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INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL GRANT AND RESTRUCTURING

IN THE AMOUNT OF SDR 25.6 MILLION
(US\$ 35 MILLION EQUIVALENT)
FROM CRISIS RESPONSE WINDOW RESOURCES

TO THE

REPUBLIC OF HAITI

FOR A

RELAUNCHING AGRICULTURE: STRENGTHENING AGRICULTURE PUBLIC
SERVICES II PROJECT

June 1, 2017

Agriculture Global Practice
Latin America and Caribbean Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective April 30, 2017)

Currency Unit = Haitian Gourdes
66.82 HTG = US\$1
US\$1.37 = SDR 1

FISCAL YEAR

October 1- September 30

ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
BAC	Agriculture Municipal Office (<i>Bureau Agricole Communal</i>)
CERC	Contingency Emergency Response Component
CNMP	National Commission for Public Markets (<i>Commission Nationale des Marchés Publics</i>)
CRW	Crisis Response Window
DDA	Departmental Agriculture Directorate (<i>Direction Départementale de l'Agriculture</i>)
DIA	Departmental Agricultural Infrastructure (<i>Direction des Infrastructures Agricoles</i>)
EIRR	Economic Internal Rate of Return
EMP	Environmental Management Plan
ERC	Emergency Response Contingency
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
EX-ACT	Ex-Ante Carbon Balance Tool
GAFFSP	Global Agriculture and Food Security Program
GDP	Gross Domestic Product
GHG	Green House Gas
GOH	Government of Haiti
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
Ha	Hectare(s)
HTG	Haitian Gourde
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IPF	Investment Project Financing
IPMP	Integrated Pest Management Plan
IRR	Internal Rate of Return
MARNDR	Ministry of Agriculture, Natural Resources and Rural Development

*(Ministère de l'Agriculture, des Ressources Naturelles et du
Développement Rural)*

NPF	New Procurement Framework
NPV	Net Present Value
OM	Operational Manual
PDO	Project Development Objective
PIU	Project Implementation Unit
PPDO	Project Procurement Development Objectives
PPSD	Project Procurement Strategy for Development
RAP	Resettlement Action Plan
RESEPAG	Relaunching Agriculture: Strengthening Agriculture Public Services Project
RPF	Resettlement Policy Framework
RSA	Regional Safeguards Advisor
SPS	Sanitary and Phytosanitary
STEP	Systematic Tracking and Exchanges in Procurement
UEP	Studies and Planning Unit (<i>Unité d'Etudes et de Programmation</i>)
UPMP	Unified Procurement Unit (<i>Unité de Passation des Marchés Publics</i>)
USD	United States Dollar
WBG	World Bank Group

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HAITI

RELAUNCHING AGRICULTURE: STRENGTHENING AGRICULTURE PUBLIC SERVICES II – ADDITIONAL FINANCING

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ADDITIONAL FINANCING DATA SHEET

Haiti

Relaunching Agriculture: Strengthening Agriculture Public Services II Project - Additional Financing (P163081)

LATIN AMERICA AND CARIBBEAN

Agriculture Global Practice

Basic Information – Parent									
Parent Project ID:	P126744	Original EA Category:	B - Partial Assessment						
Current Closing Date:	30-Jun-2018								
Basic Information – Additional Financing (AF)									
Project ID:	P163081	Additional Financing Type (from AUS):	Restructuring, Scale Up						
Regional Vice President:	Jorge Familiar Calderon	Proposed EA Category:	B						
Country Director:	Mary A. Barton-Dock	Expected Effectiveness Date:	25-Aug-2017						
Senior Global Practice Director:	Juergen Voegele	Expected Closing Date:	31-Dec-2019						
Practice Manager/Manager:	Preeti Ahuja	Report No:	PAD2331						
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Borrower									
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Project Financing Data - Parent (Relaunching Agriculture: Strengthening Agriculture Public Services II Project (GAFSP - IDA) (P126744) (in USD Million)									
Key Dates									
Project	Ln/Cr/TF	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date		
P126744	IDA-H7410	Effective	01-Dec-2011	11-Jan-2012	03-Apr-2012	30-Nov-2016	30-Jun-2018		
P126744	TF-11396	Effective	11-Jan-2012	11-Jan-2012	03-Apr-2012	30-Nov-2016	30-Jun-2018		
Disbursements									
Project	Ln/Cr/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed

P126744	IDA-H7410	Effective	SDR	25.10	25.10	0.00	11.94	13.16	47.59
P126744	TF-11396	Effective	USD	10.00	10.00	0.00	3.48	6.52	34.77
Project Financing Data - Additional Financing Relaunching Agriculture: Strengthening Agriculture Public Services II Project - Additional financing (P163081) (in USD Million)									
[]	Loan	[]	Grant	[X]	IDA Grant				
[]	Credit	[]	Guarantee	[]	Other				
Total Project Cost:		35.00			Total Bank Financing:		35.00		
Financing Gap:		0.00							
Financing Source – Additional Financing (AF)							Amount		
International Development Association (IDA)							0.00		
IDA Grant from CRW							35.00		
Total							35.00		
Policy Waivers									
Does the project depart from the CAS in content or in other significant respects?							No		
Explanation									
Does the project require any policy waiver(s)?							Yes		
Explanation									
In light of Haiti’s high level of debt distress and situation of urgent need following Hurricane Matthew, this project document seeks the approval of the Executive Directors to provide SDR 25.6 million (US\$35 million equivalent) from the IDA Crisis Response Window (CRW) for this proposed additional financing in the form of all grants rather than on Haiti’s current IDA terms. Haiti is a yellow light country, eligible for a mix of grants and credits in FY17 under its regular allocation and under any CRW allocation. However, the post-disaster Joint Debt Sustainability Analysis (DSA) for Haiti, circulated to Executive Directors on November 16, 2016, finds the country at high risk of debt distress following Hurricane Matthew. The provision of financing in the form of all grants for the proposed operation is appropriate, as the provision of credits would further heighten Haiti’s risk of debt distress at a time of urgent need. On the basis of the November 2016 DSA, in FY18, Haiti will become eligible again for 100 percent grant financing from IDA.									
Has the waiver(s) been endorsed or approved by Bank Management?							Yes		
Explanation									
The waiver was endorsed by Bank Management on May 13, 2017 and would be considered and approved by the Executive Directors in the context of their consideration of and approval of this Board package.									
Team Composition									
Bank Staff									
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Isabella Micali Drossos	Team Member	Sr Counsel	LEGLE		
Julia Isabel Navarro Espinal	Team Member	Consultant	GFA04		
Lydie Madjou	Team Member	Financial Management Sp.	GGO22		
Locations					
Country	First Administrative Division	Location	Planned	Actual	Comments
Haiti	Departement du Sud	Departement du Sud	X		Farmer subsidy scheme Irrigation rehabilitation and Cash for work
Haiti	Departement de la Grand'Anse	Departement de la Grand'Anse	X		Farmer subsidy scheme Household production of goats/ poultry/ bees
Haiti	Departement de Nippes	Departement de Nippes	X		Farmer subsidy scheme only
Haiti	Departement du Sud-Est	Departement du Sud-Est	X		Farmer subsidy scheme only
Institutional Data					
Parent (Relaunching Agriculture: Strengthening Agriculture Public Services II Project (GAFSP - IDA-P126744)					
Practice Area (Lead)					
Agriculture					
Contributing Practice Areas					
Water, Disaster Risk Management					
Additional Financing Relaunching Agriculture: Strengthening Agriculture Public Services II Project - Additional financing (P163081)					

Practice Area (Lead)
Agriculture
Contributing Practice Areas
Climate Change, Water
Consultants (Will be disclosed in the Monthly Operational Summary)
Consultants Required ? Yes, consultants will be required

**HAITI – RELAUNCHING AGRICULTURE: STRENGTHENING AGRICULTURE
PUBLIC SERVICES II PROJECT II, Additional Financing and Project Restructuring
(P163081)**

I. Introduction

1. This project paper seeks the approval of the Executive Directors to provide an additional grant in an amount of SDR 25.6 million (US\$35.0 million equivalent) to the Republic of Haiti for the Relaunching Agriculture: Strengthening Agriculture Public Services II Project (RESEPAG II – P126744; IDA Grant HT-7410; GAFSP TF11396). The proposed Additional Financing (AF) would be financed by IDA’s Crisis Response Window (CRW)¹ which has allocated a US\$100 million package of support as the World Bank’s contribution to the international community’s response to Hurricane Matthew that struck the country on October 4, 2016. This event was described in the Crisis Response Window Paper circulated to Executive Directors on January 22, 2017 and considered at a technical briefing held on January 26, 2017. In this context, Management underlined that funding from ongoing projects was mobilized to respond to immediate needs in the affected areas and proposed providing funding in the form of grants from the CRW for the above-mentioned package, consisting of four additional financing operations in the Transport and Disaster Risk Management (DRM) sectors, the Health Sector, the Water Sector, and the Agricultural Sector. An estimated US\$2.2 billion are needed for reconstruction and rehabilitation.

2. The aim of this AF in the Agriculture sector is to continue to address urgent needs while laying the groundwork for sustainable development of the affected areas. The proposed AF would significantly expand the scope and impact of the parent project by: (i) scaling up the farmer subsidy scheme (voucher program) to relaunch agriculture production while promoting the use of climate resilient technologies and practices in the affected areas; (ii) introducing new activities to relaunch/promote sustainable animal husbandry by replacing some of the livestock that small producers have lost in the disaster; and (iii) rehabilitating and increasing the resilience of irrigation and water management infrastructure in the affected areas.

3. This Project Paper also seeks the approval of the Executive Directors to undertake a Level 1 restructuring that would include: (i) revision of the Project Development Objective (PDO) wording to reflect activities in the affected areas and an increase in scope of the Emergency Response Contingency (ERC); (ii) activation of the Involuntary Resettlement Policy (OP/BP 4.12) to anticipate the possibility of an involuntary resettlement in the affected areas; (iii) upgrading of the Results Framework to reflect adjusted outcomes and targets, and emerging good practices in climate resilience; (iv) extension of the original grant closing date to align it with the closing date of the Additional Financing; and (v) reallocation of proceeds between disbursement categories.

¹ Management informed the Executive Directors of its intention to allocate an indicative amount of US\$100 million equivalent to support Haiti’s response to the impact of the Hurricane Matthew at a technical briefing on January 26, 2017. See the note entitled “IDA Crisis Response Window Support for the Republic of Haiti Emergency Recovery and Reconstruction Following the Impact of Hurricane Matthew” for additional information.

II. Background and Rationale for Additional Financing

A. Country Context

4. **Haiti remains extremely vulnerable to natural disasters with 96 percent of the population at risk.** On October 4, 2016, Hurricane Matthew, a category IV hurricane, landed in Haiti and caused a large-scale disaster affecting over 2.1 million people (almost 1/5 of the population) and leaving almost 1.4 million people in need of lifesaving assistance in the southern part of the country. Wind speeds up to 140 mph and torrential rain for 48 hours (around 1,016 mm) triggered widespread flooding and numerous landslides and caused severe damage to all sectors - water, electricity, education, health, food security, and livelihoods - particularly in the Departments of Sud, Grande-Anse, and Nippes. It is estimated that Hurricane Matthew caused losses and damages equivalent to 22 percent of the Gross Domestic Product, killed 500 people and triggered humanitarian assistance for 1.4 million people (12.9 percent of the population). The impact of Hurricane Matthew on the agricultural sector is estimated at US\$603 million, including US\$213 million in losses and US\$390 million in damages, making Hurricane Matthew one of the most devastating events of the past decades.

5. **Agriculture plays a significant role in the Haitian economy, contributing to more than 25 percent of the country's GDP.** The sector employs about 57 percent of the active population, while providing 66 percent of employment in rural areas and 75 percent of employment to low-income rural households, thus representing the main source of income in rural areas. National agricultural production provides about 50 percent of food availability, which is complemented by commercial imports (45 percent) and food aid. The Departments struck by Hurricane Matthew had 85 percent of the national production of maize and 37 percent of the national fruit production under cultivation. These areas also accounted for about one third of the country's stock of cattle, pigs, goats and poultry.

B. Situations of Urgent need of Assistance or Capacity Constraint

6. **The proposed operation meets the criteria of OP 10.00 Paragraph 12 (Projects in Situations of Urgent Need of Assistance or Capacity Constraints) and was processed through condensed procedures because:** (i) Hurricane Matthew caused a national disaster and emergency; (ii) Haiti faces severe capacity constraints with under-resourced response systems in the Health sector which has limited ability to respond to all aspects of the disaster; and (iii) the shock caused by Hurricane Matthew threatens to deepen already widespread and entrenched poverty of the affected areas, among the poorest in the country.

7. **Hurricane Matthew, the first hurricane of this magnitude to make landfall in Haiti in 52 years, has caused large-scale disaster mostly in the southern part of the country.** The hurricane's high wind speeds, heavy rainfall, and devastating storm surge resulted in flooding, landslides, and extensive destruction of infrastructure and livelihoods, especially in the southern departments of Grand'Anse, Nippes, and Sud, where 80 percent, 66 percent, and 65 percent of people, respectively, are poor (under the national poverty line of US\$2.41 per day) and 36

percent, 30 percent, and 26 percent, respectively, are extremely poor (under the national extreme poverty line of US\$1.23 per day). Lesser damage was seen in coastal areas in other parts of the country (see maps in annex 7).

8. **The GoH Damage and Loss Assessment of October 2016 estimated total losses and damages as equivalent to 22 percent of the GDP (US\$1.9 billion).** This figure was later evaluated to be 32 percent of GDP by the Post-disaster Needs Assessment (PDNA)² The impact of Hurricane Matthew on the agricultural sector is estimated at US\$603.0 million, including US\$213.0 million in losses and US\$390.0 million in damages. In light of the magnitude of these damage and losses, as well as Matthew's impact on the GoH's already limited capacity and resources and the urgent need for support in responding to the crisis, the use of expedited procedures to prepare this proposed AF is appropriate.

C. Higher Level Objectives to Which the Project Contributes

9. **The proposed AF is fully aligned with the World Bank Group 2015-2019 Country Partnership Framework (CPF)³ discussed by the Board on September 29, 2015.** The AF would contribute to the strategic objectives of promoting inclusive growth (contributing to enhanced income opportunities) and resilience (strengthening natural disaster preparedness, improving disaster prevention and strengthening climate resilience), and the cross-cutting objective of strengthening governance (improving capacity for sustainable basic service delivery).

D. Parent Project Background

10. **The RESEPAG II operation was approved by the Board on December 1, 2011, and became effective on April 12, 2012.** RESEPAG II is financed by a GAFSP Grant in the amount of US\$10.0 million and an IDA Grant of US\$40 million. The current Closing Date is June 30, 2018. The current Project Development Objective (PDO) is to: (a) reinforce the capacity of the Ministry of Agriculture, Natural Resources and Rural Development (MARNDR) to provide or facilitate access to services in the agricultural sector; (b) increase market access to small producers and food security in Selected Areas; and (c) provide financial assistance in the case of an Agriculture Sector Emergency. RESEPAG II has four components: (i) Agricultural support services (US\$10 million from GAFSP and US\$1 million from IDA); (ii) Direct support to producers and associations (US\$25.5 million from IDA); (iii) Emergency Response Contingency Reserve (US\$1.5 million from IDA); and (iv) Institutional strengthening, monitoring and evaluation, project management and studies (US\$7.1 million from IDA).

11. **The Project is currently rated “moderately satisfactory” for Implementation Progress (IP), PDO and overall project management.** Project performance has been rated “moderately satisfactory” for IP, PDO and project management since December 2015, following a restructuring on July 5, 2015. Overall, the PDO continues to be achievable, although additional time will be required to address the impacts of political uncertainty and the damage caused by the

² February 6, 2017: Post-Disaster Needs Assessment, the Government of the Republic of Haiti with joint support from the European Union, the Inter-American Development Bank, the United Nations agencies, and the World Bank.

³ Report No. 98132-HT

hurricane. Only 20 percent of total project costs are yet to be procured. A summary of disbursements as of May 17, 2017 by source of funding is presented below.

Source of Funding	Original financing (US\$ equivalent)	Current financing (adjusted for currency exchange)*	Disbursed (US\$)	Percentage disbursed (US\$)
IDA H7410	40	34.57	16.45	47.59%
GAFSP TF-11396	10	10.00	3.48	34.77%
TOTAL	50	44.57	19.93	44.72%

* Exchange Rate: 1 XDR = 1.377350 USD as of 17-May-2017

12. The investments under the AF would support essentially Component 2, which has seen good progress made to date. This Component finances a matching grants program and a farmers subsidy scheme as follows:

Matching grant program: In the Departments of Nord/Nord-Est, 62 sub-projects have been selected, 43 of which are under implementation amounting to HTG150 million (approximately US\$2.3 million), working with over 9,000 beneficiaries, 46 percent of whom are women. All matching grant beneficiaries are expected to be identified and funds committed by the summer of 2017. In the Department of Sud, the operator has been contracted but activities were suspended due to the hurricane. A rapid analysis in the Department of Sud revealed that of that out of 180 producer organizations that had applied for matching grants only 27 were still viable after the hurricane. While activities are starting within these 27 groups, additional time will be necessary to reach the target of 80 matching grant investments, as per the operator's terms of reference.

