strategy (JAS 2012-2015) - enhancing productive capacity and competitiveness in order to strengthen resilience to external shocks. This project supports diversified, sustainable intensification of production of priority agricultural commodities and at the same time helping to build resilience towards climate change especially by promoting pump, surface and tidal irrigation to combat droughts exacerbated by climate variability in the Gambia. FASDEP is also aligned with PAGE as it hinges on the first and second pillars through efforts that will help promote accelerated growth and economic development in the Gambia as well as improving and modernizing agricultural infrastructure. The Project is also consistent with both the Bank's Agriculture Sector Strategy (AgSS) 2010-2014 by supporting sustainable water management, irrigation, rural roads, marketing and storage infrastructure, and promoting agro-industry development); and the upcoming Long Term Strategy (LTS-2013-2022), which is hinged on supporting green growth and inclusive development by supporting diversification activities that will promote jobs for women and rural youth as well as build resilience to climatic variability through investment in land and water management for both lowland and upland areas.

1.2. Rationale for Bank's involvement

The Gambia is one of the poorest countries in the world ranked 165 out of 187 on the UNDP's Human Development Index (HDI 2013). It is classified as a Least Developed, Low Income Food Deficit Country (LIFDC) with 48% of its population living below the USD 1.25 purchasing power parity per day (2011). The Bank has been quite active in supporting the Gambia agriculture and rural development sector and the good lessons emanating from these projects which have informed the design of this operation include: community participation in the direct implementation of projects which has ensured ownership; simple technologies for water and land improvement; and simplified and adaptable procurement system which allows for smooth and timely implementation of the project. FASDEP is in furtherance of the Bank's funding of Participatory Integrated Watershed Management Project (PIWAMP) whose success story especially in terms benefits to rural women farmers is being expanded.

1.3. Donor Coordination

The Government has set up an Aid Coordination Directorate at the Ministry of Finance and Economic Affairs, which was financed in part from the Bank supported Institutional Support Project for Financial and Economic Governance. In the same vein, the Bank and the World Bank have developed two Joint Assistance Strategies so as to continue coordinated and harmonized development approach in programming and portfolio management. (Specifically JAS will continue to be the pivot of dialogue with the Government of the Gambia and other partners). With regard to agriculture sector, the FAO, the Bank, the IFAD, the World Bank and other development partners have established an informal agriculture donor group for enhanced collaboration and coordination of operations in the sector. The

initial support for the preparation of the proposal submitted to the GAFSP committee received extensive technical support from the FAO. Following the joint preparation/appraisal missions of the Bank, FAO and GoTG, it was agreed that FAO has designed a complimentary project document that would provide Technical Assistance in the areas of commercialization and value addition in the amount of USD1.4 million while the balance of USD 26.6 million would be for the investment activities to be managed by the AfDB.

Table 1.3 Summary of Aid to Agriculture Sector

	Sector	Size		
		GDP	Export	Labor
	[Agriculture/]	33%	40%	70%
Players - Public Annual Expenditure (average)**				
Organization	Intervention Areas	% contribution out of a total of 113.93 million USD for 2012		
AfDB	Crop Husbandry, Livestock & Fisheries, Infrastructure & Value Chain and Emergency Aid	19.90%		
World Bank	Value Chain and productivity expansion	10.50%		
IFAD	Agriculture Infrastructure, Micro Finance & Value Chain	49.70%		
IDB	Export Crop promotions and value chain	12.7%		
EU	Institutional support and export promotion	7.2%		
	Existence of Thematic Working Groups (informal)	[Y]		
	Existence of SWAPs or Integrated Sector Approaches	[N]		
	ADB's Involvement in donors coordination***	[M]		

* as most appropriate ** Years [yy

1 to yy2] *** for this sector or sub-sector

**** L: leader, M: member but not leader, none: no involvement

II – Project Description

2.1. Project Components

2.1.1 Project Development Goals and Objective

The development objective of the Project is *“To reduce rural household poverty, food insecurity and malnutrition through increased agricultural production, productivity and commercialization”*. The specific objectives of the project are: a) *“to increase food and nutritional security and household incomes particularly for vulnerable households and; b) to stimulate inclusive growth of the Gambian economy through employment opportunities for the teeming active and youthful population”*.

Table 2.1 Project Components

Component	Cost USD million	Description
<p>Component 1: Improved Agriculture infrastructure development and management Sub-component 1: Land, soil and water management, Development of community land use plans and development of community agro forestry</p> <p>Sub-component 2: Expansion of market access through improved infrastructure</p>	9.975	<p>3,200 ha of tidal comprising 200 ha of new and 3,000 ha for improved management; 70% of which is accessed by women 500 ha of tidal access and 900 ha water retention; 70% of which is accessed by women 400 ha of upland improvement, 40 community watershed/land use plans 8 ha under community agro forestry nurseries</p> <p>Agric. MIS operational and accessible to users; functional linkages established; 200 kilometres of access feeder roads; rehabilitated/improved; 20 municipal market structures; constructed; 15 community grain banks</p>
<p>Component 2: Agricultural production, diversification and commercialization Sub-component 1: Establishment of aquaculture, small ruminants and poultry schemes Sub-component 2: promotion of Improved horticultural and on farm water management practices Sub-component 3: Promotion of agro enterprises Sub-component 4: Linking producers to Markets</p>	10.928	<p>200 ponds, 25 SR and 20 intensive and 60 traditional poultry schemes operational – 800 women and/or youth</p> <p>Development of 155 ha horticultural farms involving specific d targeting 1500 women; and 600 youth farmers. 60 ha – school gardens</p> <p>120 agro business enterprises established and supported with 60% women owned</p> <p>Small holders producers linked to local and regional markets</p>
<p>Component 3: Improved approaches to national food and nutrition security Sub-component 1: Addressing malnutrition Sub-component 2: Building Household Resilience</p>	3.952	<p>School feeding program for 101 and therapeutic feeding for under five children 15 seed/cereal banks</p> <p>4 regional cereal banks stocked to serve as emergency cereal stock</p>
<p>Component 4: Project Management and Capacity Building Sub-component 1: Strengthening Operational and Technical Capacity of CPCU Sub-component 2: Project Management:</p>	2.445	<p>CPCU staff trained (and retained) in project coordination, M&E, financial management; and gender mainstreaming; and environmental monitoring; Project Support Unit established and functional; Special studies conducted & TA provided</p>
Total	27.300	

