



Global Agriculture and Food Security Program
Public Sector Window projects

Funding for COVID-19 Response

Honduras

Additional Funding for the *Corredor Seco* Food Security Project
(P148737)

August 10, 2020

1. Basic Project Information (complete information for investment and/or TA project as applicable)

a. Project Name(s)	<i>Corredor Seco</i> Food Security Project (ACS-PROSASUR) – Investment Project
b. Current project development objective	To enhance food and nutritional security of vulnerable households in Selected Areas of the <i>Corredor Seco</i>
c. Responsible Supervising Entity (SE)	World Bank (WB)
d. Investment SE Project Team Leader	Name: Augusto Garcia Title: Senior Agriculture Specialist Email: agarcia2@worldbank.org
e. Project country	Honduras
f. Counterpart Government Ministry/ies and Department(s)	Ministry of Finance (SEFIN)
g. Date of Project approval by the SE	09/25/2015
h. Current Project closing date	06/30/2021
i. Latest Project implementation rating by SE for investment project	Rating for progress toward development objective: Satisfactory Date: 05/18/2020 Rating for implementation progress: Satisfactory Date: 05/18/2020

2. Project Financial Information (as of July 31, 2020)

j. <i>Project Funding</i>	<i>All financing sources: US\$38.7 million Of which GAFSP grant amount: US\$30.0 million</i>
k. <i>Disbursements</i>	<i>All funding sources: US\$23.38 million (about 60 percent of total financing) GAFSP grant: US\$19.80 million (about 66 percent of GAFSP grant)</i>

3. Summary of Additional Funding Request

l. Additional Funding amount requested	Investment project: US\$5.0 million
m. Supplemental SE administrative fee request	Investment SE: US\$0.35 million
n. Costed list of proposed components and/or activities to be funded	<i>Component 1: Food production and rural household income generation (GAFSP US\$1.45 million, Beneficiaries US\$0.2 million); Component 2: Nutrition education and household hygiene (GAFSP US\$2.94 million, Beneficiaries US\$0.25); Component 3: Monitoring, evaluation and project management (GAFSP US\$0.61 million).</i>
o. Revised Project Development Objective (if applicable)	N/A
p. Revised project closing date (if applicable)	June 30, 2022
q. Estimated number of direct and indirect beneficiaries (disaggregated by gender) (indicate if these are additional to the current project beneficiaries)	2,000 additional households benefiting directly (10,000 people including its family members). Additionally, the proposal is expected to benefit nearly 240,000 people through the support of 94 health centers located in the project's area.

4. COVID-19 impact and Funding Needs (25%)

r. Provide a brief description of the impact and disruptions caused by COVID-19 on the project country, the project activity areas and target population, especially the most vulnerable, women and youth. Has the SE been involved in the national COVID-19 response mechanism?

Since March 2020, Honduras has been heavily hit by the COVID-19 pandemic (as of July 27, 2020: 39,741 cases; 1,166 deaths). Containment and social distancing measures are negatively impacting the economy, especially informal workers and poor households in urban areas and subsistence farmers in rural areas. The COVID-19 pandemic has already triggered macroeconomic risks and is expected to weaken Honduran growth and fiscal accounts. The Ministry of Finance reports that tax revenues have decreased by about US\$600 million, equivalent to more than 2 percent of the national gross domestic product; and the Central Bank of Honduras estimates a 9.4 percent reduction of the economic activity during 2020 compared to the previous year. According to WB estimates, the Honduran economy is expected to suffer a contraction of more than 6 percentage points. To date, 669 cases of COVID-19 have been confirmed in the project area (including 13 staff from the two ACS-PROSASUR implementing consultants); and higher impacts are expected given the poverty levels and the limited capacity of the public health services, if additional supporting measures are not put in place.

In the short- to medium-term, the COVID-19 pandemic is expected to lead to significant rises in food insecurity malnutrition and micronutrient deficiencies, especially in rural areas. Anaemia rates in women and children are already high, with an estimated 23.4 percent of women of reproductive age and 42.4 percent of children under the age of two as anemic, and dietary diversity is low. In April 2020, the World Food Program conducted a vulnerability assessment with 6,183 households and found that food and nutrition security are severely threatened as the result of poor dietary quality, the freezing of social programs, and decrease in community nutrition monitoring. Projections indicate a 51 percent reduction in employment, undermining the ability to purchase food and other basic items, 37 percent of households reported only being able to purchase food using credit, and as much as 60 percent in rural areas. In the face of food security uncertainty, 88 percent of those surveyed employed coping strategies including reducing their number of meals and portion size; and a majority reported not having any food reserves.¹ In addition, 76 percent who made purchases during the prior week noted food price increases.