Farmer Subsidy Scheme (Voucher program): The Ministry of Agriculture, Natural Resources and Rural Development (MARNDR) has completed the recruitment of the two operators for the implementation of the Farmer Subsidy Scheme in the Departments of Sud and Centre. These operators were expected to start in September 2016. With the hurricane striking a few weeks later, these operations were suspended in the Department of Sud, and implementation is not expected to resume until July/August 2017. The same operator was selected to support the rollout of the emergency voucher program for winter and spring planting campaigns which was implemented successfully. In the Department of Centre, activities are underway as originally planned. Communication campaigns have been initiated, and the identification of the technical packages ("paquets techniques") and of the beneficiaries is currently in its final stage. In this Department, the first round of vouchers is expected to be distributed within the next six months.

13. Response to Hurricane Matthew. The RESEPAG II triggered the Agriculture Emergency Contingent Emergency Response Component on November 10th, 2016, to provide assistance in immediate recovery activities. Within six weeks of the hurricane, the MARNDR secured and tested over 100 tons of winter bean seeds from around the country, and set up a streamlined farmer subsidy scheme with vouchers for providing seeds, fertilizers and plowing

services to about 3,060 producers in the Dory and Avezac areas (Department of Sud) in time for the winter campaign. It also financed basic repairs of the irrigation systems in these locations, through public works and a cash-for-work program for 4,415 people for a duration of three weeks so that the beneficiaries of the vouchers would also have access to irrigation, and maximize chances for a successful winter crop cycle. Access to irrigation water was restored on 2,750 hectares. The Project is now engaged in delivering a similar type of support to producers in the Department of Sud for the spring planting campaign for about 8,000 producers. These activities were financed out of the proceeds of the Parent project and will require funds from the additional financing to compensate for the costs incurred. In addition, more complete rehabilitation works and capital re-stocking are extremely necessary. These investments, to be financed under the AF, will reinstate the provision of long-term irrigation and drainage, improve food and nutrition security, and build enhanced resilience to extreme events.

E. Rationale for Additional Financing

14. **This AF would allow the mobilization of resources needed to provide much needed support to farmers in the areas affected by Hurricane Mathew.** The Bank has discussed alternatives to the proposed AF with the Government of Haiti (GOH) and it was agreed that the proposed RESEPAG II AF is the most appropriate mechanism for a rapid mitigation response. Indeed, the activities will: (i) use approaches already implemented successfully in previous projects (RESEPAG I and other donor financed similar projects) and that were underway in the RESEPAG II Parent project such as the farmer subsidy scheme program, while integrating a stronger resilience focus; (ii) target areas already covered under the Parent project, the same profile of producers; and (iii) use the same tools to engage these producers through tested delivery mechanisms. It will also be possible to use the current institutional arrangements and staff already in place

15. **Expected changes under the Additional Financing.** Most of the expected changes under the AF and restructuring will take place under Component 2: Direct Support to Producers and Associations. Under this component the AF would: (i) scale up the voucher-based farmer subsidy scheme for resilient agricultural technologies/practices such as creole gardens, mulching, conservation agriculture, multi-cropping, hedging, agro-forestry, water harvesting, etc.; (ii) pursue post-hurricane efforts to relaunch and/or sustain agricultural production in affected areas (re-stocking of small livestock herds, and the rehabilitation of irrigation and water management infrastructure through community-based cash-for-work programs and public works programs); and (iii) expand the national producer registry and technical assistance activities aimed at strengthening future disaster response capacity. The following table summarizes the changes expected with the Additional Financing in terms of technical and geographical focus, and incremental number of beneficiaries. The table below provides specific details.

	Original Project (maintained)			Additional Financing (incremental)		
Component 2	Zone	Features	Beneficiaries	Zone	Features	Additional beneficiaries
Farmer Subsidy Scheme	Centre and Sud	Emphasis on production/productivity	8,000	Sud (extended area)	Emphasis on resilience	7,000
Livestock	-	-	-	Sud/ Grande-	Household	6,000

packages				Anse	production of goats/ poultry/ bees	
Irrigation	-	-	-	Sud	Irrigation infrastructure works	Users of 3,500 ha of land
Irrigation	-	-	-	Sud	Cash for work – small infrastructures works	15,000

The proposed AF will also refund the parent project for emergency expenditures (approximately US\$2.4 million) for hurricane response, ensuring that the farmer subsidy scheme objectives can be achieved at the national level as planned. The structure of Component 1 (financed by a GAFSP Grant), and Components 3 and 4 will remain unchanged.

16. The AF will put greater emphasis on enhancing resilience to climate change. One of the most affected countries on the planet by extreme weather events, Haiti is increasingly being exposed to climate variability, with negative impacts on the agriculture sector. Over the past 30 years the country has been affected by six hurricanes, and while most of this small island nation is affected, the West and South Departments lie in the path of the strongest hurricanes. Impacts from cyclones provoked loss of human lives and livestock, destruction of agricultural lands, erosion, river siltation, increased incidence of water-borne diseases, and famine. A Climate and Disaster Screening carried out during preparation shows that the vulnerability of the sector is partly due to agriculture being largely rain-fed, with only 5.4 percent of the cultivated land under irrigation, and extremely low water efficiencies. Investments under the AF would therefore promote the adoption of climate resilient productions and practices, contribute to preventing erosion, enhance water retention in the soil, and improve soil quality. Actions aimed at adapting to new hydro-climatic conditions, in particular longer dry seasons and higher temperatures, would equally be supported. This would be achieved through the provision of technical packages adapted to the specific geographic and geological conditions of the areas of intervention, the proposal of a wider range of agro-forestry packages, the provision of training and field-based demonstrations aimed at the broader implementation of agricultural practices such as conservation agriculture (e.g., soil mulching and no till), adjustment of cropping calendars, good irrigation/water management practices, and the promotion of new crop varieties better suited to the local conditions.

17. Coordination with other donors. The Bank closely coordinates with other donors involved in the agriculture sector, through: (i) regular meetings organized by the MARNDR such as the agricultural sector group (“Groupe sectoriel agricole”); (ii) specific thematic groups such as on voucher schemes to share experiences and lessons; and (iii) ad hoc meetings as in the case of the post-hurricane response coordination to ensure synergies. The selection of the activities and areas of intervention under the AF were done using these mechanisms.

18. Climate Change co-benefits. Haiti has signed and ratified several Multilateral Environmental Agreements, including the United Nations Convention on Biological Diversity, the United Nations Convention to Combat Desertification and the United Nations Framework Convention on Climate Change (UNFCCC). This commits the country to reducing Green House Gas (GHG) emissions by 31 percent by 2030. The country’s commitment is articulated around five priorities: (i) integrated water and watershed management; (ii) integrated coastal zone management and infrastructure rehabilitation; (iii) preservation and strengthening of food security, notably through the development of the bio-economy; (iv) energy transition to reduce dependence on fossil fuels; and (v) information, education and awareness. According to the

Greenhouse Gas (GHG) accounting for an analysis of 15 years, the Project is a net carbon sink. The Project constitutes a carbon sink of 1.9 million tCO₂-eq. This is largely due to: (i) implementation of good agronomical practices; (ii) restoration of degraded land by afforestation and/or reforestation; (iii) development of on-farm forage production for improved livestock feeding and soil protection; and (iv) improvement of water management. The AF would also promote the reduction of fuel-based energy through the use of green energy machinery, equipment and infrastructure for storage centers and irrigation systems. The major Green House Gas (GHG) impact identified with the Project will come primarily from livestock and from agricultural inputs. Annex 4 provides further details on the Climate Co-Benefits and Net Carbon Balance Analysis.

19. **Food Security co-benefits.** Food insecurity is an unresolved issue in Haiti particularly in rural areas. The AF will target lack of access to food in quantity as well as in quality. Several investments in the AF will allow increasing food production availability (i.e., in volumes) contributing to the decrease of high levels of malnutrition rates in the southern departments of Grande-Anse, Nippes, and Sud where respectively 80 percent, 66 percent, and 65 percent of people are poor (under the national poverty line of US\$2.41 per day) and 36 percent, 30 percent and 26 percent are extremely poor (under the national extreme poverty line of US\$1.23 per day). The production will be positively affected by several subsidy schemes increasing access to inputs such as irrigation pumps or quality seeds, and knowledge through technical assistance, as well as school farms that will help farmers in adjusting the ideal input composition as well as in adopting new technologies to maximize productivity in the areas of implementation.

20. Access to food quality will also be improved through the promotion of crop diversity induced with the agroforestry investments, including “jardins créoles”. This promotion of biodiversity will also have a positive impact on soil quality, thus enhancing the production of higher nutrient food. Several subsidy packages, notably fruit trees such as breadfruit, vegetables, and livestock (chicken, goats), etc. will induce a higher level of iron and other critical nutrient intake and help to prevent highly prevalent and negative health conditions such as anemia which affects more than 65 percent of children in Haiti. The livestock packages will be mostly distributed to women to whom nutritional advice (in particular for the use of goat milk that seems culturally underused) will be provided as part of the technical assistance.

21. **Gender.** The proposed AF will continue ensuring a representative level of women beneficiaries in the Project. The Project will pay particular attention to gender by: (i) aiming at a target of 40 percent for women’s participation in agricultural subprojects; (ii) collecting gender-disaggregated data on project beneficiaries and grievances; (iii) distributing 80 percent of livestock packages to women and ensuring the respect of traditional women’s roles; (iv) providing 50 percent of matching grants to women; and (v) targeting a minimum of 30 percent voucher distribution to women.

F. Policy Waiver

22. **In light of Haiti’s high level of debt distress and situation of urgent need following Hurricane Matthew, this project document seeks the approval of the Executive Directors to provide IDA resources from the CRW (SDR 25.6 million, US\$35 million equivalent) for this proposed additional financing in the form of all grants, rather than on Haiti’s current IDA terms.** Haiti is a yellow light country, eligible for a mix of grants and credits in FY17 under its

regular allocation and under any CRW allocation⁴. However, the post-disaster Joint Debt Sustainability Analysis (DSA) for Haiti, circulated to Executive Directors on November 16, 2016, finds the country at high risk of debt distress following Hurricane Matthew. The provision of financing in the form of all grants for the proposed operation is appropriate, as the provision of credits would further heighten Haiti's risk of debt distress at a time of urgent need. On the basis of the November 2016 DSA, in FY18, Haiti will become eligible again for 100 percent grant financing from IDA.

III. Proposed Changes

Summary of Proposed Changes	
The Additional Financing will scale up the farmer subsidy scheme and support new activities in the area affected by Hurricane Matthew. The new activities will focus on rehabilitating irrigation and drainage, recapitalizing livestock and agricultural assets, and building resilience to extreme weather. The restructuring will involve the rewording of the PDO and its indicators to reflect the new potential outcomes, the triggering of OP/BP4.12 (Involuntary Resettlement), a reallocation between disbursement categories, and the extension of the closing date.	
Change in Implementing Agency	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Change in Project's Development Objectives	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change in Results Framework	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change in Safeguard Policies Triggered	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change of EA category	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Other Changes to Safeguards	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Change in Legal Covenants	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change in Loan Closing Date(s)	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Cancellations Proposed	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Change in Disbursement Arrangements	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Reallocation between Disbursement Categories	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change in Disbursement Estimates	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change to Components and Cost	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change in Institutional Arrangements	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Change in Financial Management	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]

⁴ Under the CRW's implementation framework for IDA17, the terms of assistance for CRW financing are identical to those under which regular IDA assistance is provided to a particular country.

Change in Procurement	Yes [X] No []
Change in Implementation Schedule	Yes [X] No []
Other Change(s)	Yes [] No [X]

Development Objective/Results
Project's Development Objectives
<p>Original PDO</p> <p>The development objectives of the Project are to: (a) reinforce the capacity of the Ministry of Agriculture, Natural Resources and Rural Development to provide or facilitate access to services in the agricultural sector; (b) increase market access to small producers and food security in Selected Areas; and (c) provide financial assistance in the case of an Agriculture Sector Emergency.</p>
Change in Project's Development Objectives
<p>Explanation</p> <p>The PDO would be modified to reflect the inclusion of activities in the areas affected by Hurricane Matthew and emerging good practices in responding to an emergency.</p>
Proposed New PDO - Additional Financing (AF)
<p>The new proposed PDO is: to (a) reinforce the capacity of the Ministry of Agriculture, Natural Resources and Rural Development to provide or facilitate access to services in the agricultural sector; (b) increase market access to small producers and food security in Selected Areas; (c) improve livelihood in areas affected by Hurricane Matthew; and (d) enable the Government to respond promptly and effectively to an eligible emergency.</p>
Change in Results Framework
<p>Explanation</p> <p>The revised Results Framework and Monitoring Indicators matrix reflects the objective of restoring livelihoods to victims of Hurricane Matthew and to respond promptly and effectively to an eligible emergency. At the PDO level, it identifies the number of households affected by the hurricane that are supported by the IDA Crisis Response Window (CRW/IDA) of the Project (Additional Financing), as well as the total number of households from the southern region affected by the hurricane supported by the Project (original and AF), disaggregated by gender. It also introduces an outcome indicator that would be triggered only in case of an eligible emergency. At the intermediary level, it identifies the number of hectares where new technologies and agriculture practices are introduced to enhance resilience and increase productivity; the area where irrigation services are restored or protected; the number of households that benefit from cash-for-work program, as well as those that benefit from re-stocking of livestock (goats, chicken and bees), also disaggregated by gender; and the number of agricultural producers registered in the Ministry of Agriculture registry. It also includes a revision of some previously existing indicators that showed flaws, implying changes in wording, targets, or measurement methods, including for one PDO indicator. The Monitoring and Evaluation system of the MARNDR will allow the Project to allocate the results of the Project by financing source (GAFSP, IDA and CRW/IDA).</p>

Compliance					
Change in Safeguard Policies Triggered					
Explanation					
Due to time and capacity constraints, the completion of all safeguards instruments has been deferred to the implementation stage, pursuant to the provision of OP10.00 paragraph 12.					
The AF will trigger Involuntary Resettlement (OP/BP 4.12). While the implementation of RESEPAG II has thus far not involved any resettlement of families or economic restrictions, rehabilitation of irrigation and water management infrastructure supported under the AF may result in involuntary resettlement. These works are unlikely to physically relocate beneficiaries but may require land acquisition and cause economic impacts. A Resettlement Policy Framework (RPF) will be prepared in accordance with OP4.12 to ensure application of the appropriate safeguard policies. In accordance with the flexibility afforded by OP 10.00 paragraph 12, the completion of the RPF has been deferred to the implementation stage. Consultation with regard to the RPF in the affected areas will include outreach to main stakeholders and the affected communities to the extent possible, given that many sites will be unknown by appraisal. Once these sites are identified, Resettlement Action Plans (RAPs) or Abbreviated Resettlement Action Plans (Abbrev. RAPs) will be prepared, consulted and disclosed in accordance with the policy. Any compensation or livelihood restoration efforts that may be needed will be completed prior to commencement of the works.					
Environmental Safeguard instruments will be updated as stated in the Safeguard Action Plan annexed to this Project Paper.					
Current and Proposed Safeguard Policies Triggered:		Current (Parent ISDS)	Proposed (Additional Financing ISDS)		
Environmental Assessment (OP) (BP 4.01)		Yes	Yes		
Natural Habitats (OP) (BP 4.04)		Yes	Yes		
Forests (OP) (BP 4.36)		Yes	Yes		
Pest Management (OP 4.09)		Yes	Yes		
Physical Cultural Resources (OP) (BP 4.11)		No	No		
Indigenous Peoples (OP) (BP 4.10)		No	No		
Involuntary Resettlement (OP) (BP 4.12)		No	Yes		
Safety of Dams (OP) (BP 4.37)		No	No		
Projects on International Waterways (OP) (BP 7.50)		No	No		
Projects in Disputed Areas (OP) (BP 7.60)		No	No		
Covenants - Additional Financing (Relaunching Agriculture: Strengthening Agriculture Public Services II Project - Additional financing - P163081)					
Source of	Finance	Description of Covenants		Recurrent	Frequency

Funds	Agreement Reference			
CRW/IDA	Section I.A.1 Schedule 2	The Recipient, through MARNDR, shall maintain at all times during Project implementation, a Coordination Unit with a structure, function and responsibilities acceptable to the Association.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.A.1 Schedule 2	The Recipient, through MARNDR, shall ensure that the Coordination Unit is, at all times during Project implementation, led by a Project coordinator and assisted by adequate professional, technical and administrative staff (including procurement, financial management and environmental and social specialists), all operating under terms of reference satisfactory to the Association.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.A.2 Schedule 2	The Recipient, through MARNDR, shall, not later than August 31 of each year of Project implementation: (a) submit to the Association, the Annual Plan (which shall include, <i>inter alia</i> , the Recipient's annual agriculture investment plan and budget) for its prior review and approval for Parts 1, 2 and 4 of the Project; and (b) carry out each Annual Plan in a manner consistent with the terms of this Agreement.	<input checked="" type="checkbox"/>	Annual
CRW/IDA	Section I.A.3 Schedule 2	The Recipient, through MARNDR, shall ensure that: (a) reviews with respect to the progress in the implementation of the Project and the periodicity therefore as described in the Operational Manual, including the Farmer Subsidy Scheme, the Cash for Work Program, the Livestock Program and the Market Support Facility, are carried out jointly with the Association; and (b) the implementation of the Project is subsequently carried out, taking into account the views and recommendations of the Association in that respect, if any.	<input checked="" type="checkbox"/>	As described in the Operational Manual
CRW/IDA	Section I.B.1 Schedule 2	The Recipient, through MARNDR, shall carry out the Project in accordance with an Operational Manual (OM) satisfactory in form and substance to the Association, which consists of different schedules setting forth, respectively, rules, methods, guidelines, specific development plans, standard documents and procedures for the carrying out of the Project.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.B.2 Schedule 2	The Recipient, through MARNDR, shall: (a) maintain the OM throughout Project implementation; (b) take all measures necessary to ensure that the Project is carried out in conformity with the OM; and (c) only amend the OM, from time to time, with the Association's prior consent.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.C.1	For purposes of carrying out the Farmer Subsidy	<input checked="" type="checkbox"/>	Permanent