Component 1: Improved agriculture infrastructure development (USD 9,974,772)

a) Land Management: The component hopes to consolidate the gains of PIWAMP, which made land use and access readily available to women farmer’s particulate for rice fields. The aim of this sub-component is to improve land management on an estimated 5,000 hectares to support the efficient production of major crops namely rice, groundnut and other major cereals. The activities will include the development of 1,600 ha lowland, which comprises: (i) 200 ha of intensive rice irrigation schemes in four sites namely Barajally Suba, Safalu, Sanguleh and Jelan Bakadagi;(ii) provision of new tidal access of 10 km, which will make available 500 ha of difficult to reach but fertile flood plains; and, (iii) construction of water retention facilities (dikes and spillways) to support the development of 900 ha of arable lands in 6 sites namely Buiba Japineh, Felonkoto-Madina Valley, Kiang Karantaba, Badume, Kolor Valley and Misira. The sub-component also involves strengthening institutional capacity in the management of 3,000 ha of existing developed tidal areas by former projects/programs to ensure double cropping for enhanced productivity and combat the regular occurrence of drought. In addition, the sub component will support soil and water conservation practices on an estimated 400 hectares of upland in five watersheds/sites namely Sintet, Faraba-Banta, Nyoro Jataba/Sankandi, Sarre Ngai and Nyangene. This will also involve the establishment of nurseries for eight hectares of

agro-forestry and development of 40 community watershed/land use plans. Furthermore, the component will support the development of comprehensive framework policy document for the sustainable management of Gambia agricultural water. All the rural infrastructures that would be supported have their technical designs with climate resilient features to enable them cope with the adverse effects of climate change. For sustainability, the operation and maintenance manuals will be developed as part of the completion of each scheme before being handed over to the befitting communities. Farmer Based Organizations (FBOs) and communities will be trained in the operation and maintenance of the completed schemes. This will be one of the parameters that would be covered by the monitoring and evaluation of the project to ensure that the FBO/communities are well groomed to take over completely as the project phases out.

b) Expanding market access through improved infrastructure: The subcomponent is designed to improve/rehabilitate farm to market access by upgrading of 200 km of the existing feeder roads (as part of national feeder roads development program under the auspices of the National Roads Authority (NRA) and market infrastructure in 20 municipal markets in the project area. The sustainability program is along the already tested system by the National Road Authority. For roads rehabilitated, the NRA trains and provides technical assistance and guidance to the communities from time to time and the communities in turn will provide their contributions in kind by offering their services as labour. All completed roads will have an operation and maintenance manual prepared and communities trained.

Component 2: Agricultural diversification and commercialization (USD 10,928,011)

a) Support to Aquaculture, Small ruminants and poultry: This sub-component is aimed at up-scaling and building capacity in support of diversified agro-enterprises namely aquaculture, small ruminant and poultry farmers for enhanced production and productivity. The aquaculture activities include the construction, the provision of start-up inputs, and management of 200 community demonstration ponds. The small ruminant activities include the establishment of 25 improved (breeding and fattening) schemes¹. Under poultry, support will be provided for 20 community schemes (1,000 each of layers and broilers) and 20 schools each with 200 layers. In both cases improved breeds (which have been tested to have greater productivity over the local breeds) will be used and farmers' capacity will be built on the management of these breeds. Support provided by the project will also include poultry housing, water supply and initial provision of inputs for the first cycle of production. In addition, traditional/village poultry farming will be supported in 60 villages to include the construction of traditional houses and the provision of production equipment. The project will also support animal health to improve the livestock productivity. FBOs and communities will be trained in the operation and maintenance of the completed schemes.

b) Promotion of improved horticultural practices: This sub component is to induce the practice of year-round horticultural production through improved on-farm water management and husbandry practices. Activities will include the establishment/improvement of 215 ha for high value horticultural crops (tomatoes, onions, green peppers, cabbages etc.) with 155 ha for 41 community gardens each with perimeter fencing, borehole, solar pumping, water storage and conveyance system targeted at 1,500 women and 600 young farmers and 60 ha for 60 school gardens each provided with fencing, lined well and hand pumps. The productivity increases anticipated will be through improved on-farm water management techniques and improved agronomic practices.

c) Promotion of Agro Enterprises: Activities under this sub-component include the provision of agro-processing packages comprising start-up kits for 120 FBOs. The project will also adopt the concept of matching grants to support the entire players along the value chain to acquire productive assets. The

¹ List of schemes is provided in Annex C

matching grants would be used to assist 45 FBOs on the cost sharing basis 40% contributions by the being matched by 60% of the project funds for acquisition of productive assets to enhance promotion and expansion of their agro enterprises. The ultimate aim of the matching grant is to help the selected FBOs realise that productivity capacities by assisting them with seed money for effective take off so as to see agriculture as business opportunities that could be run profitably. The operational modalities of the matching grant are in annex C.

d) Linking Producers to Markets: The sub-component aims at enhanced access of key players in the value chain to markets. Activities include linking value chain actors through the establishment of platforms for value chain actors, organizing business fora between micro enterprises and agribusinesses and conducting regional promotional activities (trade fairs, field and market days). In addition the Planning Services of MoA will be supported to strengthen the (market information systems) collect, analyze and disseminate accurate market information through the national media, rural community radios and other media sources for beneficiaries including the use of mobile phones. Most of the activities under this component would build strong synergies with the Technical Assistance support under the purview of the Food and Agriculture Organization of the United Nations. In this vein, all the activities here would be coordinated alongside the support being provided by FAO.

Component 3: Improved approaches to national food and nutrition security (USD 3,952,087)

a) Addressing malnutrition: About 15.5% and 20.2% of the households in Lower River Region (LRR) and West Coast Region (WCR) respectively are food insecure and vulnerable. Similarly 29% and 19.9 % of children under-fives in LRR and WCR respectively are stunted and 13% and 9% of children under-fives in the LRR and WCR respectively are wasted. This is higher than the national average of 7% of under-five children that are wasted. This subcomponent aims to contribute to these challenges by supporting the on-going World Food Program supported Food for Education Program² in LRR and WCR by targeting the feeding of 33,350 pre and primary school children in 101 schools. The project will finance ready-to-use therapeutic feeds for children with micro nutrients deficiencies and the promotion of use of improved good food preparation practices in 65% of households in the targeted areas through community based nutrition education. The interventions in horticulture, livestock, and aquaculture and food crops will also complement availability of nutritious food for households. The project management will utilise the existing and tested mechanism of the WFP in implementing the school feeding program through the signing of the appropriate memorandum of understanding. In addition, community gardens and training in schools and communities on basic nutrition knowledge, food preparation and the proposed ‘from the garden to the table’ nutrition training program which some communities are already successfully practicing, will go a long way in creating greater awareness and improved practices in food preparation, dietary diversification, food quality and safety, dietary and nutrition requirements will contribute to increased nutritional levels of communities

Building Household Resilience: Communities in the project area are at high risk and vulnerable to sporadic shocks such as droughts and flood and can easily fall below the poverty line under prolonged food insecurity during extended lean periods. The subcomponent aims at building community and household resilience to shocks. Key activities to be undertaken (which are basically adaptation mechanisms to the effect of climate change) include the rehabilitation of five existing cereal banks, construction of ten new cereal banks. The 15 cereal banks and the four regional reserves will be replenished with emergency cereal stocks in the three project targeted regions.