The Government of Honduras responded swiftly to the COVID-19 pandemic, including conducting testing from the onset, a mandatory national lockdown and elaboration of an emergency response plan; and has taken action to strengthen national and community-based disease surveillance and investing in public awareness campaigns to encourage uptake of safe behaviors and practices. The National Risk Management System (SINAGER according to its Spanish acronym)² has been coordinating pandemic response measures to address these issues but financing for an “adequate response” is severely lacking. The World Bank has been supporting SINAGER through existing projects, including the *Corredor Seco* Food Security Project. SINAGER, in coordination with the Ministry of Agriculture, municipal authorities, and the private sector, has implemented additional biosecurity measures to facilitate food distribution from

¹ Programa Mundial de Alimentos. 2020. Republica de Honduras: Situación SAN por Efectos del COVID 19. PMA: April 2020.

² SINAGER is the country’s legal framework aimed at developing the capacities to prevent and reduce the risks of potential disasters, in addition to preparing for, responding to and recovering from actual damage caused by human and natural hazards.

production centers to urban areas, but the commercialization of food by the informal sector continues to be limited, with a significant impact on the highly vulnerable sectors, including small farmers across the country that are not connected to the industry (i.e. PROSASUR beneficiaries). The actions undertaken by the Ministry of Agriculture are part of the “*Programa de Aseguramiento de la Soberanía y Seguridad Alimentaria*”, established under the Executive Decree PCM-030-2020, aimed at achieving the organization, registration and traceability of national food production and the categorization of producers, both national and foreign. The estimated investment of the program is US\$800 million, of which there is a US\$250 million financing gap. One of the main challenges identified is the need to improve sectoral information for the decision-making process, such as on the supply of basic staples, as well as potential production deficits that have a direct impact on the nutritional situation of the country's most vulnerable households. The preparation of the program was coordinated through the Honduras Rural Competitiveness Project (COMRURAL – P101209), financed by the World Bank, as part of the immediate technical support to assist the Government in the management of the crisis. The *Corredor Seco* Food Security Project (ACS-PROSASUR) is referred in the PCM-030-2020 as a priority project under the country's Food Security and Early Recovery Strategy post COVID-19, aiming to contribute to Honduras' food security and early recovery strategy in the agricultural sector.

The World Bank is also actively supporting the Government of Honduras to respond to the pandemic through two mechanisms: (i) the implementation of a US\$20 million emergency credit to support major healthcare facilities in the country's urban areas with the purchase of medical equipment, technical assistance and training for health workers; and (ii) the activation of the contingency emergency response component of active operations in the country's portfolio for US\$5 million, to complement the objectives of the emergency credit.

Provide a summary of the current project implementation progress. Has the COVID-19 crisis impacted project implementation, and the attainment of its original development objectives? If yes, how?

The Honduras GAFSP ACS-PROSASUR project (P148737) is satisfactorily supporting 9,617 poor and food insecure rural families in 25 municipalities of the Southern Dry Corridor of Honduras. Through a nutrition-smart agriculture approach, the project provides technical assistance and grants to improve and diversify agricultural production and access to nutritious food, improve household hygiene, and community activities to promote behavior change for nutrition. As concluded by the independent mid-term review by the International Food Policy Research Institute (IFPRI, February 2020) and by the Bank's mid-term review mission (MTR, February 2020), progress towards achieving the PDO and implementation progress are both Satisfactory, as most PDO indicators are being achieved or surpassed. The project is an essential part of Honduras' food security strategy in the Dry Corridor, where most extremely poor rural families live (85 percent of extreme poverty). The status of the PDO-level indicators is summarized below:

- The Project has benefitted 9,617 households (35 percent led by women); 76 percent of the end target (12,000 households).
- Regarding the Dietary Diversity Score, 70 percent of children under the age of five and their mothers, as project beneficiaries, consume at least four food groups, surpassing the end target (60 percent).
- The annual average increase in sales of households participating in the first batch of 60 Business Plans that started implementation in mid-2019 was US\$ 133. Preliminary estimates indicate that the end

target of this indicator (US\$ 900 increase) will be achieved as the Project implements the remaining 96 Agricultural Business Plans in 2020-2021.