	Schedule 2	Scheme, the Recipient, through MARNDR, shall select and appoint, pursuant to terms of reference previously agreed with the Association, one or several Operators with whom a Service Agreement shall be entered into, satisfactory to the Association, with respect to the supervision of the technical implementation of the Farmer Subsidy Scheme.		
CRW/IDA	Section I.C.2 Schedule 2	For purposes of carrying out the Farmer Subsidy Scheme, the Recipient, through MARNDR, shall: (a) select and appoint, pursuant to terms of reference previously agreed with the Association, a Financial Agent acceptable to the Association, to administer all payments and financial transfers under the Farmer Subsidy Scheme; and (b) enter into a Financial Agency Agreement satisfactory to the Association, with one or more Financial Agents, which shall incorporate, <i>inter alia</i> , the provisions of the Anti-Corruption Guidelines applicable to recipients of Grant proceeds.		
CRW/IDA	Section I.C.3 Schedule 2	For purposes of carrying out the Farmer Subsidy Scheme, the Recipient, through MARNDR, shall cause the Financial Agent to make Farmer Subsidy Scheme Payments available to Eligible Suppliers of goods, works and services in accordance with detailed provisions, procedures, sequencing and timing in relation thereto, set forth in the Operational Manual.	<input checked="" type="checkbox"/>	As per the Operational Manual description
CRW/IDA	Section I.C.4 Schedule 2	For purposes of carrying out the Farmer Subsidy Scheme, the Recipient, through MARNDR, shall exercise its rights and carry out its obligations under each Service Agreement and/or Financial Agency Agreement, as applicable, in such manner as to protect the interest of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not amend, assign, abrogate, suspend, terminate, waive or fail to enforce any Service Agreement or Financial Agency Agreement or any of their provisions.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.D.1 Schedule 2	For purposes of carrying out the Cash for Work Program, the Recipient, through MARNDR, shall select and appoint, pursuant to terms of reference previously agreed with the Association, one or several Operators with whom a Service Agreement shall be entered into, satisfactory to the Association, with respect to the technical supervision of the implementation of the Program, and the payments to Beneficiaries under the Cash for Work Program.		
CRW/IDA	Section I.D.2	For purposes of carrying out the Cash for Work Program, the Recipient, through MARNDR, shall		As per the Operational

	Schedule 2	select under eligibility criteria detailed in the Operational Manual the eligible Beneficiaries under the Cash for Work Program and execute with said selected Beneficiaries and thereafter maintain Cash for Work Agreements, under terms and conditions satisfactory to the Association, as further detailed in the Operational Manual.		Manual description
CRW/IDA	Section I.D.3 Schedule 2	For purposes of carrying out the Cash for Work Program, the Recipient, through MARNDR, shall exercise its rights and carry out its obligations under each Service Agreement, and/or Cash for Work Agreement as applicable, in such manner as to protect the interest of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not amend, assign, abrogate, suspend, terminate, waive or fail to enforce any Service Agreement or Cash for Work Agreement or any of their provisions.	<input checked="" type="checkbox"/>	
CRW/IDA	Section I.E.1 Schedule 2	For purposes of carrying out the Livestock Program, the Recipient, through MARNDR, shall select and appoint, pursuant to terms of reference previously agreed with the Association, one or several Operators with whom a Service Agreement shall be entered into, satisfactory to the Association, with respect to the technical supervision of the implementation of the Program, and the provision of small livestock to Eligible Household under the Livestock Program.		
CRW/IDA	Section I.E.2 Schedule 2	For purposes of carrying out the Livestock Program, the Recipient, through MARNDR, shall select under eligibility criteria detailed in the Operational Manual the Eligible Households under the Livestock Program and execute with said selected Eligible Households and thereafter maintain Livestock Agreements, under terms and conditions satisfactory to the Association, as further detailed in the Operational Manual.		As per the Operational Manual description
CRW/IDA	Section I.E.3 Schedule 2	For purposes of carrying out the Livestock Program, the Recipient, through MARNDR, shall exercise its rights and carry out its obligations under each Service Agreement, and/or Livestock Agreement as applicable, in such manner as to protect the interest of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not amend, assign, abrogate, suspend, terminate, waive or fail to enforce any Service Agreement or Livestock Agreement or any of their provisions.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.F.1 Schedule 2	The Recipient, through MARDNR, shall during Project implementation, operate and maintain a Market	<input checked="" type="checkbox"/>	Permanent

		Support Facility with a structure, functions, responsibilities and staff acceptable to the Association.		
CRW/IDA	Section I.F.2 Schedule 2	The Recipient, through MARNDR, shall appoint one or several Operators based on terms of reference acceptable to the Association, to assist Eligible Organizations in the preparation of their proposals. The Recipient shall make Sub-grants to Eligible Organizations, in accordance with eligibility criteria and procedures satisfactory to the Association and specified in the Operational Manual.		
CRW/IDA	Section I.F.3 Schedule 2	Upon approval of a Sub-project proposal, the Recipient, through MARNDR, shall make each Sub-grant available to the pertinent Eligible Organization, under a Sub-grant Agreement to be entered into between the Recipient, through MARNDR, and said Eligible Organization, on terms and conditions satisfactory to the Association.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.F.4 Schedule 2	The Recipient, through MARNDR, shall exercise its rights and carry out its obligations under each Sub-grant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the objective of the Project. Except as the Association shall otherwise agree, the Recipient, through MARNDR, shall not assign, amend, abrogate, terminate, waive or fail to enforce any Sub-grant Agreement or any of its provisions.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.G.1 Schedule 2	In an event of an Eligible Emergency, the Recipient shall: (a) clearly establish a causal relationship between the relevant Eligible Emergency and the need to withdraw the proceeds of the Grant allocated to the relevant Category; (b) designate the entity to be responsible for coordinating and implementing Component 3 of the Project (“Coordinating Authority”), with terms of reference and resources to be found acceptable to the Association; (c) prepare and furnish to the Association a list of potential Emergency Recovery and Rehabilitation Subprojects, including a procurement plan and a proposed flow of funds, and the implementation arrangements, all acceptable to the Association.		
CRW/IDA	Section I.G.2 Schedule 2	The Recipient shall exchange views with the Association on the proposed Emergency Recovery and Rehabilitation Subprojects, and shall thereafter adopt, and carry out the activities under such list, as agreed with the Association.		
CRW/IDA	Section I.G.3 Schedule 2	Prior to implementing the Emergency Recovery and Rehabilitation Subprojects, the Recipient shall carry out all fiduciary, social and environmental assessments		

		required by the Association (under terms of reference satisfactory to the Association and with scope and detail satisfactory to the Association) and prepare and implement all plans required by the Association (under terms of reference satisfactory to the Association and with scope and detail satisfactory to the Association).		
CRW/IDA	Section I.G.4 Schedule 2	Notwithstanding the Negative List, an investment activity shall only be included in the pertinent Emergency Recovery and Rehabilitation Subproject if it is initiated in response to an Eligible Emergency.		
CRW/IDA	Section I.H Schedule 2	The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.I.1 Schedule 2	The Recipient, through MARNDR, shall: (a) no later than six months after the Effective Date, prepare, consult, adopt and publish the RPF in form and substance satisfactory to the Association; and (b) ensure that the Project is carried out in accordance with the ESMF, the RPF and the Pest Management Plan, including the guidelines, rules and procedures defined in said ESMF, RPF or Pest Management Plan. To this end, if an EMP or a RAP is required on the basis of the ESMF or the RPF, the Recipient shall specifically take the following actions, in a manner acceptable to the Association.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section I.I.2 Schedule 2	The Recipient shall include in the Project Reports, adequate information on the implementation of the ESMF, the RPF, the Pest Management Plan, any EMP or any RAP.	<input checked="" type="checkbox"/>	As per frequency of reports set forth in the Financing Agreement
CRW/IDA	Section I.I.3 Schedule 2	The Recipient shall, in a manner satisfactory to the Association, take the following actions: (a) prior to commencement of any works under the Project: (i) prepare, in form and substance satisfactory to the Association, an EMP (based on the ESMF) and/or a RAP (based on the RPF) if required; (ii) thereafter, except as otherwise agreed with the Association, submit the said EMP and/or said RAP (as the case may be), to the Association for review and approval; (iii) subsequently, adopt and disclose, in a manner acceptable to the Association, said EMP and/or said RAP (as the case may be); and (iv) immediately thereafter, implement said EMP and/or RAP (as the case may be), all in accordance with their terms and in a manner acceptable to the Association; and (b) Except as the Association shall otherwise agree in writing, the	<input checked="" type="checkbox"/>	

		Recipient shall not amend or waive, or permit to be amended or waived, any provision of any EMP or any RAP.		
CRW/IDA	Section II.A Schedule 2	The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions set forth in the Financing Agreement and on the basis of the indicators acceptable to the Association as set up in the Operational Manual. Each Project Report shall cover the period of six months, and shall be furnished to the Association not later than forty-five days after the end of the period covered by such report.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section II.B.1 Schedule 2	The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions set forth in the Financing Agreement.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section II.B.2 Schedule 2	The Recipient shall prepare and furnish to the Association as part of the Project Report not later than forty five days after the end of each fiscal quarter, interim unaudited financial reports for the Project covering said quarter, in form and substance satisfactory to the Association.	<input checked="" type="checkbox"/>	Bi-annual
CRW/IDA	Section II.B.3 Schedule 2	The Recipient shall have its Financial Statements audited in accordance with the provisions set forth in the Financing Agreement. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.	<input checked="" type="checkbox"/>	Annual
CRW/IDA	Section III.A Schedule 2	All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in the Procurement Regulations and the provisions of the Procurement Plan.	<input checked="" type="checkbox"/>	Permanent
CRW/IDA	Section III.B Schedule 2	Notwithstanding any provision to the contrary in this Section, Eligible Emergency Expenditures required for Part 3 of the Project shall be procured in accordance with the procurement methods and procedures set forth in the procurement plan for the Eligible Emergency		

Finance

Loan Closing Date - Additional Financing (Relaunching Agriculture: Strengthening Agriculture Public Services II Project - Additional financing – (P163081))

Source of Funds	Proposed Additional Financing Loan Closing Date
IDA Grant from CRW	December 31, 2019

Loan Closing Date(s) - Parent (Relaunching Agriculture: Strengthening Agriculture Public Services II Project (GAFSP – IDA P126744))						
Explanation						
The Closing Date would be extended to December 31, 2019, to be aligned with the closing date of the AF.						
Ln/Cr/TF	Status	Original Closing Date	Current Closing Date	Proposed Closing Date	Previous Closing Date(s)	
IDA-H7410	Effective	30-Nov-2016	30-Jun-2018	31-Dec-2019	30-Nov-2016, 30-Jun-2018	
TF-11396	Effective	30-Nov-2016	30-Jun-2018	31-Dec-2019	30-Jun-2018	
Change in Disbursement Estimates (including all sources of Financing)						
Explanation						
Disbursement estimates will increase in amount and the pace of disbursement will also change.						
Expected Disbursements (in USD Million) (including all sources of Financing) ⁵						
Fiscal Year			2017	2018	2019	2020
Annual			21	20.00	25.00	13.40
Cumulative			21	41	66	79.40
Allocations - Additional Financing (Relaunching Agriculture: Strengthening Agriculture Public Services II Project - Additional financing - P163081)						
Source of Fund	Currency	Category of Expenditure	Allocation	Disbursement % (Type Total)		
			Proposed	Proposed		
CRW/IDA	XDR	(1) Goods, Works, Non-consulting Services, Consulting Services, Training, Operating Costs, resettlement compensation and assistance for Displaced Persons under the Part 2 of the Project, except for Parts 2.1 (b) (Farmer Subsidy Scheme), 2.1 (g) (Cash for Work Program), and 2.2 (Sub-Grants under Market Support Facility)	10,800,000	100		
CRW/IDA	XDR	(2) Goods, Works, Non-consulting services, Consulting services, Training and Operating Costs for: (a) Farmer Subsidy Scheme,	10,200,000	100		

⁵ As per exchange rate of April 30, 2017 at 1 XDR=1.369 USD

		(b) Cash for Work Program, (c) Sub-Grants under the Market Support Facility	4,100,000 500,000	
CRW/ IDA	XDR	(3) Eligible Emergency Expenditures	0.00	100
		Total:	25,600,000	100

Reallocation between Disbursement Categories

Explanation:

The proposal is to reallocate funds of both the IDA Grant and GAFSP Grant under the Parent Project to rationalize the disbursement categories within and between the various sources of funds, to cover some cost overruns, and to eliminate the reserve of funds that existed for emergency situations. Under the IDA Grant, reallocations would be made between categories 1, 2 and 3, bringing category 1 (which was overlapping with category 2, and overspent) and category 3 (which corresponded to funds reserved in case of an emergency) to a value of US\$0.0, based on the current levels of disbursement. Parts of the funds under category 2 would be reallocated to category 1 to cover a financing gap, and the undisbursed funds under category 3 would be reallocated to category 2. This category 3 would only be used in case of an eligible emergency, under the mechanism defined in the Operations Manual. A reallocation would also be proposed under the GAFSP Grant to correct the overlap that existed between its two disbursement categories and in order to simplify the management of the funds. As per the revised and restated Financing and Grant Agreements, funds would not be used any more under the respective categories 1.

Ln/Cr/TF	Currency	Current Category of Expenditure	Allocation		Disbursement % (Type Total)	
			Current	Proposed	Current	Proposed
IDA-H7410	XDR	(1) GO,CW,NCS,CS, TR, OP Parts 2 and 4	2,708,943	4,712,672	100.00	100.00
		(2) GO,CW,NCS,CS, OP, TR Parts 1, 2, 4	10,641,057	9,333,796	100.00	100.00
		(3) GO,CW,NCS,CS, OP Part 3	1,250,000	553,531	100.00	100.00
		(4A) GO,CW,NCS,CS, TR, OP Part 2 Farmer Subsidy Scheme	4,250,000	4,250,000	100.00	100.00
		(4B) GO,CW,NCS,CS, TR,OP Part 2 Sub-Grant	6,250,000	6,250,000	100.00	100.00
		Designated Account	0.00	0.00	0.00	0.00
		Total:	25,100,100	25,100,100		
TF-11396	USD	(1) GO,CW,NCS,CS	1,126,382	1,311,119	100.00	100.00

		Parts 1 and 4				
		(2) GO,CW,NCS,CS, OP, TR Part 1	8,873,618	8,688,881	100.00	100.00
		Total:	10,000,000	10,000,000		

Components

Change to Components and Cost

Explanation

The Project will maintain its structure along the four original components: Component 1: Agricultural support services; Component 2: Direct support to producers and associations; Component 3: Emergency Response Contingency Reserve; and Component 4: Institutional strengthening, monitoring and evaluation, project management and studies.

The AF will finance the scale up and the implementation of new field activities under Component 2 only, which will increase in cost by US\$31.1 million. Component 3 of the original grant, following the reallocation of its funding, will correspond to a “zero dollar component”, with no funds reserved, but with a mechanism developed to access project unallocated funds in a case of an eligible emergency. It will therefore be renamed “Emergency Response Contingency”; and Component 4 will receive an additional allocation of US\$ 3.9 million to account for additional operational and monitoring costs.

Component 1 Agricultural Support Services (Total: US\$ 11M - IDA-H7410 SDR 0.73M (US\$ 1M equivalent) - GAFSP TF-11396 US\$ 10M – CRW/IDA SDR 0M). This component will not change.

Component 2: Direct Support to Producers and Associations (Total: SDR 39.5M (US\$ 54.03M equivalent) - IDA-H7410 SDR 16.75M (US\$ 22.93M equivalent) - CRW/IDA SDR 22.75M (US\$ 31.1M equivalent)). The Additional financing will scale up the provision of the voucher based farmer subsidy scheme under this component. It will broaden its current geographical scope to the Department of Sud and it will use the same delivery mechanisms as the parent project reaching an additional 7,000 beneficiaries, but with a stronger focus on climate resilience (i.e., introduction of “paquets techniques” for the proliferation and in some cases piloting) of resilient agricultural technologies/practices, such as the creole garden, mulching, conservation agriculture, multi-cropping, hedging, agro-forestry, water harvesting, etc.). The Project will introduce improved procedures and technologies for the voucher system, such as the use of bar coded cards, so as to enhance remote monitoring of the activities, streamline/computerize the approval process and generally improve efficiency. Under this component, the Project will also finance improvements to the National Registry of producers. The National Registry has been an extremely valuable tool for the Ministry and development partners to effectively target support programs, but it currently covers only 14,000 producers in the Department of Sud, which has limited the interventions of the Ministry following the Hurricane. By the end of the Project, 150,000 producers from the three departments of Grande-Anse, Nippes and Sud are expected to be registered. The Market Support Facility sub-component under this component will remain unchanged, although the implementation period for this activity is being extended to the new proposed closing date of the Project to give

additional time to producer associations, the overwhelming majority of which have been impacted by the Hurricane, to prepare and implement their business plans.