² GOTG has already developed an exit strategy for SFP with a proposed rolled out completion date of 2021.

Component 4: Project Management and Capacity building (USD 2,445,130)

a) *Capacity building for Central Projects Coordinating Unit (CPCU)*: This is a unit of the MOA responsible for overall coordination and supervision of all donor funded projects in MOA. In order to make CPCU play an effective role, MoA has approved the recruitment of all relevant staffs of the CPCU and this will be concluded before the official take-off of the project. FASDEP would help consolidate the capacity of the CPCU to deliver on its coordinating and supervisory mandate by providing capacity building support through intensive project management/ allied on-the-job training program. FASDEP will support the operations of the CPCU through relevant IT related and office equipment as well as mobility to aid its supervision and coordination roles. The details of the Terms of Reference of the CPCU are in the Technical Annex C.

b) *Project Support Unit*: The PSU embedded in the CPCU will be responsible for the day to day implementation of the project, including financial management, procurement, reporting and the conduct of special studies. The PSU will be led by the Project Manager with other key staff including: Civil/Water Management Engineer with strong biases in environmental management and mitigation, an Agronomist/Horticulturist, a Livestock Specialist, Procurement Officer, a qualified Accountant, an Enterprise Development Officer, Monitoring & Evaluation Officer with expertise in environment and gender mainstreaming, Account Officer. In addition the Project will fund the recruitment of a CPCU based Internal Auditor. As much as possible the GoTG will identify within the pool of its civil servants competent staff to fill these positions. Where suitable candidates cannot be identified, such positions would be advertised and a competitive selection process will be followed to identify the rightful candidates which would be funded by the project. The project will also provide incentive support to seconded staff of the project to ensure commitment and concentration towards the realization of the project's objectives. The project will support CPCU with some operating expenses.

2.2. *Technical solution retained and other alternatives explored*

Table 2.2 - Project Alternatives Considered and Reasons for Rejection

Alternative name	Brief Description	Reasons for Rejection
Fuel powered pump irrigation	Provide year-round water availability for rice production using pumps	High operating cost of fuel powered pumps and its consequent unsustainability High potential contribution to ozone layer depletion of the smoke emitted
Construction of tidal schemes in areas above the reach of tides	Cutting of earth to increase area under tidal irrigation	Too expensive given the volume of earth to remove possibility of reaching sandy subsoil with low water retention due to its high permeability
Drip irrigation system for gardens	efficient and drudgery-free irrigation water distribution equipment	Not sustainable due to high cost maintaining the system and the risk of limited availability of parts. Furthermore, the low technical and management capacity of beneficiaries made this option unrealistic.
Dairy cattle	Provide milk production and processing for beneficiaries	Relatively expensive and thus not affordable to a larger percentage of the targeted population i.e. women and youth.

2.3. *Project Type*

This is investment Project funding support in the form of grants from the GAFSP.

2.4. Project Cost and Financing Arrangements

2.4.1 The total project cost is estimated at USD 27.30 million including contingency (10% price and physical contingencies) but excluding duties and taxes. The total project cost comprising of grant resources from GAFSP amounting to USD 26.60 million (representing 97.4%) and GoTG counterpart funds amounting to USD 0.70 million (which constitutes 2.6% of the total). The foreign exchange cost represents 80% of the total cost and the remaining 20% as local costs.

Table 2.3 – Project Cost Estimates by Component

COMPONENTS	USD Million			UA Million			% Base
	FE	Local	Total	FE	Local	Total	
Improved Agriculture infrastructure development and management	7.25	1.81	9.07	4.68	1.17	5.85	36.54
Agricultural diversification and commercialization	7.95	1.99	9.93	5.13	1.28	6.42	40.06
Improved approaches to national food and nutrition security	2.87	0.72	3.59	1.85	0.46	2.32	14.46
Project Management & Capacity Building	1.78	0.44	2.22	1.15	0.28	1.43	8.94
Base Costs	19.85	4.96	24.82	12.82	3.20	16.02	100
Physical Contingencies	0.85	0.21	1.06	0.55	0.14	0.69	
Price Contingencies	1.14	0.29	1.42	0.73	0.18	0.92	
TOTAL COSTS	21.84	5.46	27.30	14.10	3.53	17.63	

Table 2.4 – Project Cost - Sources of Fund

SOURCE	F.E.	%	L.C.	%	TOTAL	% of Tot.
GAFSP	21.84	82	4.76	18.00	26.60	100
GOVERNMENT	0	0	0.70	100.00	0.70
TOTAL	21.28		5.46		27.3	100.00

Table 2.5 – Project cost by category of expenditure

COMPONENTS	USD Million			UA Million			% Base
	FE.	Local	Total	FE	Local	Total	
GOODS	5.14	1.29	6.43	3.52	0.88	4.40	23.6%
WORKS	9.35	2.34	11.68	6.03	1.51	7.54	42.8%
SERVICES	2.73	0.68	3.42	1.57	0.39	1.96	12.5%
OPERATING COSTS	2.63	0.66	3.29	1.84	0.28	2.12	12.0%
BASE COSTS	19.85	4.96	24.82	12.82	3.20	16.02	90.9%
Physical Contingencies	0.85	0.21	1.06	0.55	0.14	0.69	6.62%
Price Contingencies	1.14	0.29	1.42	0.73	0.18	0.92	2.28%
TOTAL COSTS	21.84	5.46	27.30	14.10	3.53	17.63	100.0%

Table 2.6 – Expenditure schedule by component ((in USD million)