- The average agricultural productivity increase has reached 783.26 kg/ha which surpasses by 14 percent the end target of 685 kg/ha.

The ACS-PROSASUR team has responded swiftly and agilely to continue providing support in compliance with a mandatory national curfew to contain the spread of the pandemic, but the pandemic situation is still considerably jeopardizing achievement of the development objective. Impacts are projected to materialize in the following months, especially those related to acute and chronic malnutrition, both of which are expected to rise in project areas. Despite no real time data being available to measure and obtain changes in nutrition data (and chronic malnutrition is the result of persistent nutritional deficiencies leading to failure of linear growth so its impact will be seen in the longer-term), anecdotal evidence indicates an increase in acute malnutrition cases in project areas, as well as an increase in micronutrient deficiencies. Impacts are also expected in the annual average increase in agriculture sales, exacerbated by the operational delays in the installation of irrigation systems, which is being undermined by the mobility restrictions and slow reopening process. The loss of the few low-quality jobs available in the project areas has irreversibly impacted household income over the last 4 months – which will worsen the severity of food insecurity, as well as prolong the duration of the crisis. The economic reopening has yet to be announced and the massive loss of jobs in urban areas -almost half a million just in Tegucigalpa- will directly impact the demand for food from the rural economy and will persist into 2021.

s. Is the project currently addressing the impacts of COVID-19? If yes, in what way? Have any changes already been made to the project design, activities, target population and/or implementation arrangements to respond to the impact of COVID-19 in the project area? Has funding been insufficient to implement these changes?

While the current project design and implementation arrangements have the capacity to continue absorbing and directing resources aligned with the government short and medium-term response, this support is far below the needs resulting from the pandemic in the project areas. No changes have been made to the project design, besides the minor adjustments to the project operation manual to support the implementing consulting agencies and beneficiaries with additional mandatory biosecurity measures. The project is already targeting the most vulnerable segments of the population located in the country's Dry Corridor area³. The US\$10.2 million GAFSP undisbursed balance is already committed in the contracts with two implementing agencies and are fully oriented to the original activities (food and nutritional security of the poorest households in 25 municipalities) and no other changes are possible considering the limited availability compared to the needs in the project area. While the project identified 12,000 eligible households in the 25 municipalities of the project area, PROSASUR estimates that 38,000 additional households in these municipalities could be eligible for support like PROSASUR. As such, if additional funds became available, the opportunity exists for the PROSASUR approach to be scaled-up and strengthened with COVID-related activities in the same municipalities with quick results.

³ No indigenous peoples or afro-descendant communities are present in the project area, which is mainly composed of extremely poor mestizo communities for whom subsistence family farming is one of the main livelihoods.

5. COVID-19 Response Activities (40%) Description of Additional Financing Activities

t. Describe the activities to be financed with the additional funding requested.

The proposed supplemental support would finance investments targeted at (i) contributing to short- and medium-term food, nutrition, and hygiene needs, and (ii) enhancing food, nutrition, and hygiene education and capacity to sustain these benefits and build food system resilience going forward; these interventions would target an additional 2,000 households and strengthening the services of 94 health centers located in the project areas. Measurable positive impacts, including significant improvement in household health and nutrition status have been demonstrated throughout the project implementation. However, the onset of COVID-19 has exacerbated the conditions for the households that were already food insecure and introduced an exogenous economic and health risk shock that jeopardizes the gains achieved. The proposed strategy is to intensify and diversify home food production for consumption and for sale under Component 1, thus supporting the availability of diverse, micronutrient rich foods, in conjunction with the activities of nutritional education and household hygiene in Component 2.

Component 1: Food Production and rural household income generation (GAFSP US\$1.45 million, Beneficiaries US\$0.2 million). Investments under the component will focus on (i) continue increasing agricultural productivity and nutritional security of beneficiary households by supporting Food Security Plans (FSP) with input provision such as biofortified seeds, fertilizers, TA on climate-smart agricultural (CSA) and nutrition-smart agricultural (NSA) technologies including post-harvest management for reduction of food losses and waste and for preservation of nutritional value of produce, and basic assets for safe production for the next planting seasons and other measures to incentivize agricultural production and biosecurity measures, and (ii) improving the availability to beneficiaries of water for the production of healthy and nutritious food. Investment under the FSP will prioritize requirements for on-site water storage and distribution to gardens/orchards, including basic drip irrigation equipment, along with the appropriate technical assistance and training. The FSP will also enhance sanitary practices by developing biosecurity plans with farmers, supporting the implementation of social distancing measures, and provision of safety equipment.