Two new sub-components are being added to this component: (i) Animal Husbandry and (ii) Irrigation Rehabilitation and micro-catchment protection.

Animal Husbandry. Livestock losses have been severe in the zones affected by Hurricane Matthew. In the departments of Sud, Grande-Anse, and Nippes, it was estimated that around 2 million poultry, 100,000 cattle, 350,000 goats, 163,000 pigs, and 23,000 equines died. Small livestock (poultry and goats) was impacted the most with up to 80 to 90 percent mortality reported while larger livestock (cattle, horses, donkeys and pigs) resisted better with losses ranging between 30 to 50 percent. Beehives were generally destroyed. In Haiti, the vast majority of animals is raised in small scale, resilience-oriented, mixed agriculture-livestock systems, with very limited inputs or interventions. These animals fulfill a number of important functions in particular for poor rural families, such as draught power for agriculture production, transport of goods and persons, savings (animals sold to pay health or education costs), and animal source food production. Small stock like poultry and goats are usually managed by women, and are critical for the resilience of rural households. In addition to the production of honey, bee-keeping also fulfils an important function in flowers and fruit-trees reproduction, essential in the context of restoration of ecosystems.

The Additional Financing would contribute to restore part of livestock assets lost. Small stock (goats, poultry) and bee-keeping would be prioritized given their critical role for poor rural households and functions in ecosystems. The most severely affected western region delimited by the road Les Cayes-Roseau in the departments of Grande-Anse and Sud would be targeted. A pre-selection of communes, minimum criteria for the selection of beneficiaries, and animal packages, would be made by the Project coordination unit, in close cooperation with the Directorate for Animal Production and the Directors of the Sud and Grande-Anse Departmental Agriculture Directorates (DDA). Poor women beneficiaries would be prioritized. Animal packages would consist of a set of interventions including training of beneficiaries, production of forage and preparation of enclosures (for goat keeping), and provision of beehives and protective equipment (for bee-keeping). The implementation of this sub-component would be entrusted to a firm with adequate technical and managerial experience. Around 6,000 households are expected to benefit from this support.

The Additional Financing will finance the hiring of an operator who will be in charge of facilitating the process of selecting beneficiaries based on minimum criteria set by the Ministry of Agriculture, providing basic training on environmentally and resilient care for the animals, including small equipment, acquiring the animals from a network of providers throughout the country, distributing the animals to the beneficiaries and monitoring their management.

Irrigation Rehabilitation and Micro-catchment protection. Some additional and more complete rehabilitation works are necessary to ensure the provision of long-term irrigation and drainage services with an enhanced resilience to extreme events. The assessment of the rehabilitation needs and the prioritization of the future areas of intervention is being conducted and should be completed by the end of June 2017 based on field assessments carried out by the DIA (Direction des Infrastructures Agricoles) and the DDAS (Direction Départementale Agricole du Sud). The Project is using the methodological results of the on-going ASA about prioritization of investments in irrigation sub-sector (P161646) as well as the evaluation study launched under RESEPAG II to select the irrigation schemes where the additional financing will intervene.

The sub-component will finance: (i) feasibility studies and prioritization exercises to be carried out in consultation with the local communities; (ii) a cash for work program, including an operator to administer and provide technical support to the activity, payment to laborers, and equipment and tools for small-scale and labor-intensive rehabilitation works (off-farm infrastructures); (iii) contracts of civil works for rehabilitation works (off-farm infrastructures); and (iv) supervision activities, technical assistance to the water users' organizations for operation and maintenance and monitoring and evaluation. The rehabilitation works will consist of interventions such as civil works on river intakes, rivers embankments, punctual sections of canals and drains, protection of infrastructures against erosion and flash floods (mainly bridges and access roads).

Component 3: Emergency Response Contingency Reserve (Total: SDR 0.55M (US\$ 0.76M equivalent) - IDA-H7410 SDR 0.55M (US\$ 0.75M equivalent) - GAFSP TF-11396 US\$ 0M - CRW/AF SDR 0M). The title of this component will change to “Emergency Response Contingency (ERC)”. Through this component, uncommitted project funds, rather than an established upfront reserve amount, will be channeled to facilitate a timely response in case of an eligible emergency. The modification in wording of this component has been captured in the revised PDO and in the revised Results Framework to reflect the potential outcome in case this component is triggered.

Component 4: Institutional Strengthening, Monitoring and Evaluation, Project Management and Studies Services (Total: SDR 9.95M (US\$ 13.62M equivalent) - IDA-H7410 SDR 7.10M (US\$ 9.72M equivalent) - GAFSP TF-11396 US\$ 0 – CRW/IDA SDR 2.85M (US\$ 3.9M equivalent). The design of this component will not change. However, to take into account the increased technical and geographical scope, and the increased in financial resources, additional allocations are being considered for equipment, vehicles, staff and consultancies.

Current Component Name	Proposed Component Name	Current Cost (US\$M)	Proposed Cost (US\$M)	Action
Component 1: Agricultural Support Services	Component 1: Agricultural Support Services	11.00	11.00	Unchanged
Component 2: Direct Support to Producers and Associations	Component 2: Direct Support to Producers and Associations	24.91	54.03	Revised
Component 3: Emergency Response Contingency Reserve	Component 3: Emergency Response Contingency (ERC)	1.51	0.75	Revised
Component 4: Institutional Strengthening, Monitoring and Evaluation, Project Management and Studies	Component 4: Institutional Strengthening, Monitoring and Evaluation, Project Management and Studies	6.98	13.62	Revised
	Total:	44.40	79.40	

Other Change(s)		
The AF will amend the Project Financing Agreement to include the financing of involuntary resettlement compensation, which may occur due to the rehabilitation of irrigation works.		
Implementing Agency Name	Type	Action
Change in Procurement and FM		
<p>Explanation</p> <p>Fiduciary arrangements will remain unchanged for the implementation of the proposed AF. The MARNDR team in charge of the RESEPAG II, together with a Financial Agent and selected Operators, will be in charge of the voucher based farmer subsidy scheme. For financial management, the unit currently managing the parent project will retain the same responsibilities.</p> <p>Procurement will be carried out under existing arrangements, by the unified procurement unit (UPMP) in the MARNDR. Experience to date under the Parent Project shows solid fiduciary and procurement capacity of the MARNDR team. A Project Procurement Strategy for Development (PPSD) has been prepared describing how procurement in this operation will support the PDOs and deliver value for money using a risk-based approach. The PPSD provides adequate supporting market analysis for the selection methods detailed in the Procurement Plan. It will be executed in accordance with paragraph 5.9 of the World Bank Procurement Regulations for IPF (July 2016) ("Procurement Regulations"), and the Bank's Systematic Tracking and Exchanges in Procurement (STEP) system. Most activities under the proposed Project will be carried out through National or International Competition. An acceptable Procurement Plan was prepared. Procurement arrangements for the Emergency Response Contingency Component are described in the Operational Manual. For International Competition, in addition to WBG Standard and Sample Bidding Documents, UPMP will use standard bidding documents agreed with the CNMP (<i>Commission Nationale des Marchés Publics</i>).</p> <p>The reporting requirements, including the submission of Interim Unaudited Financial Report as well as the audit report, will remain the same as the original financing. An audit for MARNDR would be conducted annually. The Interim Financial Report for the Project shall cover a period of one calendar quarter and each audit of the Financial Statements for the Project shall cover the period of one fiscal year of the Recipient. The last audit shall cover a period, which can be of more or less than 12 months to include the grace period but not exceeding 18 months. The report for the audit for each such period would be submitted to the Bank no later than six months after the end of such period. There are no overdue audit reports for the Project.</p>		
Change in Implementation Schedule		
<p>Explanation</p> <p>Activities related to the matching grant for producer groups that have been severely affected by Hurricane Matthew are being extended by approximately 12 months to allow for the groups to complete them. The closing date of the proposed additional grant would be December 31, 2019, to ensure that all additional planned activities would be satisfactorily completed in accordance with the revised and updated implementation plan. The date of the original grant would also be extended to December 31, 2019.</p>		

IV. Appraisal Summary

Economic and Financial Analysis

Explanation

The RESEPAG II interventions in agriculture production provided support to agriculture service providers and producer groups and served as a catalyst to improve the local market for extension and innovation services. Through the expected increase in household income from changes in land use practices and the investments in public and collective goods, the program is contributing directly to the protection of natural resources, the improvement of the nutritional content of food products, and of the health of the broader population of food consumers.

The original project's economic analysis reflected substantial economic returns to investments with an overall project internal rate of return (IRR) of over 40 percent. Subject to a simulation exercise there is a 95 percent probability that the total project's IRR will be above 20 percent. The relatively high returns here are mainly due to the low starting point (baseline) and the negative trends currently observed and projected in the "without project" scenarios.

An economic and financial analysis for the additional funds that will be allocated to agriculture productive activities or related rehabilitation works (e.g., irrigation schemes through cash for work) has been carried out. Expectations remain robust that the Project will generate several distinct types of benefits, although not all can be quantified ex-ante. The post-hurricane Matthew affected areas present a very low agriculture production starting point, and this will be the focus of additional financing resource allocations. The analysis of the impact of activities to be financed, such as input vouchers and irrigation scheme rehabilitation, suggests that the results do not differ significantly from the original economic analysis and that activities supported remain economically viable.

For the purpose of calculating an indicative additional financing the economic internal rate of return (EIRR) and net present value (NPV), the same hypotheses of the original financing have been applied as well as all the related crop budget financial analysis hypothesis to estimate the financial benefits for the supported categories above, before the aggregation into economic benefits. The additional financing activities are projected to cover more than 15,000 hectares with the input vouchers' support to improve agriculture production and productivity. Some of the areas will also benefit from the rehabilitation of irrigation schemes affected by Hurricane Matthew.

The AF investment costs run over three years. All direct project costs related to agriculture support activities have been included, amounting to USD 25 million. Those are the costs that can be compared to the benefits that can be quantified to be in line with the previous analysis. The original EIRR was 40 percent (for the original financing), the revised calculations for the additional financing show that the revised EIRR, over 15 years, is between 23 percent and 25 percent depending on the adoption rate proposed for the different scenarios as for the original economic and financial analysis.

Adoption Rate	NPV (USD)	EIRR
75%	31,202,481	23.3%
85%	33,083,754	23.6%
100%	36,466,679	24.3%

The net present value ranges from US\$ 31.2 million to US\$ 36.4 million. A discount rate of 5 percent has been used throughout, and conversion factors on project costs were not used in the analysis applying the same approach and methodology used for the original financing.

Technical Analysis

Explanation

The proposed AF project design has been defined with the MARNDR team implementing the parent Project and is based on the post-Matthew assessments conducted with the GOH. Initial cost estimates are based on several years of experience in the agriculture and livestock sector, and in irrigation rehabilitation. The implementation schedule has been discussed with the implementation team and all activities are expected to be fully completed prior to the extended closing date. The AF will contribute to the restoration of livelihoods countrywide by scaling up a successful farmer subsidy scheme, by improving livelihood opportunities in the affected areas, and by increasing resilience through rehabilitation and expansion of small irrigation systems. The MARNDR is equipped with skilled and motivated individuals with the knowledge and capacity to carry out the proposed activities successfully.

Social Analysis

Explanation

Negative social impacts under the Parent Project have been limited and activities likely to cause involuntary resettlement were excluded. The proposed AF would trigger the policy on Involuntary Resettlement (OP4.12), given that the rehabilitation of irrigation infrastructure may cause a loss of land or assets. A Resettlement Policy Framework (RPF) will be prepared by the GOH with guidance from the Bank to address the triggering of OP 4.12. Upon the identification of cases of involuntary resettlement, Resettlement Action Plans (RAPs) or Abbreviated Resettlement Action Plans (Abbrev. RAPs) will be prepared, consulted and disclosed in accordance with the policy. A Social Safeguards Action Plan, annexed to this project paper, indicates the estimated dates of completion for the safeguard instruments. Potential resettlement impacts are expected to be avoided or minimized through the application of good construction and management practices and with close supervision of contractor performance by field engineers and in close consultation with local communities.

If there is land acquisition, a potential risk (as observed in other projects in Haiti) may be delays in land acquisition and compensation due to insufficient availability of legitimate titles and complicated national land ownership procedures. The Project will avoid or minimize land acquisition based on the lessons learned. The communication activities will particularly target matching grants and voucher scheme activities, which may be open to speculation of corruption and unfairness unless the Project team clearly explains the rules and procedures for distributing project benefits. Risks linked to labor influx are expected to be limited. They will be mitigated by prioritizing local labor and ensuring clarity regarding the origin of external laborers who will be hosted throughout their stay in the host community, and by ensuring that contracts are consistent with ESMF and RPF provisions.

A potential social risk such as social tensions, particularly in the post-Matthew context, may arise by perceived inequities in the selection of beneficiaries. The Project will mitigate this risk by

focusing on citizen engagement measures, including: (i) engaging in a pro-active communication strategy that will explain to local governments, beneficiaries and the public at large the benefits under the Project for various communities and municipalities; (ii) applying clear and transparent criteria for the selection of sub-projects/investments; and (iii) developing robust information requests and grievance redress measures for Project activities as a whole (not only for safeguards-related issues). The MARNDR will designate focal points in each Department to act as liaisons for communicating on project-related issues and addressing information requests, feedback, and grievances. Training will be provided to ensure that the focal points have the capacity to share timely information with beneficiaries about project-funded activities, channel beneficiary feedback to the Project management and other decision-makers at the local and central levels, and facilitate resolution of grievances. Quarterly information and consultation sessions in every commune where project activities are going to take place will be held to allow the beneficiary population to receive information, provide feedback, clarify doubts, and express any existing grievances.

Environmental Analysis

Explanation

Negative environmental impacts under the RESEPAG II project have been limited, and safeguards performance has been moderately satisfactory. The Project was designed to avoid the financing of activities with significant negative environmental impacts and to promote environmental good practices such as reforestation and soil conservation.

Under Component 1, the main impacts observed relate to disposal of syringes from vaccinations and impacts from construction (occupational health and safety, noise, dust, waste, etc.). Under Component 2, impacts observed include inadequate sanitation in sub-projects (poor design of latrines) and clearing land of trees and shrubs for market gardening.

Mitigation measures were managed using the ESMF, under which Environmental and Social Management Plans (ESMP) were (and will continue to be) prepared to minimize, mitigate and manage these potential impacts. The syringes used in the rabies vaccination campaign of 400,000 dogs were appropriately destroyed (incineration) and levels of farm inputs (fertilizer) were kept low.

In the control of agricultural pests, the Project focused on integrated pest management: use of approved pesticides only; reduced reliance on synthetic pesticides; promotion of biological pest control; crop rotation; training of operators, etc. An Integrated Pest Management Plan (IPMP) as an annex to the ESMF was prepared to manage agrochemical use; only approved pesticides were used and a program for the biological control of mealybugs was started using natural predators.

The proposed AF would largely continue current activities. The AF would maintain the Environmental Category B rating in line with the classification of the parent project. The Project's existing ESMF, as well as the IPMP annex, will be updated to reflect new project activities as described in the Safeguards Action Plan.

For the implementation of the proposed AF, the RESEPAG II team of the Ministry would be enhanced through the addition of a dedicated, full-time, socio/environmental specialist.