COMPONENTS	2013	2014	2015	2016	2017	TOTAL	% of Total
Improved Agric. Infrastructure Dev. & Mgt	1.1325	2.2075	2.9325	2.5625	0.855	9.974	36.54
Agric. Diversification & Commercialisation	1.5625	2.6875	3.0125	2.5525	0.735	10.928	40.06
Improved Approach to National Food Security	0.1525	1.0475	1.0825	1.0525	0.875	3.952	14.46
Project Management & Capacity Building	0.8225	0.5075	0.5325	0.5225	0.425	2.445	8.94
TOTAL COSTS	3.68	6.45	7.59	6.69	2.89	27.3	100%

2.5. Project’s Target area and Population

2.5.1 The project area will cover three administrative regions comprising four agricultural regions namely: (i) Central River Region-North (CRR-N); (ii) Central River Region-South (CRR-S); (iii) Lower River Region (LRR); and, (iv) West Coast Region (WCR). Selection has been based on four main criteria: poverty levels; malnutrition of children under five years, food insecurity; and production potential. Investment in areas with high market-led potential was also prioritized. According to PAGE, the three selected regions show markedly higher levels in household poverty, malnutrition and vulnerability than the national average, ranking among the highest in all categories (poverty, food insecurity, malnutrition).

2.5.2 The LRR, CRR/N and CRR/S regions have particularly high productive potential. They are key rice and leafy vegetable growing areas with relatively fertile lowland soils, which can be developed to increase national food security. The uplands, particularly in the north of the LRR, have high potential for the production of coarse grains which are key sources of household income for smallholders. Furthermore, the selected areas have high potential for livestock particularly small ruminant and poultry production. The WCR is a key area for horticulture and commercial poultry, providing opportunity for development of value chains and market linkages to urban areas, facilitating partnerships with private sector actors. About 240,000 members of the population in the target areas (i.e. 150,000 women and 30,000 men and the remaining 60,000 being youths) are estimated to potentially benefit from the project. This includes 30,000 beneficiary households (8.3 persons per household), representing about 42 per cent of total households in project area and about 20 per cent of the population involved in agriculture.

2.5.3 The women targeted are: a) mainly rice farmers and whose yield is expected to move from 2.4Mt/ha from tidal rice to 7 Mt/ha; horticultural producers and marketers. The project will benefit directly about 12,000 households or 100,000 persons: farmers, processors, community members (e.g. involved in emergency prevention activities), and local actors engaged in activities within project impact areas, with a proportionally targeted number of women and youth, and female-headed-households, together estimated at least 50 per cent of project beneficiaries. 101 schools with 35,350 pupils will be targeted under the School Feeding Program (SFP).

2.6. Participatory Process for Project Identification, Design and Implementation

2.6.1 Both the proposal development and project formulation have been characterized by multi-stakeholder consultations. The proposal formulation process was led by a multi-stakeholder National Steering Committee Chaired by the Permanent Secretary (PS) of MOA, and including representatives from government ministries and agencies, NGOs, private sector, farmer organizations, technical

experts, development partners and UN agencies. Subsequently regional consultations were organized to ensure the proposal was built with views and inputs from all categories of stakeholders.

2.6.2 The project formulation process involved extensive consultations with Government, NGOs, Development partners, the private sector, farmer based organizations with field visits to on-going project sites with similar interventions for up-scaling and potential sites for project interventions. The outcome of the consultations indicates that the key issues were incorporated in the formulation process as priority interventions. In furtherance of the consultation process, a national stakeholder workshop was organised during the appraisal mission where the project proposals were endorsed by the participants.

2.6.3 During implementation, the participatory process will be promoted to ensure ownership and sustainability of beneficiary gains. It will consist of beneficiary representation and participation in the Project Steering Committee, the body which will review and approve annual work plans and budgets as well as review progress of implementation. Beneficiary involvement in monitoring and evaluation during implementation, particularly in the mid- term and PCR processes will be key. The employment of the extension approach of Farmer Field School (FFS) and Farmers Business School (FBS) as well as various fora comprising the forum for micro enterprises; regional market promotional activities such as trade fairs, field day and market days organized by FBOs will further engender participation. For sustainability, all project schemes and infrastructures provided will have manuals for the operation and maintenance as part of the completion of each scheme, before being handed over to the befitting communities. Using these manuals, the communities will be trained in the operation and maintenance of all completed schemes. This will be one of the parameters that would be covered by the monitoring and evaluation of the project to ensure that the FBO/communities are well groomed to take over completely as the project phases out.

2.7. *Bank Group Experience, Lessons Reflected in Project Design*

A number of key lessons have been learnt from the implementation of past and on-going projects which has informed the design of the FASDEP. The positive lessons (particularly from the PIWAMP) are being replicated while the negative lessons (from NERICA, Invasive Aquatic Weed Project and Farmer Managed Projects) are being mitigated to avoid the mistakes of the past.

Table 2.7 - Summary of Lessons Learnt and how they are reflected in the Project Design

Item	Lesson Learnt	Action taken in FASDEP
Non adherence to the Bank’s policies during the course of project implementation	The need to engender familiarity of project staff with Bank rules and procedures for both procurement and disbursement to avoid implementation delays.(NERICA Rice & Invasive weed Projects)	The use of the national procurement system where practicable and also adapting the Bank system in a simpler, manner provision for adequate support and training to project staff and the national procurement agency.
Weak institutional arrangements for project implementation.	give consideration to the existing capacity for project implementation to ensure effective project performance and delivery	rigorous system of staff selection and adequate provision of capacity building activities
Promotion of inclusive and environmentally sustainable development	improve gender mainstreaming and environmental monitoring. (PIWAMP)	Youth and women related activities well amplified in the design of this project
Timeliness of project implementation	Avoid the risks of cost overruns and ensure completion within stipulated time frames by preparation and adherence to project procurement and work plans (PIWAMP)	Project conditions barest minimum and mobilisation of well-informed project team

2.8. Key Performance Indicators

The key performance indicators for the project have been outlined in the Result Based Logical Framework and these will include: i) food security for 240,000 of the population of which 150,000 are women; ii) increased agricultural productivity through enhanced management of existing 3000 ha and development of additional 200 ha under tidal irrigation; (iii) 155 ha of improved horticultural schemes; (iv) establishment of 200 fish ponds, 25 small ruminant and 20 commercial and 60 traditional poultry schemes; (v) 120 agro-business enterprises established and supported with 60% women owned; (vi) 200 kilometres of access roads rehabilitated; (vii) 20 municipal market structures constructed with 80% being allocated to women. The Project will also help to enhance nutrition security by improving calorie intake from 1770 Calories per persons to 2200 calories. Under 5-yr wasting will also be measured and it is expected to drop from 9.5% from 5% thereby helping the improvement of the nutritional status of the children.