Component 2: Nutrition education and household hygiene (GAFSP US\$2.94 million, Beneficiaries US\$0.25). This component will be reinforced to include COVID-related measures as well as to reach the rural households whose vulnerability has increased in the context of the pandemic. The objective of this component is to improve nutrition outcomes through: (i) the implementation of Community Nutrition Plans that support the increased availability and consumption of nutritious foods; (ii) the provision of training to health workers to strengthen their skills in monitoring child growth, and on the prevention and management of malnutrition in children under five; (iii) the provision of micronutrient supplements for women of reproductive age and children 6-24 months; and (iv) the implementation of Household Hygiene Plans that will consist of minor works –for example, equipment for water filters, latrines, hand-washing basins (with soap). These activities aim to protect and improve the nutritional status of the most vulnerable groups (women and children) in project areas. It will also increase local capacities to respond to the pandemic by providing the 94 community health centers in project area with basic sanitary inputs, equipment and infrastructure enhancements (micronutrient powders, equipment for weight and height measurements, handwashing stations and water filters), building on the current support provided to health centers in the context of COVID-19 and indirectly benefit thousands of beneficiaries.

Broadening investments in water-efficient practices and technologies under Component 1 will provide short-term (in the case of short-cycle horticulture and basic grains) and medium-term (for perennial and tree crops) food security benefits. Climate-smart watering equipment, techniques, and crop choices will improve the availability of water for irrigation through enhanced storage and utilization capacity, and will allow beneficiaries to control the timing and precision of water for agriculture, improving resilience to drought, mitigating the impacts of seasonal weather and climate constraints, and allowing staggered harvesting, benefiting both family consumption and marketing or bartering of produce.

The envisaged distribution of micronutrient supplements (proposed new activity under Component 2) will target women and children and help mitigate the adverse impacts of COVID-19 on the nutrition status of the most vulnerable groups in the short- to medium-term. Project activities and indicators related to dietary diversity among project beneficiaries (general increase in the prevalence of women and children achieving a minimum acceptable diet) have advanced considerably. However, while the national lockdown has been a successful measure to prevent the spread of the COVID-19, it is also likely to lead to lower availability and access to nutritious food (both quantity and quality) and the adoption of a monotonous and micronutrient-deficient diet. As noted above, anemia among women of reproductive age and children under two remains high and dietary diversity is still low, especially in the project areas. As such, the procurement and distribution of micronutrient supplements – iron and folic acid for pregnant women, women in reproductive age, and adolescent girls and multiple micronutrient powders (MNPs) for children of 6-24 months – is needed to supplement their diet and prevent further deterioration in nutrition status (children will receive 30 sachets of MNPs monthly – parents sprinkle on the foods they prepare for children at home - and women will receive a 90-day supply of iron and folic acid supplements). At the same time, investments in hygiene will help prevent infections that can lead to malnutrition and will focus on household water availability and complement any community water management investments under Component 1.

The investments under Component 1 and 2 are designed to sustain the expected benefits going forward and contribute to longer-term resilience building for both the local food system and household nutrition and hygiene. In addition to improving the quantity and quality of critical needs for household hygiene and food production, these investments lay the groundwork for next-stage investments consistent with sustained household welfare and economic recovery. For example, the investments and capacity building in improved water resource management will allow families to intensify and diversify production, generating economic incentives and produce at levels beyond the needs of household consumption (surplus). The plans for these component's activities are to be implemented using local unskilled labor under the supervision of technical assistance and will generate local employment for beneficiaries in construction and maintenance, will increase the availability and diversity of locally available, nutritious food, and improve food system resilience. Improvements to water storage and to the surrounding watershed provide multiple long-term benefits. The investments in the community health centers likewise will help to sustain project investments in household hygiene improvements. The educational activities to underpin these investments will furthermore build long-term community awareness and support continued adoption of the proposed household hygiene measures.