Risk
<p>The overall risk of the Project is substantial. The main risks to achieving results and their respective mitigation are as follows: (i) <i>Political and Governance</i>. With successful presidential and legislative and local elections completed, political and governance risks are less salient. Nevertheless, the Bank will systematically assess risks during implementation and will adjust the implementation support plan in order to minimize potential disruptions to the Project; (ii) <i>Sector Strategies and Policies</i>. The sector remains very vulnerable to weather-related risks (as demonstrated by the devastation caused by Hurricane Mathew in the south), as well as a gamut of social and economic risks which may affect the outcome of the Project and/or put a strain on the Government's limited capacity and resources. The recent appointment of the new Government may also affect sectorial priorities and could impact the commitment to the current strategy supported by the Project. The Bank is closely coordinating its support to the MARNDR with the main donors in the agricultural sector to minimize these risks, including an increased focus on resilience under the farmer subsidy program; (iii) <i>Technical Design of the Project</i>. Despite streamlining activities, the Project continues to present policy, coordination and implementation complexities, particularly regarding its support to Sanitary and Phytosanitary (SPS) activities under Component 1, for which external advice is being provided to the Project. The Bank also has developed a new set of Monitoring and Evaluation tools to monitor and address implementation problems; (iv) <i>Institutional Capacity for Implementation and Sustainability</i>. The increase in complexity, scale and financial amount may affect the capacity for implementation and sustainability. The increased scale of the operation raises the fiduciary risks: a fiduciary assessment was undertaken at appraisal and an action plan agreed to strengthen the financial management and procurement capacity of the MARNDR in implementing the AF. The fiduciary performance will be monitored closely especially during the first year of implementation, when the peak in procurement activities is expected; and (v) <i>A climate and disaster risk screening</i> showed potential high risk in certain areas for flood, drought and hurricanes, although some of these risk factors will be mitigated through the Project.</p>

V. World Bank Grievance Redress

Communities and individuals who believe that they are adversely affected by a World Bank Group (WBG) supported project may submit complaints to existing project-level grievance redress mechanisms or the WBG's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WBG's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WBG non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

Annex 1: Results Framework and Monitoring and Evaluation

HAITI – Additional Financing to Relaunching Agriculture: Strengthening Agriculture Public Services II Project (P163081)

1. The table below compares the current results framework with the one proposed under the AF:

Original RESEPAG II	Proposed RESEPAG II AF	Justification of the change
PDO The PDO is to: (a) reinforce the capacity of the Ministry of Agriculture, Natural Resources and Rural Development to provide or facilitate access to services in the agricultural sector; (b) increase market access to small producers and food security in Selected Areas; and (c) provide financial assistance in the case of an Agriculture Sector Emergency.	Reworded. The new PDO is to: (a) reinforce the capacity of the Ministry of Agriculture, Natural Resources and Rural Development to provide or facilitate access to services in the agricultural sector; (b) increase market access to small producers and food security in Selected Areas; (c) improve livelihood in areas affected by Hurricane Matthew and (d) enable the Government to respond promptly and effectively to an eligible emergency.	PDO's wording is modified to reflect the additional objective to support livelihood in the regions most affected by Hurricane Matthew, through livestock restocking, restoration of conditions to produce selected crops, and cash-for-work activities.
Indicators of PDO		
Indicator 1. Performance of MARNDR in Sanitary and Phytosanitary (SPS) measures (Index Rating from gap analysis using methodology of World Organization for Animal Health)	No change.	
Indicator 2. Production increase by farmer subsidy scheme beneficiaries	Revised Value of production generated by the farmer subsidy scheme program	The initial indicator would not be representative of the Project results given that a majority of activities will involve a change of productions, not allowing a comparison of production before/after incentives; the value will be able to better capture the diversity of options offered with the farmer subsidy scheme.
Indicator 3. Increase in sales of the supported producer organizations (Aggregated million US\$)	No change	

Original RESEPAG II	Proposed RESEPAG II AF	Justification of the change
Indicator 4. Direct project beneficiaries (Disaggregated by gender)	Change of target	The new target reflects the additional direct beneficiaries expected with the Additional Financing.
	New sub-indicator Of which households affected by Hurricane Matthew that received support from the Crisis Response Window	This PDO sub-indicator is linked to the new objective <i>(c) improve livelihood in areas affected by Hurricane Matthew</i> in the revised PDO. It accounts for direct beneficiaries of the activities designed to restore assets lost as a consequence of hurricane Matthew (cash for work activities; winter 2016 and spring 2017 crop planting campaigns; beneficiaries of animals restocking schemes) and additional vouchers focused on resilient agriculture productions.
	New sub-indicator Of which beneficiaries in the Southern region	This PDO sub-indicator will help measure the total beneficiaries from the Southern region affected the most by the Hurricane Mathew; it includes also non CRW beneficiaries (original voucher and matching grant schemes implemented in the Department of Sud).
	No change (Disaggregated by Gender)	
	New Time taken to disburse funds requested by the Government for an eligible emergency	This indicator corresponds to the Emergency Response Contingency (ERC)
Intermediate Results		
Component 1. Agricultural support services		
1.1 a) Central Building; b) Polyvalent centers; c) Quarantine stations; et d) Laboratories; are built /	No change	

Original RESEPAG II	Proposed RESEPAG II AF	Justification of the change
rehabilitated, equipped and operational.		
1.2 Number of client days of training linked to SPS provided to epidemiological volunteers and private veterinarians.	No change	
1.3 Number of samples analyzed for the detection of the presence of diseases.	No change	
1.4 Number of cattle identified by the Project and included in the information system.	No change	
1.5 Number of Departments where producers have access to market information by SMS, community radio and/or by publication at all DDA and BACs.	No change	
1.6 Number of didactical material elaborated and diffused in the Project zone, classified by themes.	No change	
1.7 Agricultural Middle School is operational for at least 30 students.	Change of measurement type	The percentage measurement was not adequate. It is changed to yes/no
Component 2. Direct support to producers and associations		
2.1 Number of producers adopting improved technologies promoted by the Project	Change of target and wording Number of producers adopting improved <u>agriculture</u> technologies promoted by the Project	The target is revised to account for the additional beneficiaries of the farmer subsidy scheme under the AF, all of which will support climatic resilient productions. The threshold of female beneficiaries by type of instrument, already included in the PDO results indicator, was deleted to avoid redundancy. The wording is also slightly adjusted to read as the corresponding core indicator
2.2 Number of accredited suppliers of inputs and services in the targeted areas	Dropped	This indicator didn't correspond to results expected to be achieved by the Project. It related to some selection criteria for suppliers to participate in the farmer subsidy scheme of the

Original RESEPAG II	Proposed RESEPAG II AF	Justification of the change
		Project. The number of participant suppliers will however continue to be monitored.
2.3 Increase in productivity of the farmer subsidy scheme beneficiaries	Dropped	The initial indicator would not be representative given that a majority of activities will involve a change of productions not allowing a comparison of production before/after incentives.
	New Number of hectares restored or converted to agroforestry productions by the Project	This indicator captures the result of the new farmer subsidy scheme aimed at improving the resilience of agricultural productions.
2.4 Number of client days of extension services provided to producers, members of producer organizations, different than SPS training.	Change of target	The target of this indicator is increased in accordance with the increase in the number of producers benefiting from the Project (livestock packages and vouchers on climatic resilient production).
2.5 Satisfaction rate of participants of the farmer field schools.	No change	
2.6 Percentage of producer organizations having an operational investment at least 12 months after its completions.	No change	
2.7 Percentage of sub-projects that are sensitive to a) gender; b) environment; or c) nutrition.	No change	
	New Area provided with new/improved irrigation or drainage services in Southern Departments by the Project	This core indicator reflects the new activities on irrigation in the Southern region, aimed at restoring and increasing the resilience of irrigation infrastructure against future climatic disasters
Component 3. Emergency Response Contingency		
No indicator		
Component 4. Institutional strengthening, monitoring and evaluation, project management and studies		
No indicator		

Original RESEPAG II	Proposed RESEPAG II AF	Justification of the change
	New Number of agricultural producers registered in the MARDNR registry	The Ministry needs to have the maximum number of farms registered in its database in order to better design, implement, and monitor agriculture programs, in particular for disaster preparedness and response.

Monitoring & Evaluation

2. The RESEPAG II Project implementation unit has assigned one person to manage the Monitoring & Evaluation aspects, working in close collaboration with staff involved in all other project activities. The MARNDR team benefited from the support of a WBG M&E expert in early 2015 who helped develop a framework defining and guiding the monitoring of each indicator. Progress is being reported annually at the end of April. With some key project activities about to start like the farmer subsidy program of the original project, and the new activities to be developed with the Additional Financing, additional support will be needed to refine and/or develop methodologies to measure criteria for selected indicators, so as to ensure the soundness and coherence of data reported. Indicators requiring a baseline to measure improvements, e.g. production and productivity increase, would need to have their methodologies refined/developed.

Table 1.2: Adjusted Results Framework

Project Name:	Relaunching Agriculture – Strengthening Agriculture Public Services II Project - Additional Financing (P163081)		Project Stage:	Additional Financing	Status:	DRAFT
Team Leader(s):	Norman Piccioni Caroline Plante	Requesting Unit:	LCC8C	Created by: Pierre Olivier Colleye on 13-Feb-2017		
Product Line:	IBRD/IDA	Responsible Unit:	GFA04	Modified by: Caroline Plante on 27-Apr-2017		
Country:	Haiti	Approval FY: 2017				
Region:	LATIN AMERICA AND CARIBBEAN	Lending Instrument: Investment Project Financing				
Parent Project ID: P126744		Parent Project Name: Relaunching Agriculture – Strengthening Agriculture Public Services II				

Project Development Objectives	
<p>Original Project Development Objective – Parent:</p> <p>To (a) reinforce the capacity of the Ministry of Agriculture, Natural Resources and Rural Development to provide or facilitate access to services in the agricultural sector; (b) increase market access to small producers and food security in Selected Areas; and (c) provide financial assistance in the case of an Agriculture Sector Emergency.</p> <p>Proposed Project Development Objective – Additional Financing (AF)</p> <p>To (a) reinforce the capacity of the Ministry of Agriculture, Natural Resources and Rural Development to provide or facilitate access to services in the agricultural sector; (b) increase market access to small producers and food security in Selected Areas; (c) improve livelihood in areas affected by Hurricane Matthew and (d) enable the Government to respond promptly and effectively to an eligible emergency.</p>	
Results	
Core sector indicators are considered: Yes	Results reporting level: Project Level

Project Development Objective Indicators							
Status	Indicator Name	Core	Unit of Measure		Baseline	Actual (Current)	End Target
No change	1- Performance of MARNDR in Sanitary and Phytosanitary (SPS) measures (Index Rating from gap analysis using methodology of World Organization for Animal Health)	<input type="checkbox"/>	Percentage	Value	30	-	60
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			The indicator will be measured at the end of the Project
Revised	2- Value of production generated by the farmer subsidy scheme (Aggregated million US\$)	<input type="checkbox"/>	Amount (USD)	Value	0	0	30
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			The value estimated corresponds to the total value of productions established in beneficiary farms
No change	3- Increase in sales of the supported producer organizations (Aggregated million US\$)	<input type="checkbox"/>	Amount (USD)	Value	0	0	10
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
No change	4- Direct project beneficiaries	<input checked="" type="checkbox"/>	Number	Value	0	19,114	60,000
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment		This includes the 11,669 beneficiaries from matching	This would include the initial 19,000 beneficiaries

						grants (9113) and SPS (2256) and 7447 beneficiaries from emergency operations conducted in the Sud for the winter planting season.	(8,000 vouchers, 10,500 matching grants, 500 SPS), and 41,000 new beneficiaries (7,000 with vouchers for climatic resilient production, 6,000 livestock producers, 20,000 cash for work, and 8,000 winter and spring crop planting)
	Of which female beneficiaries	<input checked="" type="checkbox"/>	Number	Percentage	0	35	40
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment		This corresponds to 4,315 women out of 11,669 beneficiaries from matching grants and SPS and 2,119 women out of 7,445 beneficiaries from emergency winter	This new target is based on respective targets established for the beneficiaries of the different project instruments (30% in general, except for SPS where no target is established, FSV (50%), and

						operations	livestock (80%)
New	Of which households affected by Hurricane Matthew that received support from the Crisis Response Window (Disaggregated by gender)	<input type="checkbox"/>	Number	Value	7,445	7,445	41,000
				Date	13-Jan-2017	13-Jan-2017	31-Dec-2019
				Comment		4,415 persons received cash-for work and 3,060 producers received seeds, inputs and services for the winter planting campaign 2016	Related to direct beneficiaries of (i) cash-for-work activities (20,000), (ii) livestock packages (6,000), (iii) emergency support to winter and spring planting campaigns (8,000), and (iv) resilient vouchers schemes for agricultural production (7,000)
New	Of which beneficiaries in the Southern region (Disaggregated by gender)	<input type="checkbox"/>	Number	Value	11,195	11,195	50,500
				Date	13-Jan-2017	13-Jan-2017	31-Dec-2019
				Comment		These corresponds to the 7,445 beneficiaries of financed by the AF Grant and 3750	Includes beneficiaries financed by the AF Grant (41,000), as well as original voucher and

						beneficiaries from the matching grant scheme in the Dept of Sud	matching grant schemes in the Department of Sud (4,000 and 5,500)
New	5- Time taken to disburse funds requested by the Government for an eligible emergency	<input type="checkbox"/>	Number (weeks)	Value	N/A	N/A	4.00
				Date	13-Jan-2017	13-Jan-2017	31-Dec-2019
Intermediate Results Indicators							
Status	Indicator Name	Core	Unit of Measure		Baseline	Actual (Current)	End Target
No change	1.1. a) Central Building; b) Polyvalent centers; c) Quarantine stations; et d) Laboratories; are built / rehabilitated, equipped and operational.	<input type="checkbox"/>	Number	Value	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 1 b) 4 c) 5 d) 3
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
No change	1.2. Number of client days of training linked to SPS provided to epidemiological volunteers and private veterinarians.	<input type="checkbox"/>	Number	Value	0	8,986	6,600
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
No change	1.3. Number of samples analyzed for the detection of the presence of diseases.	<input type="checkbox"/>	Number	Value	0	0	96,000
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
No change	1.4 Number of cattle identified by the Project and included in the information system	<input type="checkbox"/>	Number	Value	0	0	250,000
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
No change	1.5 Number of Departments where producers have access to market	<input type="checkbox"/>	Number	Value	0	0	4
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019

	information by SMS, community radio and/or by publication at all DDA and BACs.			Comment			
No Change	1.6. Number of didactical material elaborated and diffused in the Project zone, classified by themes.	<input type="checkbox"/>	Percentage	Value	0	0	20
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
Revised (measurement)	1.7 Agricultural Middle School is operational for at least 30 students.	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
Revised (wording and target)	2.1. Number of producers adopting improved agriculture technologies promoted by the Project.	<input checked="" type="checkbox"/>	Number	Value	0	0	15,000
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			This includes the original 8,000 farmer subsidy scheme beneficiaries, and the 7,000 additional ones
Dropped	Number of suppliers of inputs and services habilitated in the targeted areas.	<input type="checkbox"/>	Number	Value	0	0	200
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
Dropped	Increase in productivity of the voucher beneficiaries.	<input type="checkbox"/>	Percentage	Value	0	-	25
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
New	2.2. Number of hectares restored or converted to agroforestry productions by the Project.	<input type="checkbox"/>	Number	Value	0	0	2,500
				Date	13-Jan-2017	13-Jan-2017	31-Dec-2019
				Comment			

Revised (target)	2.3. Number of client days of extension services provided to producers, members of producer organizations, different than SPS training.	<input type="checkbox"/>	Number	Value	0	1200	21,500
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment		These correspond to training received for matching grant schemes beneficiaries	19,500 client days of training would be provided to voucher recipients (15,500 in Sud, 4,000 in Centre) and 2,000 to the matching grant beneficiaries (800 in Sud, 1,200 in North/NE)
No change	2.4. Satisfaction rate of participants of the farmer field schools.	<input type="checkbox"/>	Number	Value	0	-	75
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
No change	2.5. Percentage of producer organizations having an operational investment at least 12 months after its completions.	<input type="checkbox"/>	Percentage	Value	0	-	75
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
No change	2.6. Percentage of sub-projects that are sensitive to a) gender; b) environment; or c) nutrition.	<input type="checkbox"/>	Percentage	Value	0	83	60
				Date	01-Apr-2012	13-Jan-2017	31-Dec-2019
				Comment			
New	2.7. Area provided with new/improved irrigation or drainage services in Southern Departments by the Project.	<input checked="" type="checkbox"/>	Number	Value	0	0	3,500
				Date	13-Jan-2017	13-Jan-2017	31-Dec-2019
				Comment			This would correspond to the following

							areas (Les Anglais, 400 ha; Avezac, 1500 ha; Dory, 550 ha; Dubreuil, 1000 ha; Melon, 50 ha)
New	4.1. Number of agricultural producers registered in the MARDNR registry.	<input type="checkbox"/>	Number	Value	14,000	14,000	150,000
				Date	13-Jan-2017	13-Jan-2017	31-Dec-2019
				Comment			Registry to include farmers data, including SIG, size, and productions. Around 70,000 producers in the Sud, 42,000 in Grande-Anse, and 38,000 in Nippes will be registered.

Annex 2: Detailed Description of the AF Activities

HAITI – Relaunching Agriculture: Strengthening Agriculture Public Services II Project (P163081)

This AF was developed in partnership between the Bank and MARNDR officials. It was built on the Damage, Loss and Needs Assessment (DaLA) report that was supported by the Bank, and developed in line with the agricultural sector's recovery plan of MARNDR.

Activities planned by the AF will be complementary to the activities already included in RESEPAG II for the Department of Sud, and will add new activities related to livestock production and irrigation/water resources management. These RESEPAG II activities (farmer subsidy scheme and matching grants) were flexible in their design and would also be adapted to better cope with the situation post Hurricane Matthew. The interventions to be financed by this AF will be carried out in complementarity with the activities supported by other donors.

General information on RESEPAG II-AF activities

Activities included in this AF will aim at reconstructing productive assets using more resilient approaches in the areas affected by the hurricane, positively impacting farmers' incomes and food security. This will include an intensification of high commercial and high nutritional value agricultural production in the plains within the irrigated perimeters to be rehabilitated; the plantation of tree crops, and other soil fixing vegetal material in the watersheds dominating the plains whose tree and vegetative soil cover has been affected by the cyclone in order to avoid further erosion; and the strengthening of resilience to extreme climatic events while generating revenues to the population. The interventions will build or restore economically relevant agroforestry systems that promote soil regeneration and water retention and improve the protection of irrigated plains, rivers and residential areas downstream against erosive phenomena. The activities will also assist in the recovery of productive animal population assets that were severely impacted by the hurricane.

The AF will finance two categories of activities: (i) activities carried out in the aftermath of the hurricane aimed at providing a rapid support to affected farmers to secure the winter and spring crop planting campaigns and contribute to clean/provide quick and simple repairs to infrastructures such as irrigations canals or access routes in the same areas and (ii) activities supporting the rehabilitation/reconstruction phase, aimed at addressing resilient production in the medium to longer term.