III – PROJECT FEASIBILITY

3.1. Economic and financial performance

Table3.1- Key economic and financial figures

FIRR, NPV (base case) @ 12% cost of capital	28%	(NPV USD10.81 million)
EIRR (base case) @ 12% cost of capital	23%	

Sensitivity Analyses: 10 % increase in revenue FIRR 36%; EIRR 30% while 10 % increase in total cost leads to FIRR of 22% and EIRR of 17% respectively. Detailed calculations are available in Annex 2.

3.2. Environmental and Social Impacts

3.2.1 Environment: The project was classified as Category II under the AfDB environmental safeguards (22 October 2012). The positive impacts expected include: increased income of communities, improved land, water and natural resources management, improved access roads, improved access to markets, increased resilience of infrastructure against climate variability and increased control of women over irrigation water management. No major negative and/or irreversible environmental and social impacts are expected. The potential negative impacts are i) the extensive disturbance of the land surface in removing the top fertile soil and cover vegetation and also soil compaction from extensive use of heavy machinery; ii) the pollution of water by agricultural chemicals (pesticides and fertilizers), iii) the subsidence of the water table due to irrigation and iv) the potential air pollution by dust and noise of vehicles. There is no use of natural habitats or deforestation because the project will assist producers to develop their activities on land already used for agriculture. The negative impacts are mainly related to the rehabilitation of rural roads, rehabilitation of rural markets and the development of irrigation sites. An environmental assessment of each infrastructure will be realized during the technical studies to propose specific mitigation measures to each site. Additional measures presented in the ESMP are the respect general measures of civil works management and extension services to promote integrated pests managements. The mitigation measures are detailed in annex B8. The cost of the ESMP is estimated to 380,000.00 USD and is included in the project cost. The ESMP is validated by the National Environmental Agency and has been cleared ORQR.3 and now posted on the Bank's website for public disclosure.

3.2.2 Climate Change: The geographical position of The Gambia predisposes it to drought, windstorms, coastal erosion and sea level rise. Observed changes in climate in The Gambia have resulted in negative effects on rain-fed agriculture and subsequent impacts on the rural populations. Over the last six decades, The Gambia has been observing patterns in: i) increasing temperatures, ii) increased frequency of droughts and iii) significant differences in the spatial and temporal patterns of rainfall distribution. Thus the Gambia is highly vulnerable to climate change, which is further exacerbated by a low capacity to address and adapt. The project sites are reported as having erratic patterns of rainfall with an increase of drought. The project will therefore strive to address this issue by promote building climate resiliency by: a) introducing integrated land use planning and management; b) climate smart irrigation systems and rural roads and agrarian infrastructures that are more adapted to climatic conditions; and c) contributing to the livelihood diversification through a market oriented agricultural production. Awareness and training including agriculture techniques specifically adapted to the area's climatic variability will be provided aiming to build and sustain social resilience for the farmers and their communities to cope with the effects of climate change.

3.2.3 Gender: The project was designed with particular attention to gender (women) in mind; targeting directly an estimated 150,000 women. With women comprising about 70% of the agricultural sector production force, the project will positively impact on the lives and livelihood of women and their families. The project will go a long way in addressing challenges faced by women in agriculture production including poor access to fertile fields; inadequate production inputs; long distance to fields, and the drudgery associated with farming. The project will improve farming methods, agricultural production, aquaculture production, livestock production, value addition, infrastructure support in building production centres; improved marketing practices and access to markets for the estimated 150,000 women and their families It will also introduce more innovative extension systems, e.g. Farmer Field Schools and Farmer Business Schools.

3.2.4 Social: The improved irrigation schemes will enable the women practice double cropping of rice, giving them more yields, for consumption and the surplus for sale. Through improved agricultural, aquaculture and livestock production, productivity and market linkages, the project will contribute significantly to food security and poverty reduction mainly as a result of increased output and income from increased production of rice and horticultural produce, marketing of farm produce, small ruminants and poultry and related value chain products. The project will improve income generation opportunities for particularly the unemployed youths (about 10,000) in the targeted communities. The youths will be involved in the maintenance of the construction and maintenance of the feeder roads that will be constructed under the project in order to enhance their income earning capacity. In addition, community gardens and training in schools and communities on basic nutrition knowledge, food preparation and the proposed 'from the garden to the table' nutrition training program which some communities are already successfully practicing, will go a long way in creating greater awareness and improved practices in food preparation, dietary diversification, food quality and safety, dietary and nutrition requirements will contribute to increased nutritional levels of communities. A selection criterion will be established to ensure that the very poor and vulnerable benefit from the project and specific initiatives will be carried out to ensure the participation of extremely poor and marginalised groups. The project will have far reaching health and social benefits leading to greater wellbeing; in the medium and long term.

3.2.5 In the 101 schools, 35,350 children will benefit from the project. The schools feeding program (SFP), will be a catalyst to bring children to school; promoting access to education particularly in rural communities, improving enrolment and retention of children in schools. The school gardening and poultry schemes will enable students develop knowledge and skills on how to grow nutrient rich vegetables, with the opportunity of eating fresh vegetables and poultry products to improve their dietary needs, boosting their nutrition levels. It will contribute to meeting the target of reducing wasting prevalence from a current 9% to less than 3% and stunting prevalence from current 29% and

19.9% in LRR and WCR to less than 5%. Children will also benefit from the Therapeutic Feeding programme to improve on their micro nutrient deficiency and reduce prevalence of sub-clinical Vitamin A deficiency from current 64% (The Gambia Nutrition Profile 2010) to less than 30% by the end of the project.

3.2.6 The project social impacts include: i) risks of the proliferation of HIV / AIDS because of the presence of workers as well as related diseases related to water irrigation, ii) risks of accidents during construction, iii) the potential conflicts related to land tenure; and iv) effluence associated with feeds product and pesticides handling. The main mitigation measures are IEC campaign on diseases prevention and also extensive services on pesticides and feeds handling. FBO/ Communities which already exist will be trained to ensure conflicts' management related to infrastructure uses.