Component 3: Monitoring, evaluation and project management (GAFSP US\$0.61 million). The proposed allocation for the component aims at maintaining the operation of the project implementation unit until the closing date. The monitoring and evaluation system of the ACS-PROSASUR project has a robust

database, including beneficiaries' information related to their crops, production, storage and consumption, among others. Based on this experience, additional resources (US\$0.25 million) will be allocated for the conceptual design and piloting of an IT-based tool to monitor the situation of small-scale basic grain production at the national level. The tool will be anchored to the project's information system, and its beneficiaries will be part of the piloting exercise; and the tool will be part of a broader agricultural market intelligence initiative promoted by the Bank-financed COMRURAL Project, and will make available information and monitoring the expected impacts following to the COVID-19 crisis.

u. How do the proposed activities complement or fill a gap in the local COVID-19 response?

The Project is actively participating in the Territorial Committee of the Region 13, whose area of influence includes the 25 municipalities of PROSASUR. The Territorial Roundtable is a coordination body for public institutions, the private sector and civil society organizations, to coordinate investments and support to be implemented in the territory. During the COVID-19 crisis, up to 15 entities⁴ in the region have managed small donations of bio-security kits for households and health centers, as well as agricultural inputs to support the first production cycle (May-August) to ensure improved harvests and food availability at the local level. Catholic Relief Services are providing cash transfers to purchase food in some project areas. The proposed activities, once approved, will be brought to the attention of the Territorial Committee to continue coordinating with local municipalities and civil society organizations on the new investments of the ACS-PROSASUR project and the GAFSP in response to the pandemic.

v. What is the expected impact of the additional funding? How will beneficiaries be identified/targeted?

The Project has a solid mechanism for the targeting of beneficiaries, selection of whom will be prioritized in those municipalities most affected by the pandemic. The process initiates with the preparation of a single socioeconomic datasheet, using the content of the conditional cash transfer program, complemented by specific variables related to the project's development objective. To date, 90 percent of the project's beneficiaries are households considered in poverty, confirming the consistency of the project's prioritization system. The mechanism has also been validated by IFPRI as part of the implementation arrangements agreed for guaranteeing the scientific reliability of the impact evaluation - baseline, mid-term and final impact - conducted by the project. It is expected that the investments proposed for households as direct beneficiaries under both components will be prioritized in those municipalities with higher levels of pandemic impact. The investments to strengthen the 94 health centers would benefit the total population of the 25 municipalities currently supported by the project. The participation of women (35 percent of the current beneficiaries) and youth as direct beneficiaries of the new investments will continue to be supported.

w. Under Annex 2, include a draft revised Results Framework with newly introduced indicators or revised targets for existing indicators. Please refer to the [GAFSP Monitoring and Evaluation Plan](#).

Please see Annex 2.

⁴ Honduras Solidarity Programme; FUNDESUR (Coastal municipalities); Action Aid; South in Action; Renewed World; National Diakonia of Honduras; Plan International; World Vision; Rural Opportunities; DEI SUR; ADRA; Surcompite; World Food Programme; Local governments in collaboration with the Nasmar and Mambocauca communities; AMDV.

6. Project readiness to utilize additional funds (35%) (Max 3 pages, annex 1 and supporting reports excluded)

x. Describe the alignment of the additional funding activities with the existing project development objectives and activities. Activities are expected to be extensions, modifications, or scale-ups of existing activities under the project. Where new activities are proposed or activities are expanded to a new geographic area, the funding request should demonstrate the project readiness to implement these new activities in a timely manner to address immediate needs. Indicate how the activities financed from additional funding are to be implemented. Will the proposed activities use existing project implementation arrangements?

In the context of the COVID-19 pandemic, the PROSASUR team has responded swiftly and agilely to continue providing support in compliance with a mandatory national curfew to contain the spread of the pandemic. The curfew has severely limited the project's implementation pace since March, with seven out of the 25 municipalities in the project area announcing temporary bans of up to two months for people entering their communities. During this time, adjustments to the project operational manual allowed ACS-PROSASUR to proactively deploy US\$0.25 million to improve beneficiaries and local health centers' biosecurity measures. Both implementing consulting agencies (CARE International and CREATIVE Associates International) have put biosecurity protocols in place to reactivate project implementation and the use of technology has been critical for the provision of technical assistance, including sending of written instructions, videos and photographs through mobile phones. Farmers schools and growth monitoring sessions have been carried out with small groups, following strict biosecurity procedures and social distancing.