The AF would also provide financing under Component 4 to cover additional costs of supervision, monitoring and evaluation, financial, procurement and safeguards management related to the above mentioned activities, as well as provisions for studies and improved data collection. The AF would not affect or contribute to Component 1 of the original Project.

Component 2: Direct Support to Producers and Associations (US \$ 31.1M)

Three main activities will be supported: (i) an agricultural subsidy mechanism using the ongoing farmer subsidy scheme model proposing resilient “technical packages”; (ii) activities to enhance irrigation systems/water resources management; and (iii) restocking productive animals. Investments under (i) and (ii) will be concentrated in the Department of Sud, while (iii) will be

implemented in both the Departments of Sud and Grande-Anse. One study aimed at increasing the number of farmers registered in the national registry will be implemented in the departments of Sud, Grande-Anse and Nippes.

These mechanisms will be implemented as part of the government's strategic approach linking irrigated agricultural intensification areas with the dominant catchment areas around production chains and more resilient agricultural systems.

In addition, following Hurricane Matthew, RESEPAG II responded to a need expressed by farmers and MARNDR to support a rapid restart of agricultural activities for the winter and spring agricultural campaigns in the main irrigated perimeters of the Department of Sud. These activities were critical to reduce risks of food insecurity by restoring productive assets of farmers and ensuring the supply of quality seeds to the Department of Sud. Two main activities were used under this component: a simplified subsidy scheme and cash-for-work activities.

Sub-component 2.1: Farmers Subsidy Scheme (US\$ 12.4M)

In the immediate aftermath of the Hurricane Matthew, a simplified subsidy mechanism for farmers around technical packages has been used to revive annual (short cycle) crop production, prioritized by the MARNDR on the basis of their food and nutritional security impact. This mechanism was used in order to be able to organize agricultural campaigns under very short timeframes while providing sufficient guarantees of technical and fiduciary compliance.

In the mountainous areas that dominate irrigated areas, agricultural voucher based subsidy mechanisms will be used to support resilient agroforestry technical packages and small equipment to improve producer services (plowing, small-scale irrigation), but also the conditions of drying and storage of certain commodities. These technical packages will aim to ensure food production while improving soil and water management. These will contribute to restore the condition of watersheds affected by the cyclone, and to improve farming practices with a view to increase farmers' incomes, and food and nutrition security through greater diversification. These agroforestry systems will be staggered and diversified, and will combine cash crop production and food production by using priority sectors such as cocoa, coffee, yam, banana, avocado, mango, breadfruit, and citrus.

The mechanism for subsidizing technical packages has already been tested under RESEPAG I and other projects supporting the agricultural sector and carried out by other donors, and has served to inform the design of this activity under RESPAG2. A manual developed jointly by all actors and regularly updated serves as a reference guide to the implementation of these technical packages. Additional studies will complement and adapt this manual and specify areas of intervention according to priorities and opportunities. The AF will scale up the provision of vouchers under this component. It will broaden its current geographical scope within the Department of Sud, using the same delivery mechanisms as the parent project reaching an additional 7,000 beneficiaries, but with a stronger focus on climate resilience (i.e. introduction of “paquets techniques” for the proliferation and in some cases piloting of such resilience agricultural technologies/practices as the creole garden, mulching, conservation agriculture, multi-cropping, hedging, agro-forestry, water harvesting, etc.). In coordination with the main donors, the Project may also pilot new administrative procedures and technologies for the voucher based subsidy scheme, such as bar

code cards for the producers, so as to enhance remote monitoring of the activities, streamline/computerize the approval process and generally improve efficiency.

The AF will also finance additional tools for MARNDR. The AF proposes to provide the UEP (Studies and Planning Unit) with analytical tools that will make it possible to respond more effectively and quickly to future emergencies. The AF will also be used to supplement the national registry of farmers, not only for the identification and monitoring exercise of the farmers concerned by the AF but also for all farmers in the three department of the “Grand Sud”. This national register has proved to be an extremely valuable tool for the Ministry and its partners when organizing emergency support in the Sud, and is a necessary tool for the Ministry to better carry out analysis, planning and support programs. It is currently covering only 14,000 producers in the Department of Sud, which has limited the interventions of the Ministry following the Hurricane. By the end of the Project, 150,000 producers from the three departments of Grande-Anse, Nippes and Sud are expected to be registered.

Sub-Component 2.2: Market Support Facility (US\$ 0.7M)

The AF will cover the extra cost required to extend the contract of the matching-grant operator that was contracted under RESEPAG II in the Department of Sud prior to hurricane Matthew. The disaster required the activities to be stopped and implies a reorganization of the contractor activities, staffing requirements and modification of the timeline. This will allow a new diagnostic to be conducted of the situation and for criteria of selection under the post-cyclone context to be adapted. An extension of the submission deadlines for sub-projects to be presented by producer organizations located in the most affected areas is expected.

Sub-Component 2.3: Restoring livestock assets (US\$ 3.8M)

Livestock losses have been severe in the zones affected by Hurricane Matthew. In the departments of Sud, Grande-Anse, and Nippes, it was estimated that around 2 million poultry, 100,000 cattle, 350,000 goats, 163,000 pigs, and 23,000 equines died. Small livestock (poultry and goats) was impacted the most with up to 80 to 90 percent mortality reported while larger livestock (cattle, horses, donkeys and pigs) resisted better with losses ranging between 30 to 50 percent. Beehives were generally destroyed. In Haiti, the vast majority of animals is raised in small scale, resilience-oriented, mixed agriculture-livestock systems, with very limited inputs or interventions. These animals fulfill a number of important functions in particular for poor rural families, such as draught power for agriculture production, transport of good and persons, savings (animals sold to pay health or education costs), and animal source food production. Small stock like poultry and goats are usually managed by women, and are critical for the resilience of rural households. In addition to the production of honey, bee-keeping also fulfil an important function in flowers and fruit-trees reproduction, essential in the context of restoration of ecosystems.

The AF would contribute to restore part of livestock assets lost. Small stock (goats, poultry) and bee-keeping would be prioritized given their critical role for poor rural households and functions on ecosystems. The most severely affected Western region delimited by the road Les Cayes-Roseau in the departments of Grande-Anse and Sud would be targeted in priority. A pre-selection of communes, minimum criteria for the selection of beneficiaries, and animal packages, will be made by the Project coordination unit, in close cooperation with the Directorate for Animal Production and the Directors of the Sud and Grande-Anse Departmental Agriculture Directorates

(DDA). Poor women beneficiaries would be prioritized, in particular for the poultry and goat packages. Animal packages would consist of a set of interventions including basic training of beneficiaries on good animal husbandry practices (housing, feeding, vaccination and antiparasitic treatments, animal reproduction), on nutrition and food safety (animal products harvesting and storage; value of goat milk, eggs, etc.), production of forage and preparation of enclosures (for goat keeping), provision of beehives and protective equipment (for bee-keeping). Around 6,000 poor households are expected to benefit from this support.

The AF will finance the hiring of an operator with adequate technical and managerial experience in this sector who will be in charge of facilitating the process of selecting beneficiaries based on minimum criteria set by the Ministry of Agriculture, organizing the trainings, procuring and providing small equipment, acquiring the animals from a network of providers throughout the country, distributing the animals to the beneficiaries and monitoring their management.

Sub-Component 2.4: Restoring water (irrigation) infrastructures (US\$ 11.1M)

In the immediate aftermath of Hurricane Matthew cash-for-work activities were implemented to deal with basic cleaning and rehabilitation operations, complementing these agricultural campaigns. This answered a dual purpose of restoring irrigation services to guarantee the harvests and also to provide a quick cash contribution to the local populations affected by the hurricane.

Interventions under this sub-component will aim at reinforcing and rehabilitating existing irrigation systems in selected areas in the Department of Sud, in order to ensure more cost-effective and resilient systems. This will mainly involve rehabilitating water catchments, protecting river banks, stabilizing gullies that threaten perimeters, restoring punctual sections of canals and drains, protecting infrastructures against erosion and flash floods (e.g. bridges and access roads) and improving access routes to irrigation infrastructures.

The rehabilitation activities on the main irrigated perimeters will be defined on the basis of studies of systems that are being financed by the Bank, in consultation with the Directorate of Agricultural Infrastructure, in particular the on-going Bank Analytical Study about prioritization of investments in irrigation sub-sector (P161646). Studies also include the assessment of the rehabilitation needs, prioritization and characterization of the future areas of intervention, conducted by the DIA (Direction des Infrastructures Agricoles) and the DDAS (Direction Départementale Agricole du Sud) which should be completed by the end of June 2017.

The more complex works requiring specialized technical expertise will be carried out by experienced civil works firms and will be supervised by another firm entrusted with the realization of preliminary studies and works oversight. This will secure long-term irrigation and drainage services with an enhanced resilience to extreme events. For simpler works, a community-based approach will be promoted using a labor-intensive workforce “cash-for-work” type program for which MARNDR has some experience and has reference manuals. An operator will be hired, and will ensure, jointly with the DDA Sud and the DIA, the overseeing of these cash-for-work activities. It is expected that more than 5,000 ha of agricultural production land will benefit from the restored and consolidated irrigation systems under the AF, which will also allow the implementation of the extended voucher scheme program. This will correspond to the larger irrigated area of the Department of Sud. The sub-component will finance: (i) feasibility studies and prioritization exercises to be carried out in consultation with the local communities; (ii) a cash for

work program, including an operator to administer and provide technical support to the activity, payment to laborers, equipment and tools, for small-scale and labor-intensive rehabilitation works (off-farm infrastructures); (iii) contracts of civil works for rehabilitation works (off-farm infrastructures) and; (iv) supervision activities, technical assistance to the water users' organizations for operation and maintenance and monitoring and evaluation.

Component 4: Institutional Strengthening, Monitoring and Evaluation, Project Management and Studies Services (US\$ 3.9M).

This component will not change in its design. However, to take into account the increased technical and geographical scope, and the increased in financial resources, additional allocation are being considered for the coordination, supervision, monitoring and evaluation of activities. This will include financial provisions for additional staff, consultancies, office and transport equipment, training activities, and studies. These studies will primarily focus on strengthening MARNDR's capacity to prepare for, and react to, disasters.

Annex 3: Executive Summary for Project Procurement Strategy Development (PPSD)
HAITI – Relaunching Agriculture: Strengthening Agriculture Public Services II Project
Additional Financing (P163081)

General: Procurement will be carried out in accordance with the “World Bank Procurement Regulations for Borrowers under Investment Project Financing (IPF)” dated July 1, 2016. As per the requirements of the World Bank’s New Procurement Framework, the first draft of a comprehensive Project Procurement Strategy for Development (PPSD) was carried out and identified the appropriate selection methods, market approach and type of review by the WBG for the high risk and value contracts that will be executed during the implementation of the Project. The objective is to improve procurement efficiency. Most activities under the proposed Project will be carried out through National or International Competition. An acceptable Procurement Plan was also prepared. Procurement arrangements for the Contingency Emergency Response Component are described in the Operational Manual. For International Competition, in addition to WBG Standard and Sample Bidding Documents, the MARNDR will use standard bidding documents agreed with the CNMP (*Commission Nationale des Marchés Publics*).

Project Procurement Development Objectives (PPDO): To increase procurement efficiency and ensure value for money that contributes towards enhancing livelihood in the regions most affected by Hurricane Matthew in the Grand South Region.

Project Procurement Result Indicators: The following indicators will measure the achievement of the PDO: i) bidding processes initiated as per Procurement Plan with no substantial delays and no rebidding, ii) no substantial cost and time overrun of the contracts; and iii) successful implementation of key performance indicators in the key contracts.

Procurement institutional Arrangements: Procurement and contract management implementation will be the responsibility of the MARNDR with the coordination of the parent project RESEPAG II. Project implementation teams have been established. The Project implementation teams will be supported at departmental and local levels to be responsible for overall Project coordination and reporting. The UPMP (*Unité de Passation des marchés publics*) will be responsible to ensure proper quality of the design, procurement and construction management and supervision.

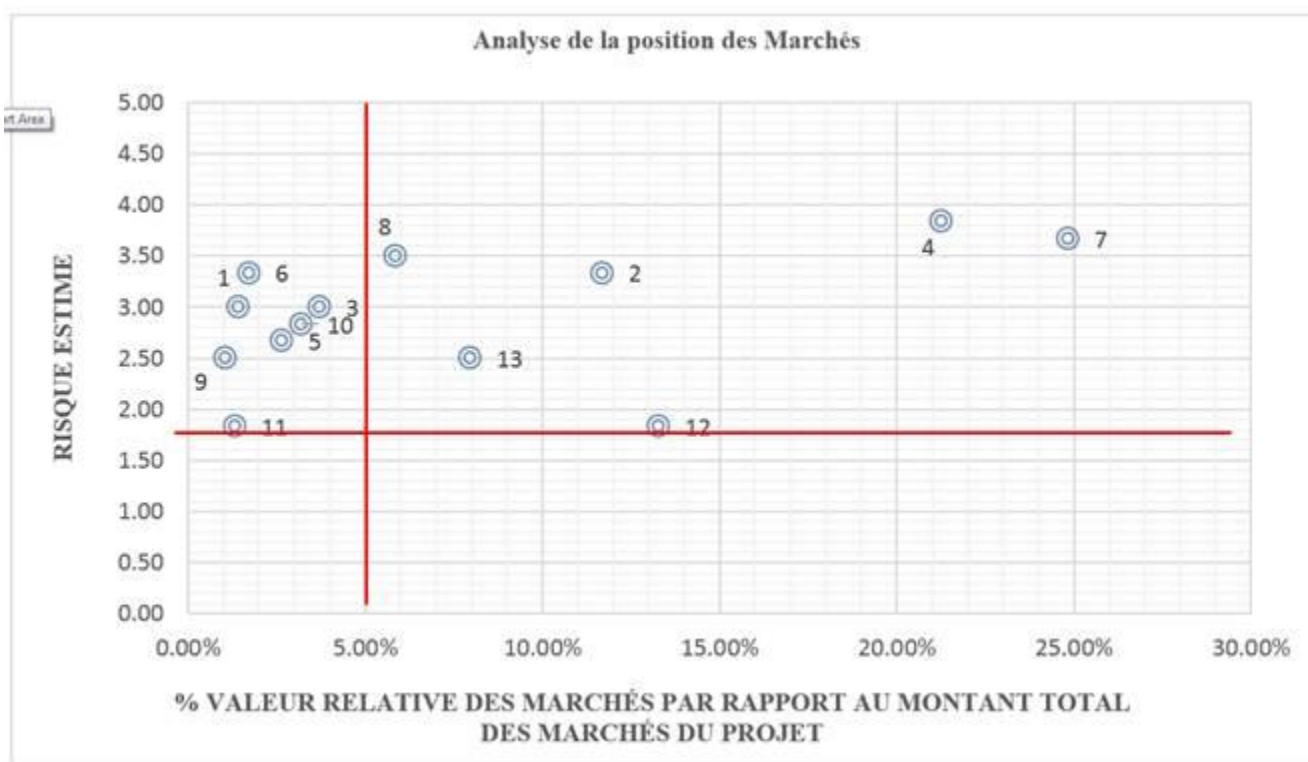
MARNDR Capability and PIU (Project Implementing Unit) Assessment: Project implementation will be the responsibility of UPMP and the Coordination of the existing project RESEPAG II and of the MARNDR which will be responsible for procurement, contract management, financial management, disbursement, safeguards, and monitoring and evaluation. Project implementation teams have been established. The project implementation teams will be supported by UEP (*Unité d’Etudes et de Programmation*), les DDA (*Directions Départementales de l’Agriculture*), les TCDA (*Tables de Concertation Départementales Agricoles*) at the local level. The PIU will be responsible for overall Project coordination and reporting, including monitoring compliance with safeguards, fiduciary, legal and other covenants. It is envisaged that the coordination of RESEPAG II will take the lead on the institutional strengthening and capacity building.

PIU staff have limited experience in handling contracts financed by the World Bank. The Bank’s Procurement Framework (NPF) is also new and procurement staff involved in the Project will be

trained on the different features of NPF and STEP. Indeed, one more full time procurement staff will be appointed to help UPMP manage its workload. Additionally, short term consultant experts will be used to reinforce UPMP for better efficiency and improve its capability in the management of large and complex contracts, when required. Field staff passing and managing the contracts need comprehensive training in the new regulations, STEP and contract management. The Bank will provide also hands on implementation support for ensuring that procurement packages have been efficiently delivered in the attainment of the PPDO.

Procurement risks analysis : Key procurement risks are follows: (i) weak capacity of the implementing agency in procurement and management of large contracts; (ii) a high risk and weak control environment as Haiti's ability to manage public resources is undermined by a volatile and sensitive environment, as well as instability and outdated practices; (iii) a limited local market with only a few regional/international bidders that have the required experience, which may result in less competition and higher bid and consulting services prices; (iv) delays in implementation due to the overall context conditions in Haiti; and v) delay in implementation from the Bidder's side and time/cost over-runs. Based on the overall assessment of the implementing agency and the information available on the procurement environment in Haiti, the overall procurement risk is judged to be high.

Market Analysis: Owing to the economic conditions and instability of the country, the possibility of attracting big reputable international companies could be limited. The supply positioning aimed at determining the high and value contracts is shown below:



(The legend to the graphic describes the contracts to which the numbers refer)

However, communicating/consulting with the potential bidders would be important to have national competition, as domestic preference will be the preferred approach for some specific programs.