3.2.7 Involuntary resettlement: No involuntary settlement is envisaged.

IV – IMPLEMENTATION

4.1. *Implementation arrangements*

4.1.1 The project will be implemented by a FASDEP-PSU embedded in the Central Project Coordination Unit (CPCU) of the MOA. The PSU will be led by the Project Manager with other key staff including: a Civil/Water Management Engineer with strong biases in environmental management and mitigation, an Agronomist/Horticulturist, a Livestock Specialist, a Procurement Officer, a qualified Project Accountant, an Enterprise Development Officer, a Monitoring & Evaluation Officer with expertise in gender mainstreaming, and an Accounts Officer. In addition, the Project will fund the recruitment of a CPCU based Internal Auditor.

4.1.2 The PSU will be responsible for day-to-day management of implementation and monitoring of project activities, financial resources management and reporting. Some of the Project activities will be implemented through MoU's and contracts with implementing partners (Regional Directorates of DOA/MOA in the targeted project areas, relevant technical departments and ministries including the Ministry of Basic and Secondary education for School Feeding and NGOs, Private enterprises and FBOs). The MoU which will provide the responsibilities of the two parties would be submitted to the Bank for clearance and no objections. The already established Project Steering Committee as prescribed in GNAIP will govern the policy direction of the Project and it will review annual work plans and budgets, progress and quality of project implementation and results on a bi-annual basis. The PSC³ membership includes representatives from public, NGO, civil society and private sector, particularly project beneficiaries.

4.1.3 Procurement arrangements: Procurement of ICB contracts and Consultancy services for the proposed project would be carried out in accordance with the Bank's Rules and Procedures: 'Rules and Procedures for Procurement of Goods and Works', dated May 2008 Edition, revised July 2012; and the 'Rules and Procedures for the Use of Consultants', dated May 2008 Edition, revised July 2012, using the relevant Bank Standard Bidding Documents, and the provisions stipulated in the Financing Agreement. Procurement of NCB contracts would be carried out in accordance with the

³ PSC comprising government institutions including MOA, Ministry of Trade, Industry and Regional Integration and Employment (MOTIE), and Ministry of Finance and Economic Affairs (MOFEA), Ministry of Fisheries and Water Resources (MOFWR), Ministry of Forestry and Environment (MOFEN), private sector (represented by Gambia Chamber of Commerce and Industries), and civil society, represented by Action Aid the Gambia

national procurement law, Public Procurement Act (2001) and Regulation (2003), however, considering that the national Standard Bidding Documents were found not acceptable to the Bank, the project will use the Bank's Standard Bidding Documents and the provisions stipulated in the Financing Agreement.

4.1.4 Financial Management Capacity Assessment: A Project Support Unit (PSU) will be directly in charge of the implementation of the project including the accounting and fiduciary functions. The PSU will be supervised by the Central Projects Coordination Unit (CPCU), which is responsible for overall coordination and supervision of all donor funded projects in MOA. CPCU already has a Project Coordinator (PC) and a Financial Controller (FC) (in place). CPCU will be adequately staffed and the unit trained and equipped to discharge its functions effectively. The PSU will be led by the Project Manager and s/he would be supported by the Project Accountant for financial matters. The Project Accountant will be the head of accounts unit and will be supported by an Accounts Officer and Accounts clerk in discharging the accounting and fiduciary function of the project.

4.1.5 The project accounts unit will use IFMIS accounting software currently being used by GoTG) and IFMIS accounting manual for recording, processing and financial reporting. The same accounting system is currently being used by the ISPEFG project funded by the Bank. The proposed structures of both CPCU and PSU do not have an internal audit function and thus the Project will hire an internal auditor to be based at CPCU who will help strengthen the internal control environment of the project and other projects that will be supervised by CPCU. In addition, a Project Implementation Manual (PIM) will be developed (within the first three months of the Project) to guide the implementation of the project. PSU through CPCU will report to a Project Steering Committee (PSC), to be chaired by the PS of MOA.

4.1.6 Audit Arrangement: The Auditor General of the Gambia (AGoTG) is constitutionally mandated to audit all government funds including donor funded projects. However, the AGoTG currently outsources the audit of donor funded projects to one of the five (5) independent audit firms in the Gambia. Thus the PSU under the direction of the CPCU will hire an independent audit firm under the delegated authority of the AGoTG to carry out the audit of the project. The audit firm will be hired on TORs that are acceptable to the Bank. The PSU will ensure that the audited project financial statements, inclusive of the accompanying audit management letter, are submitted to the Bank annually within 6 months of the end of the year audited.

4.1.7 Disbursement: The Direct payment, Special Account (SA) and Reimbursement methods will be used. Payment of significant amounts against contracts concluded between project management and contractors/suppliers will be made using direct payment method. The reimbursement method will be applied for eligible expenses incurred by the PSU using non-project funds for project activities. A segregated USD denominated Special Account and a local currency (Dalasi) account (to be managed by the PSU) will be opened with a bank acceptable to the Bank, to handle payments for recurrent expenses of the project. A second separate Dalasi SA will be opened to receive counterpart funding contribution from GoTG. All disbursements will follow the procedures outlined in the Bank's Disbursement Handbook.

4.1.8 It is the overall conclusion that the proposed PSU, after addressing the issues indicated in the FM Action Plan (detailed in Annex B.4), will have adequate capacity to manage the FM, disbursement and audit activities of the proposed project. The residual FM Risk is moderate.

4.2. Monitoring

The M&E framework and tracking system of the project as elaborated in the Result based framework (Logical Framework) has been designed based on outcome, outputs and activities. The project will also make use of national data sets (e.g. NASS, MICS, GBOS, nutritional surveillance) whenever possible. The project will put in place a simple but adequate computerized M&E system. In order to stimulate stakeholder participation in M&E, the project will employ participatory approaches such as beneficiary assessments and use of focus groups.

Table 4.1- Monitoring Process

Time Frame	Milestone	Monitoring Process/Feedback
Year 1	Baseline data collection	M&E officer, Project Specialists and Data collectors/analysts
Year 1-5	Project Implementation	M&E Officer, Project Team, Service Providers and beneficiaries
Year 1-5	Impact of project activities	M&E officer, Project Team, Project Steering Committee, Service Providers and beneficiaries. Annual process along project implementation with progress report
Year 3	Mid-term review	Beneficiaries, Bank, Government and Project Team
Year 1-5	Audit Reports	Project Team and Auditors, annually
Year 5	Project Completion Report	Beneficiaries, Bank and Project Team

4.3 Governance

4.3.1 The structure of the CPCU is still evolving and as at now, the Unit has weak coordination mechanism with other MOA Projects and agencies. This is however being addressed with a full capacity development support both in terms of the ensuring the right calibre of staff and training program for the CPCU; as well as support with right equipment and facilities to ensure delivery on its mandates. In order to ensure separation of power, CPCU roles would be limited to coordination and supervision while the day to day implementation would be the responsibility of the PSU. As multi player project, some of the activities would be implemented by some other specialised agencies including World Food Program, National Road Agency, and National Environmental Agency etc., specific Memoranda of Understanding would be signed with these agencies to ensure effective implementation, monitoring and coordination. These MoU will be submitted for clearance and no objections by the Bank.