The proposed activities will use the existing satisfactory project implementation arrangements and reinforce the capacity of the project to support beneficiaries in achieving the PDO and mitigating the effects of the pandemic. The current project design allows to target an additional group of highly vulnerable population in the same project area without requiring further adjustments to the PDO and components, if additional funding is made available. The proposed activities are a combination of scaling up successful investments that are already being implemented with early impacts by the project (e.g. food security plans with NSA and CSA approaches, household hygiene plans, specialized technical assistance to raise awareness of the importance of household health and nutrition, coordination with local municipalities and local health centers), complemented by specific actions aimed at reinforcing biosecurity measures to facilitate access of beneficiary farmers to more food and local markets, expanding drip irrigation solutions, and helping reverse the effects of the COVID-19 crisis among the most vulnerable population in the project area (nutritional supplements, upgrading and equipping health centers at the local level, technical assistance to improve the ability of both beneficiaries and health centers in preventing and halting the spread of the virus). With additional funding to reach out to 2,000 households, the project is ready to support a total of 14,000 farmers and their families to mitigate COVID-19 impacts, increase their resilience and support the national food security strategy responding to the pandemic.

The project has the technical and operational capacity in place to quickly deploy the proposed additional funding. Current implementation arrangements include two implementing consulting firms, whose contracts are effective until December 31, 2021. Both consultants have more than 180 employees located in the project's area, particularly to guarantee the timely provision of technical assistance and coordination with the local governments of the 25 municipalities. The project technical team also

maintains close coordination with the community health centers in the area, as part of ongoing activities under Component 2. Due to their high presence in the area, the implementing consultants have repeatedly expressed the expectations of the population to receive additional resources to support a larger number of households trapped in poverty, now also impacted by COVID-19. In that sense, if additional resources are confirmed, the Government of Honduras with the technical support of the World Bank can swiftly manage an amendment to the contracts with both implementing consultants to increase the financial provision and the proposed additional targets for the project. Moreover, their presence in the area would allow the Government of Honduras to quickly prioritize the new households benefiting from the project, as well as to continue coordinating with the 94 health centers to prioritize their strengthening plans in response to COVID-19 and help maintain nutrition-related services to beneficiaries.

The implementing consultants have established satisfactory levels of procurement and financial management which would contribute to implement additional funding activities in a timely manner. In compliance with their contracts, both consultants implement procurement and financial management policies acceptable to the World Bank and with no shortcomings to report by the financial and operational audits, including the implementation support and post-review procurement process conducted periodically by the World Bank. While the additional funding operation is being prepared and declared effective, the existing technical and fiduciary capacity of the ACS-PROSASUR implementation unit will allow to pre-select communities and potential beneficiaries, initiate coordination with key partners at municipal and community levels, draft terms of reference for consultancies, technical specifications and bidding documents for the project to be ready to launch procurement processes soon after effectiveness.

A dedicated team will continue monitoring the compliance of the project with the World Bank's environmental and social safeguards. The Project's Environmental and Social Management Framework (ESMF) will be applied to the additional funding activities. Both the Government of Honduras and the implementing consultants currently have dedicated staff to support the preparation and management of environmental and social safeguards; this capacity will be available for the additional funding activities. The specific activities to respond to the pandemic under Component 2 are not expected to require triggering new safeguard policies. Throughout implementation, the project will take advantage of the existing coordination ACS-PROSASUR maintains with health sector authorities at national and local levels.

y. What is the estimated timeline to (i) deploy the additional funds, (ii) implement the proposed COVID-19 activities, and (iii) achieve results? What results are expected from this additional funding within 18 months?

The project's existing capacity provides the assurance of additional resources being implemented within an 18-month time frame. The current closing date for the ACS-PROSASUR project is June 30, 2021, while the contracts with the implementing consultants conclude on December 31, 2021, in order to guarantee the achievement of the project's targets through the utilization of the national counterpart resources yet to be disbursed. Considering that selection of the additional funding proposal by the GAFSP Steering Committee and further processing under World Bank policies for additional financing of projects could make the funds effectively available around November 2020, an 12-month extension of the grant closing date until June 30, 2022 would be considered. The new activities – such as, equipment of community health centers, training, provision of micronutrients, investments for household hygiene – included in Component 2 for the specific attention to the effects of the pandemic will be implemented no later than