Key procurement under the project: The total value of the additional financing is US\$ 35 million, of which high risk contracts amount to US\$ 26.93 million, or approximately 77 percent of the total financing. These contacts comprise procurement of works (US \$4.33 million), goods and non-consulting services (US \$20.6 million) and consulting Services (US \$ 2 million).

The key procurement contract table is shown below.

Type of procurement	Prior review High Risk Contracts (US\$ million)	Percent of Total Value High Risk Contracts (%)
Works (rehabilitation of identified complex irrigation infrastructures, small works execution related to the RAP)	4.67	17
Goods and Non-Consulting Services (Restoring small livestock assets subsidy, technical packages “Paquets techniques” vouchers; labor intensive works for Cash for work)	20.6	76
Consulting Services (Engineering Studies prior to the execution of complex rehabilitation of irrigated infrastructures works),	2.00	7
Total	27.27	100

- (1) **Works:** The rehabilitation of existing irrigation systems in selected areas in the “*Grand Sud*” region, labor-intensive rehabilitation works and potential minor reinstallation for the execution of the RAP/EMS are civil works anticipated under Component 2 to be implemented by the MARNDR. These works will be executed after the completion of the feasibility studies. As per the PPSD, the appropriate procurement method will be selected and mentioned in the procurement plan.
- (2) **Goods and Non-Consulting Services:** The Project will finance resilient agroforestry technical packages (“*paquets techniques*” and small equipment) to improve farming practices with a view to increase farmers' incomes; small livestock assets (goats and poultry packaging and animal husbandry training) for restoring livelihood of eligible poor rural families; Cash for Works (labor-intensive rehabilitation works, small equipment and others materials). These assets will be distributed to the eligible beneficiaries by three different operators in charge of the operationalization and management of the subsidy programs.
- (3) **Selection of Consultants:** There are a few important consultancy services under Components 2 and 4 for which consulting firms will be hired for: the data collection and registration of new eligible beneficiaries (farmers and suppliers of inputs and agricultural services) in the national “SIGI” registry; and conducting engineering studies prior to the execution of the complex irrigating works. As per the PPSD, for high risk value contracts, the appropriate procurement

methods and market approach will be selected.

Summary of the Procurement Plan: As per the PPSD, the table below summarizes the key high risk value and prior review contracts for the proposed AF.

#	Contract Description	Budget Estimate Million US\$)	Procurement method	Bank's Review (Prior / Post)
1	Works	4.33		
1.1	Selection of Contractor for the execution works of rehabilitation of identified complex irrigation infrastructures	4.33	RFB	Prior
2	Goods and Non Consulting Services	20.6		
2.1	Operator Selection for managing the Labor Intensive Works program through Cash for Work program (Execution of the Labor Intensive for the minor repairing and protections of irrigation infrastructures through Cash for Works)	5.5	RFP	Prior
2.2	Operator Selection for managing Farmers Subsidy through Voucher program (Resilient agroforestry technical packages “ <i>Paquets techniques</i> ” labor services and small equipment supplies)	11.3	RFP	Prior
2.3	Operator Selection for managing Small livestock assets program (goat and poultry and animal husbandry training program) packages with acquisition of small equipment, materials and supplies	3.8	RFP	Prior
3	Consulting Services	2.00		
3.1	Consultancy for a Data Collection in the <i>Grand Sud</i> Region and registration of new eligible farmers in the “SIGI” database after the Hurricane Matthew	1..5	QCBS	Prior
3.2	Consultancy for engineering studies prior to the execution of complex rehabilitation of irrigated infrastructure works	0.50	QCBS	Prior
Total		26.93		

Procurement and Prior Review Thresholds: The Procurement Plan shall set forth contracts that shall be subject to the World Bank’s Prior Review for high risk environment. All other contracts shall be subject to Post Review by the World Bank.

Spending category	Contract value (threshold) Thousand US\$	Procurement method	Contracts subject to prior review by the Bank
1. Work	>3,000	RFB	All
2 Goods	>500	RFQ	All
3. Consultants 3. A National Firms	> 300	QCBS / QBS	>200

Annex 4: Climate Co-Benefits and Net Carbon Balance Analysis

HAITI – Relaunching Agriculture: Strengthening Agriculture Public Services II Project (P126744)

1. ***Climate Co-Benefits and Net Carbon Balance.*** There are a number of climate co-benefits under Component 2. Since the investments are diverse across regions and beneficiaries, it is not possible to precisely assess the percentage of climate co-benefits prior to approval. However, considering the types of investments likely to interest beneficiaries, 60 percent of the financing for Component 2 (or around US\$17.0 million) is expected to generate climate co-benefits (related to adaptation and mitigation). The results for an analysis period of 15 years show that the Project constitutes a carbon sink of 1.9 million tCO₂-eq. This is largely due to the avoidable emissions from climate smart agricultural practices, restoration of perennial systems and Land Use Change (LUC) to more favorable production systems. The major Green House Gas (GHG) impact identified with the Project will come primarily from the livestock and from agricultural inputs.
2. **The Ex-Ante Carbon Balance Tool (EX-ACT) developed by the Food and Agriculture Organization of the United Nations (FAO) was used to calculate the Net Carbon Balance for the Project.** EX-ACT allows the assessment of a project's net carbon-balance, defined as the net balance of CO₂ equivalent GHG that were emitted or sequestered as a result of project implementation compared to a without project scenario. EX-ACT estimates the carbon stock changes (emissions or sinks), expressed in equivalent tons of CO₂ per hectare and year. For example, a project that supports activities that increase GHG emissions (such as expanded fertilizer use) could, through the adoption of improved land management practices, contribute to soil carbon sequestration, therefore, creating a carbon sink, with positive mitigation effects.

Application of EX-ACT

3. **Project boundaries.** The GHG accounting considers: (i) the rehabilitation of gravity irrigation infrastructure which contemplates an area of 5250 ha; (ii) the support to agricultural production through the implementation of climate smart agricultural practices and agroforestry support in approximately 15,000 ha; and (iii) restocking of livestock to 2,000 families households with five chickens (10,000 total) and 6,000 families with four goats (24,000 total).
4. **Data source.** The main sources of data used to carry out the analysis include information generated in the Economic and Financial Analysis, as well as detailed technical studies provided by the Ministry of Agriculture. The studies provide, amongst others, a detailed assessment on the technical packages on crop, agroforestry, forest restoration and livestock production in agricultural activity that will be supported by the Project. The specific inputs to EX-ACT are provided at the end of the report.
5. **Basic assumptions.** Haiti has a tropical climate and moist regime. The dominant soil type is Low Activity Clay soil. The implementation of the Additional Financing phase is two years and the capitalization phase is assumed to be 13 years, thus the analysis period is set for a total of 15 years. The “without project scenario” is assumed not to differ from the “initial scenario”. This default assumption is deemed reasonable as changes in agricultural activity crucially depend on the technology available, which is a contribution of the Project. The analysis further assumes the

dynamics of change to be linear over the duration of the Project. Existing production techniques are assumed to be replaced by the introduction of climate smart agricultural practices over the Project area.

6. **Crop production.** A large share of cultivated land is under annual crops. The rehabilitation of surface irrigation will allow the adoption of “improved water management”. Furthermore, the technical packages proposed for both annual and perennial systems incorporate “improved nutrient management”, which are accounted for in EX-ACT. It is expected that some changes in cropping patterns may be promoted including production of annual crops to perennial, intercropping patterns as well as an increase in cropping intensity. In the latter case, more intensely used cropping, this is indicated in EX-ACT through the selection of “improved agronomic practices”. All management options are available in the EX-ACT module “Crop production”.

- The total area and type of climate smart practices that will be employed for annual crops are shown below.

Crop	Management options						Area (ha)
	Improved agronomic practices	Nutrient mgmt.	No till & residue retention	Water mgmt.	Manure application	Residue mgmt.	With project
Haricot (beans) irrigated	Yes	yes	Yes	yes	No	retained	3100
Haricot (beans) rainfed	Yes	yes	Yes	no	No	retained	565
Maize irrigated	Yes	yes	Yes	yes	No	retained	575
Maize rainfed	Yes	yes	Yes	no	No	retained	1,000
Vegetables irrigated	Yes	yes	Yes	no	No	retained	1,575
Vegetables rainfed	Yes	yes	Yes	yes	No	retained	1,219
Total Area							8,034

- The total area and type of climate smart practices that will be employed for perennial crops are shown below.

Perennial Crop	Residue burning?	Area (Ha)	Land use change expected
Coffee	No	1,120	Yes, 70% (784 ha) restoration of existing perennials and 30% (336) associated to land use change
Cacao	No	2,632	Yes, 73% (1932 ha) restoration of existing perennials and 27% (700 ha) associated to land use change
Plantains	No	840	Yes
Forage (Elephant grass)	No	2,465	Yes
Total Area (ha)			7,057

- The rehabilitated irrigation schemes will cover 5250 ha of agricultural land, of which most are under annual crop production, including amongst others maize, beans, and vegetables crops. With the Project scenario, the cropping intensity is expected to increase and promote

intercropping between maize/beans and maize/vegetables (onions, carrots, tomatoes, bell peppers or beets).

7. **Land use change.** The Project contemplates an improved cultivation on existing coffee and cocoa tree farming plantations as well as a conversion from of crop land, grassland, set aside, degraded and other lands to coffee, cocoa, plantains and forage systems. It is assumed that cocoa and plantains will be intercropped. Overall perennial production will be improved on 2,716 ha and newly planted on 4,341 hectares land.

8. **Livestock.** The Project will support restocking of an estimated 24,000 goats distributed among 6,000 families and 10,000 chicken of livestock distributed to 2,000 families. The Project is expected to introduce (100%) improved feeding through the support of forage production and 20% of the herd will be subject to improved breeding practices. In general, the increased number of livestock is expected to be a source of emission.

9. **Agricultural inputs.** The technological packages supported by the Project for crop production include the use of improved seeds, fertilizers and pest control management. Fertilizers to be used are: 20-20-10, Urea, 16-10-20 and Manure. In the case of manure, it is assumed that it has a concentration of 10% nitrogen. The total Nitrogen in urea, other fertilizers and manure to be used is estimated at *15 ton per year, 56 ton per year and 15 tons per year*, respectively. The Phosphorous is estimated at *57 tons per year* and for Potassium is *44 tons per year*. The use of *herbicides was estimated at 15 tons of active ingredient per year*.

Land use and inputs to EX-ACT organized by activity and sector

Activities and project scenarios	Total
Annual crop management (ha)	
Without project scenario	0
Project scenario: climate smart agriculture practices and irrigation	5250
Project scenario: Climate smart agriculture practices and rainfed Agriculture	2784
Perennial crops (ha)	
Without project scenario	0
Project scenario: Converted to perennials (agroforestry system)	4341 ⁶
Project scenario: Improved cultivation of agroforestry systems for coffee and cacao plantations	2716
Area irrigation rehabilitated (ha) area associated with annual production	
Without project scenario	0
Project scenario	5250
Goats (number)	

⁶ Distributed as follows: from annual crops 4005 ha, from other lands 157 ha, from Set aside 90 ha, from grassland 22 ha and from degraded lands 67 ha.

Without project scenario	0
Project scenario	24000
Chicken (number)	
Without project scenario	0
Project scenario	10000

Results: net carbon balance.

Table 2: Results of the ex-ante GHG analysis in tCO₂-eq

				Share per GHG source of the Balance					Results per year		
Project activities	Without project scenario	Project scenario	Balance	CO ₂ , Biomass	CO ₂ , Soil	Other	N ₂ O	CH ₄	Business-as-usual scenario	Project scenario	Balance
Land conversion to perennials	0	-268,947	-268,947	-10,347	-258,600	0	0	0	0	0	-17,930
Improvement of annual crop production	-87,514	-119,137	-31,624	0	-19,110		702	-13,215	-5,834	-7,942	-2,108
Perennial growth over project period	-28,518	-1,705,698	-1,677,180	-1,658,796	-18,385		0	0	-1,901	-113,713	-111,812
Grassland	0	-59,472	-59,472	0	-59,472		0	0	0	-3,965	-3,965
Livestock	0	97,944	97,944				54,445	43,498	0	6,530	6,530
Adoption of drip irrigation systems and agricultural inputs	0	16,640	16,640			10,811	5,651	0	0	1,109	1,109
Total	-116,032	-2,038,671	-1,922,639	-1,669,142	-355,568	10,811	60,798	30,283	-7,735	-135,911	-128,176
per hectare	-8	-135	-127	-109.9	-23.6	0.7	4.0	2.0			
per hectare per year	-0.5	-9.0	-8.5	-7.3	-1.6	0.0	0.3	0.1	-0.5	-9.1	-8.5

10. **Carbon sources and sinks.** The main carbon source as expected was from the livestock. This was followed by agricultural inputs and the irrigation system.

11. **Sensitivity analysis.** The uncertainty as calculated by EX-ACT is of about 29.8%. This analysis was run using mostly tier 1 coefficients, which in some cases may provide over or underestimated values. However, given the fact that there are not specific coefficients for Haiti this was the most viable alternative.

Annex 5: Summary of Country Risk Profile to Natural Hazards and Climate Change

HAITI – Relaunching Agriculture: Strengthening Agriculture Public Services II Project (P126744)

1. The exposure to climate and geophysical hazards at the Project location can be summarized as follows: (i) moderate risk for current extreme temperatures based on actual increments of 0.45 C°, and high risk for future extreme temperature based on +0.5 to 2.3 C° expected by 2060; (ii) moderate risk for current extreme precipitation and flooding given that mean annual rainfall has decreased by 5 mm per month per decade since 1960, and low risk for the future as rainfall projections are expected to decrease; (iii) the risk for current drought is moderate as droughts are frequently experienced in the Northwest, Artibonite, Northeast and Centre Departments due to erratic rainfall patterns coupled with limited water management infrastructure. Projected increases in temperature, coupled with decreases in rainfall during the critical summer months are likely to intensify drought conditions in the center of the country, thus increasing this hazard risk to high; (iv) current risk for landslide is moderate as years of deforestation have left the upper reaches of the western basins bare; (v) current risk for other hazards such hurricanes and cyclones is high given that Haiti has been hit by 6 hurricanes over the last 30 years.
2. Overall, the Climate and Disaster Risk Screening Report established that current and future potential impact due to exposure from climate and geophysical hazards on project subsector/components will pose *moderate risk* to the Project. Similarly, the non-physical components, in combination with the agriculture sector development context, significantly reduce the impacts of hazards such as extreme temperatures and droughts. The capacity building activities financed by the Project are aimed at increasing the preparedness and long-term-term resilience and reduced the risks. Under Component 1, the Project will continue to facilitate access to services in the agriculture sector by reinforcing the capacity of the Ministry of Agriculture, Natural Resources and Rural development. In complement the Project will also enable the Government to respond promptly and effectively to an eligible emergency under Component 3.
3. Given this context, new project activities have been designed to explicitly address these vulnerabilities– by providing diversified livelihood alternatives to enhance adaptation and resilience, reduce over dependence on natural resources, and mitigate greenhouse gas (GHG) emissions from agriculture and other land use. In the absence of these interventions, the exposure to these climate hazards may result in irreversible impact on the agriculture sector, forestry, wildlife and other land use in the Project area. Hence, the interventions from the Project are timely to slow down the pace of this impact.
4. Project activities are directly linked to climate adaptation and mitigation co-benefits. Under Component 2, the Project will contribute to the restoration of livestock assets lost due to Hurricane Matthew, including a set of interventions to train beneficiaries on forage production and animal enclosure preparation, crucial to sustain livestock wellbeing and overall productivity during extended droughts or extreme events. Under the same component, the Project will finance irrigation and drainage rehabilitation interventions targeted at increasing the resilience to climate change in the long term; these interventions will include civil works on

river intakes, river embankments, punctual sections of canals and drains, and infrastructure protection against erosion and flash floods.

5. In sum, the current and future potential impacts from climate and geophysical hazards on project location are modulated by a combination of the subsectors in which the Project will intervene (e.g., irrigation and drainage, livestock, and crop and land management), with the non-physical components that complement the design of the Project, namely, agricultural extension and research, emergency planning, and capacity building and training.

6. The full Country Risk Profile to Natural Hazards and Climate Change for the AF is available in the Project files.

Annex 6: Safeguards Action Plan
HAITI – Relaunching Agriculture: Strengthening Agriculture Public Services II
Project (P126744)

1. Pursuant to the Bank's policy OP 10.00, paragraph 12, in cases where the borrower/beneficiary is deemed by the Bank to be in urgent need of assistance because of a natural or man-made disaster the Bank may provide support through investment project financing (IPF) under normal IPF policy requirements with the following exceptions for safeguards: The environmental and social requirements set out in the Bank's safeguard policy that are applicable during the Project preparation phase may be deferred to the implementation phase. Given the emergency nature of the Project, and in order to facilitate Project processing, the completion of safeguard instruments have been deferred to the implementation stage and a Safeguard Action Plan (SAP) has been prepared.

2. This Safeguard Action Plan includes: i) planned project activities, locations, and general social baseline (as far as known), and the expected social impacts; ii) sequencing and, if practical, tentative implementation schedule for safeguard processing such as subproject ESMF, RPF, ESMP and RAPs; iii) preparation time for safeguard instruments, including Bank review, revisions, clearance, and approval steps; iv) disclosure and consultations; v) roles and responsibilities, including supervision arrangements for safeguard preparation, implementation and monitoring; and vi) estimated costs for the safeguard preparation and implementation process.