4.3.2 As mentioned earlier the established GNAIP PSC will be the governing board of the Project and it will meet twice in a year, setting policy guidelines and approving workplan and budgets. Specifically for the roads that would rehabilitated /constructed, the responsibility would lie with the National Road Authority who will see to the implementation of these roads as part of the overall road development program of the Government. They will adopt their already tested system whereby roads rehabilitated will continue to receive training and technical assistance and guidance provided for the communities from time to time by the NRA and the communities in turn, will provide their contributions in kind by offering their services as labour. All completed roads will still have their operation and maintenance manual prepared and communities trained as part of the completion exercises.

4.4 Sustainability

4.4.1 For sustainability, all project schemes and infrastructures provided will have manuals for the operation and maintenance as part of the completion of each scheme, before being handed over to the befitting communities. Using these manuals, the communities will be trained in the operation and

maintenance of all completed schemes. This will be one of the parameters that would be covered by the monitoring and evaluation of the project to ensure that the FBO/communities are well groomed to take over completely as the project phases out. Specifically for the improved roads, the Project will adopt their already tested system whereby roads rehabilitated will continue to receive training and technical assistance and guidance provided for the communities from time to time by the NRA and the communities in turn, will provide their contributions in kind by offering their services as labor. NRA would as part of its statutory function, would make yearly budgetary provisions for the maintenance of the rehabilitated roads. All completed roads will still have their operation and maintenance manual prepared and communities trained as part of the completion exercises.

4.4.2 Use of simple technologies that are at the level of farmers, FBOs and communities will ensure adoption and replicability. Mainstreaming the participation and capacity building of the communities / FBOs Members and all the other actors of the value chains will bolster ownership, and their management capabilities to continue project activities even after completion. Establishing and strengthening FBOs, agribusiness and MFI linkages will offer opportunities for increased income thereby contributing to the improvement of the beneficiaries' livelihood and expansion of their activities.

4.4.3 Involving beneficiary communities in project design and implementation as well as monitoring progress ensures ownership which further guarantees the sustainability of the project. The beneficiaries are required to develop and implement maintenance plans for the infrastructure provided by the project and being managed and operated by them. The maintenance plans will be funded from contributions by FBOs and these would be managed by autonomous units having received the required training from the project.

4.5 Risk Management

The major risks and mitigation measures for the project centre on the low coordination and monitoring capacity of the CPCU of MOA and other service providers in project implementation. While the capacity of MOA will be strengthened in project coordination, M&E, gender and environmental mainstreaming, the capacity of service providers will be ensured through competitive recruitment and enhanced through training with TA support and close supervision. Other risks include: a) limited private sector involvement and lack of market linkages which will be mitigated by strengthening the capacities of FBO and effectively linking them to markets, improving infrastructure and enhancing market access; b) poor gender awareness and mainstreaming and limited youth involvement which will be mitigated through training in gender issues and mainstreaming and targeted youth involvement; c) the erratic weather patterns and adverse climatic change which will be mitigated through the promotion of year-round irrigation and sustainable soil and water conservation techniques and early warning to farmers based on climatic information; and, d) the lack of environmental awareness and technical monitoring capacity which will be mitigated by training and capacity building on best practices targeting farmers and extension services on environmental monitoring.

4.6 Knowledge Building

4.6.1 The special studies and the development of comprehensive framework policy document for the sustainable management of Gambia agricultural water to be conducted will provide the requisite knowledge and data that would be used for more effective monitoring of the project indicators as well as long term planning in the utilisation of agriculture water. The knowledge and data generated will also be shared with institutions nationwide and more importantly with projects having similar objectives.

4.6.2 The technologies and approaches that will be promoted by the project can be used as models for replication and up scaling outside the project area, i.e. other communities within The Gambia. The production/ commercialisation channels being piloted will also be used as learning tools by the beneficiaries with the ultimate aim of adopting them as business enterprises with funding from the MFIs schemes.

4.6.3 The FFS and FBS will serve as sources of innovative knowledge and information sharing learning tools empowering farmers and other actors of the value chain to train their peers, share knowledge and experiences, thus reducing their overdependence on the public extension agents. This will also expand significantly the number of farmers having access to the disseminated knowledge and information. The technical assistance supports will introduce and consolidate knowledge and skills, and facilitate technology and skills transfer both at the community and national levels.

V – LEGAL INSTRUMENTS AND AUTHORITY

5.1 Legal instrument

The project will be financed pursuant to a GAFSP Grant agreement (the “GAFSP Agreement”) between the Recipient and the AfDB, as Supervising Entity of the GAFSP.

5.2 Conditions associated with Bank’s intervention

5.2.1 Conditions for effectiveness

The GAFSP Grant Agreement will enter into force upon signature by the Recipient and the Bank (as supervising entity of GAFSP), respectively.

5.2.2 Conditions Precedent to First Disbursement of the Grant: The obligation of the Bank to make the first disbursement of the Grant will be conditional upon:

- (a) The entry into force of the Grant Agreement;
- (b) Evidence by the Recipient to the satisfaction of the Bank, that the Recipient has opened the following accounts in a bank acceptable to the Bank :
 - i. foreign currency denominated Special Account for the deposit of the proceeds of the Grant;
 - ii. a local currency (Dalasi) account to handle payments for recurrent expenses of the project.
- (c) Appointment of a Project Manager and a Project Accountant whose qualifications are acceptable to the Bank.

5.2.3 This project complies with all applicable Bank policies.

VI – RECOMMENDATION

Management recommends that the Board of Directors take note of the GAFSP Grant of US\$ 26.60 million and approve the implementation of the Food and Agricultural Sector Development Project in The Gambia, subject to the terms and conditions as set out in this Report.

Gambia - Development Indicators				
Social Indicators	Gambia	#REF!	Africa	Developing countries
	1990	2011 *		
Area ('000 Km²)	11		30,323	98,461
Total Population (millions)	1.0	1.8	1,044.3	5,733.7
Population growth (annual %)	4.0	2.7	2.3	1.3
Life expectancy at birth, total (years)	53.1	58.5	57.7	77.7
Mortality rate, infant (per 1,000 live births)	96.4	68.6	76.0	44.7
Physicians per 100,000 People	...	3.8	57.8	112.0
Births attended by skilled health staff (% of total)	44.1	56.7	53.7	65.3
Immunization, measles (% of children ages 12-23 months)	86.0	97.0	78.5	84.3
School enrollment, primary (% gross)	53.2	82.6	101.4	107.8
Ratio of girls to boys in primary education (%)	...	102.3	88.6	...
Literacy rate, adult total (% of people ages 15 and above)	...	50.0	67.0	80.3
Access to Safe Water (% of Population)	74.0	89.0	65.7	86.3
Access to Sanitation (% of Population)	...	68.0	39.8	56.1
Human Develop. (HDI) (0 to 1)	...	0.4	0.5	...
Human Poverty Index (% of Population)	...	40.9	33.9	...
Economy	Gambia			
	2000	2009	2010	2011
GNI per capita, Atlas method (current US\$)	330	440	450	...
GDP (current Million US\$)	421	910	957	1,239
GDP growth (annual %)	5.5	5.6	6.3	5.5
Per capita GDP growth (annual %)	2.5	2.8	3.5	2.7
Gross Domestic Investment (% of GDP)	17.3	30.7	30.9	30.7
Inflation (annual %)	0.2	4.6	3.9	4.7
Budget surplus/deficit (% of GDP)	-0.7	-3.2	-5.4	-4.2
Trade, External Debt & Financial Flows	2000	2009	2010	2011
Export Growth, volume (%)	34.8	9.9	0.9	17.4
Import Growth, volume (%)	-0.8	-1.1	-10.2	-3.5
Terms of Trade (% change from previous year)	-10.0	1.4	-12.4	-21.7
Trade Balance (mn US\$)	-36	-203	-215	-301
Trade balance (% of GDP)	-8.6	-22.3	-22.5	-24.3
Current Account (mn US\$)	-35	-97	-163	-217
Current Account (% of GDP)	-8.2	-10.7	-17.0	-17.5
Debt Service (% of Exports)	26.3	31.3	33.0	29.9
External Debt (% of GDP)	123.9	40.2	39.4	31.2
Net Total Inflows (mn US\$)	45	148	121	...
Net Total Official Development Assistance (mn US\$)	50	127	120	...
Foreign Direct Investment Inflows (mn US\$)	44	47	37	...
External reserves (in month of imports)	4.5	4.6	4.2	...
Private Sector Development & Infrastructure	2000	2009	2010	2011
Time required to start a business (days)	...	27	27	27
Investor Protection Index (0-10)	...	2.7	2.7	2.7
Main Telephone Lines (per 1000 people)	25.7	28.8	28.2	...
Mobile Cellular Subscribers (per 1000 people)	4.3	780.7	855.3	...
Internet users (000)	9.3	77.4	93.2	...
Roads, paved (% of total roads)
Railways, goods transported (million ton-km)

source: ADB Statistics Department, based on various national and international sources

Last Update 2011

- Most recent

Appendix II - Table of ADB's portfolio in the country (March 2013)

List of active projects (loans and grants) by Sector: AfDB Projects in the Gambia

Sector	Fin project	Loan Number	Long name	Approval date	Effectiveness Date	Closing date	Approved Amount	Disbursed Amount in million UA	Disbursed rate (%)	Age since Approval (yrs)
Agriculture	ADF Grant	2100155013816	Livestock and horticulture Development Project	Jan 2009	May 2009	31/12/2014	4.02	3.22	80.11	4.2
Agriculture	ADF Grant	2100155006866	PROGEBE	Jun 2006	Jan 2008	31/12/2013	2.71	2.186	80.65	4.8
Agriculture	ADF Grant	5550155000001	Sustainable land Management Project	Oct. 2010	Nov 2010	30/06/2014	2.93	1.01	34.51	2.4
Water/ Sanitation	AWTF	5600155002201	Support for National Water sector Reform	Dec 2010	June 2011	30/06/2014	1.70	.770	45.26	2.9
Social	EDF Grant	210055008277	Entrepreneurship Promotion and Micro Finance Development Project	Sep. 2005	Dec 2006	31/12/2013	8.00	6.15	76.91	6.3

Appendix III - Key related projects financed by the Bank and other development partners in the country

Donor	Name of project	Implementing Agency	Currency (million USD)	Funding Modality	Duration	Location
WB	West Africa Agricultural Productivity Project (WAAP)	PCU/	USD 12.00	Grant	2011-2016	Nationwide
EU	EU MDG 1C	FAO/WFP	USD 9.88	Grant	2012-2015	NBR, CRR, URR, LRR
FAO/Italian Trust Fund	Food Security and Commercialization Project (FSCA)	FAO	USD 2.00	Grant	2009-2012	NBR and CRRN
JICA	Food Aid Assistance	MOA	USD16.70	Grant	2006-2014	Country-wide
ICDF/ROC	Rice Expansion Programme					
IFAD	Rural Finance Project (RFP)	PCU	USD 8.73	Loan	2008-2014	Nationwide
IFAD	Livestock and Horticulture Development Project (LHDP)	PCU/MOA	USD 15.90	Grant	2009-2013	Nationwide
IFAD	National Agricultural Land and Water Management Development project (Nema)	PSU	USD 32 .00	Grant	2013-2018	Nationwide
IDB	Gambia Agricultural Lowland Development Project (GALDEP)	PSU	USD 12.70	Loan	2006-2013	WCR
IDB	Community-based Infrastructure and Livelihood Improvement Project(CILIP)	GAMWORKS	USD 18.02	Loan	2011-2014	Nationwide
GEF	Sustainable Land Management Project	PCU/PIWAMP	USD 4.40	Grant	2010-2013	Nationwide
GEF/UNDP	Small Grants Project	PCU/Project Steering Committee	USD 2.00	Grant	2008-2015	Nationwide
GEF/UNDP	Sustainable management of Globally Significant Endemic Ruminant Livestock In West Africa Project (PROGEBE)		USD 4.10	Grant	2009-2013	CRR and LRR
WFP	School Feeding Programme	MOBSE		Grant		
WB	Gambia Rapid Response Nutrition Security Improvement Project	NaNA	USD 3.00	Grant	2011-2012	Nationwide

APPENDIX IV - MAP OF THE PROJECT AREA