Project Activities and Locations

3. Following the devastation caused by Hurricane Matthew, the Project expects to receive US\$35M Additional Financing (AF) from the IDA Crisis Response Window to help restore productive assets lost, rehabilitate damaged or destroyed infrastructures, and support livelihoods to victims of Hurricane Matthew. The AF would: (i) provide emergency assistance to allow more than 5,000 farmers to carry out winter 2016 and spring 2017 planting campaigns to secure food production and to increase the number of beneficiaries of the pre-existing voucher based subsidy schemes by 7000 (increasing from 8,000 to 15,000 farmers) while fostering more resilient production systems; and (ii) introduce new activities to restore/rehabilitate irrigation systems through cash-for-work programs and larger infrastructure civil works allowing at least 3,500 hectares of agriculture land to recover access to irrigation and providing temporary jobs to at least 21,000 persons; and (iii) help restock part of the small animals lost by around 6,000 poor households.

4. The emergency assistance and extension of the farmer subsidy scheme program activities would remain in the department of Sud, although more municipalities would be targeted. Irrigation works would be also conducted in the department of Sud, and would be closely related to the voucher schemes areas to ensure the adequate access to irrigation services of farmers benefiting from voucher schemes. Lastly, activities related to livestock restocking would concern the western areas of the department of Sud and Grande-Anse. In sum, while Component 1 activities are conducted nationwide, component 2 activities are implemented in specific areas located in the Sud and Centre department for the farmer subsidy scheme; and

Sud, Nord and Nord-Ouest departments for the matching grant schemes.

Potential Social and Environmental Impacts/Risks

5. Environmental impacts under the Parent Project have been low, and safeguards performance has been satisfactory. The Project was designed to avoid the financing of activities with significant environmental impact and to promote environmental good practice, such as reforestation and soil conservation and planting of mangroves to compensate losses resulting from expansion of salt ponds. In the control of agricultural pests, the Project has focused on integrated pest management, including use of biological control methods against the parasite of peas, beans and groundnuts.

6. Impacts observed include inadequate sanitation in sub-projects (poor design of latrines) and clearing land of trees and shrubs.

7. Environmental and Social impacts were adequately managed using the Environmental and Social Management Framework (ESMF) and Integrated Pest Management Plan (IPMP) prepared for RESEPAG II. No new, significant impacts are expected under the AF. The MARNDR has made minor updates and modifications to the ESMF and IPMP, to identify and manage the potential adverse impacts under the current project, which include:

(i) Animal husbandry: impacts would be limited to production of waste (animal waste), cutting of vegetation (for feed), overgrazing, and damage to riparian habitat. Mitigation will include effective waste management, control of water discharges, prevention of animals' access to surface water bodies and prevention of free-grazing by raising animals in closed systems and provision of feed via forage tree planting and harvesting; and

(ii) Irrigation Rehabilitation and Micro-catchment protection: impacts are likely to include health and safety of workers, construction waste (cement, metal and timber scraps, etc.), noise, dust, water quality (turbidity). Mitigation will include generic workplace design good practice, providing adequate protection equipment to workers, adequate waste management systems, etc.

8. Social impacts under the Parent Project have been positive with no reported OP 4.12-related impact to date. Safeguards performance has been satisfactory. Activities likely to cause involuntary resettlement were excluded, and thus OP 4.12 was not triggered under the parent project.

9. Under the AF, social impacts are expected to be overwhelmingly positive with the aim of restoring the losses incurred due to Hurricane Matthew by the rural beneficiaries engaged in agricultural practices, with a particular focus on women. Most of the planned activities would restore or improve pre-existing agricultural production conditions. The AF will trigger Involuntary Resettlement (OP4.12) to cover the possible (although unlikely) risk of resettlement, loss of land or assets, especially in case of rehabilitation of irrigation infrastructure. The Project will prepare a Resettlement Policy Framework to describe the procedures to be followed in the case of involuntary resettlement. These potential resettlement

impacts are expected to be avoided or minimized through the application of good construction and management practices and with close supervision of contractor performance by field engineers and in close consultation with local communities. The impacts and mitigation measures will be addressed during the preparation of RAPs for each subproject.

10. If there is land acquisition, a potential risk (as observed in other projects in Haiti) maybe delays in land acquisition and compensation due to insufficient availability of legitimate titles and complicated land ownership procedures in Haiti. The communication is needed particularly linked to matching grants and farmer subsidy scheme activity, which may be open to speculation of corruption and unfairness unless the Project team clearly explains the rules and procedures for distributing matching grants. Risks linked to labor influx are expected to be limited. They will be mitigated by prioritizing local labor and ensuring clarity on where laborers coming from outside will be hosted through their stay in the host community and ensuring that contracts are consistent with ESMF and RPF provisions.

Consideration of Alternatives

11. An important part of the Project will concentrate in emergency support for planting, voucher schemes and livestock replacement, which are expected to have negligible negative impacts. Civil works will prioritize key damaged irrigation infrastructure for 3,500 hectares of agricultural land. The works are expected to be of small size, and efforts will be placed on minimizing any possible negative effect through solid preliminary studies allowing to clearly identify areas of interventions, avoid if possible the modification of previous canal routes, and ensure the adequate design, use of appropriate construction materials, and construction techniques.

Project approach at addressing social safeguard issues

12. The Haitian government carried out a Post-Disaster Needs Assessment identifying the areas most affected by Hurricane Matthew, and prioritizing the most pressing interventions do ensure food production in the season following the disaster. The Project has used this assessment to pre-identify tentative irrigation systems and civil works. The Ministry's environmental cell will analyze the proposed interventions and screen for environmental and social issues as part of ESMF and ESMPs.

13. The implementation arrangements will be further developed during implementation, but overall, it will include the following steps:

- Step 1 Preparation of safeguard instruments
- Step 2 Consultation with affected groups
- Step 3 Review and clearance of safeguard instruments
- Step 4 Disclosure of safeguard instruments
- Step 5 Implementation of agreed actions; supervision and reporting

14. The following strategic approach to addressing these Steps has been devised:

Step 1: Preparation of safeguard instruments beyond project Board date that cover social impacts

15. Environmental and Social Management Framework (ESMF): An ESMF has been prepared under the parent project, which will be updated, consulted and disclosed at implementation stage. Social assessment sections will be strengthened to incorporate new locations and new sub-projects covered by the AF.

16. Subproject Environmental and Social Management Plans (ESMPs): ESMPs will be prepared immediately at implementation by the Ministry of Agriculture staff meeting the Bank's requirements to enhance the positive impacts and address the adverse impacts, following the guidance of the updated ESMF. As part of the ESMP for the subproject, the general measures will be translated into standard environmental and social specifications to be incorporated into the bidding and contract documents. Social issues under ESMPs may include Community's safety and health; workers' health safety; labor influx, communication to local community, among others. Tentative date for preparing ESMPs are outlined in the below table.

17. Resettlement Policy Framework (RPF): The team obtained the deferral of the completion of RPF at project implementation stage in line with the flexibility afforded by OP 10.00 paragraph 12. This is to ensure adequate time to prepare, consult, and disseminate the RPF.

18. Resettlement Action Plans (RAP): The works that will be funded under the AF are currently unknown. Once these sites are identified, Resettlement Action Plans (RAP) or Abbreviated Resettlement Action Plans (Abbrev. RAP) will be prepared, consulted and disclosed in accordance with the policy. Any compensation or livelihood restoration efforts that may be needed will be completed prior to commencement of the works. Tentative date for preparing RAPs are outlined in the below table.

Step 2: Consultation with affected groups

19. The Project team will conduct consultations in selected areas to inform beneficiaries of project activities, opportunities to participate, potential adverse short-term impacts, and the grievance redress mechanism available to them. Furthermore, dissemination of information and feedback will continue as part of the implementation of RESEPAG II's activities. Project activities—voucher, livestock replacement, and irrigation infrastructure repair—all rely on initial information and sensitization campaigns, followed by community consultations. Specifically, the content of farmer subsidy scheme programs need to be consulted and validated with the beneficiaries; the beneficiaries of livestock replacement will be identified through community participatory engagement; and cash-for-work schemes will be established through participatory processes.

20. RPF consultations will include outreach to main stakeholders and the affected communities in a more general sense. At least one public consultation will need to be conducted on the draft RPF, which is expected to take place in May 2017. Consultation with the affected communities and people and other related stakeholders will be continued during project implementation. Once subproject sites and locations are exactly determined, people affected by land acquisition

or involuntary resettlement will be consulted in a more detailed manner on compensation and resettlement policies in accordance with OP4.12.

Step 3: Review and clearance of safeguard instruments

21. Any issues raised at the public consultations will be addressed as set out in umbrella documents, ESMF and RPF. The draft RPF and ESMF prepared by the MARNDR team will be reviewed by the Bank safeguards specialists assigned to the Project. After the Bank safeguards specialists provide quality guidance, the documents will be sent to the World Bank's Regional Safeguards Advisor (RSA) for review and clearance. Subsequent ESMPs and RAPs will need to be reviewed and cleared by the safeguards specialists and the TTL will provide the no-objection to the PIU. There will be no need for the RSA to clear each ESMP and RAP.

Step 4 Disclosure of safeguard instruments

22. Before sending to the Bank for clearance/no-objection, the draft RPF and RAPs will need to be disclosed locally, in relevant provincial department offices, and subproject sites. The French version of these documents will be disclosed at the World Bank's project portal and the Ministry of Agriculture's website.

Step 5 Implementation of agreed actions, supervision and reporting

23. Safeguards documents are supposed to be included in any bidding document and in any awarded contract. RPF, ESMF, ESMP and RAP will be sent to local authorities and relevant organizations for implementation. The Ministry of Agriculture will be responsible for supervising the implementation of these documents and reporting to the World Bank as an element of normal Project reporting requirements. The environmental and social capacity of the RESEPAG II project team has been largely adequate; it consists of an environmental specialist/agronomist; an economist/social specialist; and a social/gender specialist, who work on safeguards issues on a part-time basis. RESEPAG II staff is acquainted with the Bank's policies after attending several safeguards workshops organized in the country.

24. Under the AF, given that OP 4.12 is being triggered to address potential involuntary resettlement, the MARNDR team's capacity will be further enhanced. The MARNDR team will hire a full-time, socio-environmental specialist to complement the team, to be in charge of monitoring environmental and social risks and impacts, and receive training by the team on an ongoing basis. The environmental specialist at the MARNDR team will be trained to screen works for potential involuntary resettlement. The Bank will assist the MARNDR in preparing the TORs for the socio-environmental specialist.

25. The ESMF and RPF will be reviewed and approved according to the timeline provided in the table below.

Expected timelines for preparation of safeguards instruments

Activity	Timeline	Responsibility
Updated ESMF (including annex on social assessment for new sites and sub-projects)	June 30, 2017	Min. of Agriculture
First draft of the RPF	July 28, 2017	Min. of Agriculture
RSA review of draft ESMF and RPF, and authorization to start consultations	August 1 - 8, 2017	World Bank
Disclosure period before consultations	August 9-18, 2017	Min. of Agriculture.
Consultations on both documents	August 21, 2017	Min. of Agriculture
RPF and ESMF submission to RSA for final clearance	August 28, 2017	World Bank
Clearance of the RSA	Sept 4, 2017	Min. of Ag/World Bank
Final disclosure of RPF and ESMF	Sept 7, 2017	Min. of Ag/World Bank
Completion of technical studies for irrigation works	June 2018	Min. of Agriculture
Preparation, consultation on ESMPs and RAPs	July 2018	Min. of Agriculture
Clearance of ESMPs and RAPs	August 2018	World Bank
Implementation (compensation of PAPs etc. if needed)	August- Sept 2018	Min. of Agriculture
Start of irrigation rehabilitation works	October 2018	Min. of Agriculture

Implementation Arrangements and Capacity Building

26. The MARNDR is experienced in implementing donor-funded projects (including World Bank, the IDB and IFAD) and managing the requisite environmental safeguard actions. To strengthen their capacity, the MARNDR with the support of the RESEPAG II project has created an Environmental Cell within the Ministry to manage environmental risks within the agricultural sector more broadly. The Project has supported the development and operationalization of this Cell. As the result, the preparation, implementation and oversight of environmental safeguard actions will continue to be provided by this Environmental Cell during the Project implementation.

27. Regarding social safeguards, RESEPAG II staff is acquainted with the Bank's policies after attending several safeguards workshops organized in country. However, given that OP 4.12 is being only triggered now to address potential involuntary resettlement, the capacity of the MARNDR team will be enhanced. The environmental specialist at the MARNDR team will be trained to screen works for potential involuntary resettlement as part of ESMF. The Project will also hire a second Socio-Environmental Specialist in the coming months to ensure the compliance with OP 4.12, prepare and implement RAPs, and monitor social impacts overall. The Bank Task Team will provide an additional safeguards training for relevant MARNDR team staff before the beginning of AF activities. A second training will be provided 6 to 10 months into the implementation of the AF.

Project Grievance Mechanism

28. A well-functioning Grievance Redress mechanism is critical for effective project implementation. Under the parent project, a hotline was established under the Ministry of Agriculture. Ten complaints were received, mostly coming from agricultural producers whose proposals were not accepted under the matching grant/voucher scheme. Under the AF, the hotline will be coupled with a communication strategy focusing some specific social risks. (Eg. to explain to the farmers the eligibility criteria, targeting strategy and the voucher system that the Project is implementing.). Subproject information leaflets will be prepared and distributed at the subproject sites to provide practical information about grievances to local residents including contacts and addresses. The complaints can be received in verbal or written forms. They can be sent to the local authorities, contractor, and construction supervision engineer. The Ministry of Agriculture will designate one focal point from the Ministry in each Department to act as liaison for managing safeguards-related issues and address grievances. The Focal Points would resolve issues, and escalate them to the staff in Port-au-Prince as needed. Meetings will be held every two months between staff in capital city and the regional Focal Points to exchange information.

29. The GRM also refers to the WB's Grievance Redress Service (GRS) and clearly indicates that subproject affected communities and individuals may submit their complaints to the WBG's independent Inspection Panel which determines whether harms occurred, or could occur, as a result of WBG non-compliance with its safeguards policies and procedures. This information on GRS and Inspection Panel will be shared with project beneficiaries.

Cost Estimation

30. The MARNDR team will be responsible for calculating the cost for RPF and RAP preparation and implementation as part of the RPF. The MARNDR team will collaborate with local authorities to calculate land acquisition and compensation rates. The estimates for any land acquisition will then be validated by the *Comité de Paiement à l'Amiable (CPA)*, the designated government authority in charge of land acquisition and compensation of acquired land.

31. The exact amount of grant financing to be used for resettlement expenditures cannot be

estimated in advance as sub-projects are not fully identified. However, the team earmarked US\$102,000 to cover potential resettlement costs as follows:

Estimated costs (in US\$)	
Resettlement costs (not surpassing 1% of overall project amount)	US\$ 102,000
MARNDR team staffing costs on social safeguards	30,000
MARNDR team travel costs to monitor social impacts	5,000
Social Safeguards Capacity Building (2 workshops first year)	US\$ 2,000/workshop
TOTAL	US\$ 139,000

Annex 7: Emergency Support and Response under Existing IDA Operations

HAITI – Relaunching Agriculture: Strengthening Agriculture Public Services II Project (P126744)

1. Works are ongoing under the Disaster Risk Management and Reconstruction Project to install a temporary bridge at Petit-Goâve, reconnecting the affected region to the remainder of the country. The Project will also rehabilitate damaged roads and bridges damaged for up to US\$8 million, including through cash for work programs.
2. Under the Education for All II Project (P124134; co-financed by IDA, Caribbean Development Bank, Global Partnership for Education, and the Haiti Reconstruction Fund) close to US\$6 million are redirected to school rehabilitation and school feeding in affected areas and the provision of clean water and school kits where appropriate.
3. The ongoing Improving Maternal and Child Health through Social Services Project (P123706) is redirecting up to US\$15 million to cholera response activities in areas at increased risk, to the re-establishment of the cold chain for vaccines, to the rehabilitation of clinics, and to the establishment of mobile health clinics.
4. The Sustainable Rural and Small Towns Water and Sanitation Project (P148970) is channeling US\$2 million towards the rehabilitation of water systems in affected rural areas and small towns as well as to immediate emergency sanitation and chlorination interventions.
5. The Relaunching Agriculture Productivity Project (P126744) will provide support to farmers by rehabilitating irrigations systems and providing inputs to replant for the next agricultural season. Initially, a total amount of US\$1 million is redirected to save the 2016 winter planting season starting this month, further resources will follow to support the access of 2500 producers to seeds.
6. The Business Development and Investment Project (P123974) is providing US\$0.5 million through its CERC for cash transfers to entrepreneurs registered in the Project database to cover damages and losses, in the coffee, cocoa, and honey value chains. The Project will allocate an additional US\$3.5 million to reinforce this support.
7. Under the Rebuilding Energy Infrastructure and Access Project (P127203), US\$3.5 million will finance portable solar equipment for lighting and to charge phones; provide subsidies to farmers to lease of solar household systems, purchase efficient cook stoves for school kitchens and food businesses in the South. Rehabilitation of the power distribution grids and mini-grids for about US\$10 million is being considered. The Project will also provide technical assistance to Government on hurricane preparedness and energy infrastructure vulnerability.

Annex 8: Map

HAITI – Relaunching Agriculture: Strengthening Agriculture Public Services II Project (P126744)