12 months from the date the additional resources are declared effective. Also, the closing date extension would be needed in order to provide the technical assistance to beneficiaries of Food Security Plans under Component 1 during at least two cropping seasons. This would support adoption of good agricultural practices required to maximize the impact of the new investments in both components. All the expected results described in Annex 2 will be achieved by the proposed date. Specific results from the additional funding activities are:

- 2,000 Households benefitting directly from the Project
- 50 hectares of area provided with irrigation and drainage services under Food Security Plans
- 1,200 Household Hygiene Plans with investments completed (focus on the provision of water)
- 1,000 Food Security Plans implemented, including the provision of TA for beneficiaries to adopt good agricultural practices for resilience and sustainability
- 94 health centers are improved with equipment and small works, including critical supplies as the micro-nutrients

z. *If the project implementation progress is currently rated less than moderately satisfactory, please specify how any implementation challenges will be addressed.*

N/A

aa. *Under Annex 1, provide an updated project budget by component and activity, showing the original grant and the additional funding requested. Has the project tried to access alternative sources of funding?*

Included

bb. *Include the latest technical progress report such as SE project supervision report, Government prepared technical progress report, or Aide Memoires etc. (Optional; will not be publicly disclosed)*

Included

Annex 1: Updated Project Budget

Components	Activities	GAFSP				Government of Honduras			TOTAL
		Original Budget (US\$)		Additional Funding (US\$)	Total Budget (US\$)	Original budget (US\$)		Total Budget (US\$)	
		Disbursed	Available			Disbursed	Available		
Component 1: Food Production and Rural Household Income Generation	Activity 1: subprojects - Food Security Plan, Business Plans and Non-Farm Business	6,219,636	4,260,364	1,000,000	11,480,000	-	-	-	11,480,000
	Activity 2: technical assistance and training	7,871,864	3,306,974	250,000	11,428,838	2,136,883	3,774,488	5,911,371	17,340,209
	Activity 3: Overhead cost of implementing consultants	-	-	200,000	200,000	-	-	-	200,000
Component 2: Nutrition Education and Household Hygiene	Activity 1: Subprojects - Community Nutritional and Household hygiene	2,007,438	512,562	2,100,000	4,620,000	-	-	-	4,620,000
	Activity 2: technical assistance and training	1,536,191	534,971	540,000	2,611,162	461,853	1,657,077	2,118,930	4,730,092
	Activity 3: Overhead cost of implementing consultants	-	-	300,000	300,000	-	-	-	300,000
Component 3: Monitoring, Evaluation and Project Management	Activity 1: Monitoring, evaluation and project management	2,164,527	1,585,473	610,000	4,360,000	700,000	-	700,000	5,060,000
TOTAL BUDGET FOR ALL COMPONENTS		19,799,656	10,200,344	5,000,000	35,000,000	3,298,736	5,431,565	8,730,301	43,730,301

Annex 2: Updated Results Framework

PDO LEVEL	Unit of measure	Baseline	Previous report (December 2019)	Progress to June 2020	End target	Incremental target	Total target
Average yield achieved in food crops by participating HH of component 1	Kg/Ha	570.75	-	783.26	685.00	-	685.00
Average of annual incremental sales of participating HH under Business Plans	US\$ per household	0	-	133.00	900.00	-	900.00
Dietary diversity score in participating HHs of component 2	Percentage of the target population have a score of 4	49.91	-	70	60	-	60
Households benefitting directly from the Project	# households	0	6,462	9,617	12,000	2,000	14,000
Component 1: Food Production and Rural Household Income Generation							
Client days of training provided (of which women's client days)	# of client days (cumulative)	0	18,697.75 (6,604)	22,101 (7,728)	30,000	2,000	32,000
Area provided with irrigation and drainage services under Business Plans and Food Security Plans	# ha with new irrigation (cumulative)	0	431.69	453	1,000	50	1,050
Agricultural subprojects implemented under Business Plans (number of benefiting HH)	# agricultural SPs	0	60 (901)	61 (911)	150	-	150
HH benefitting of an agricultural subproject implemented under a Food Security Plan	# HH	0	5,494	5,997	6,000	1,000	7,000
Business development subprojects implemented (of which are led by women)	# business development SPs (cumulative)	0	44 (22)	54 (30)	100	-	100
Clients who adopted a Project promoted agricultural technology (of which by women)	# farmers who have adopted the promoted technology	0	1,189 (499)	5,162 (2,166)	7,000	700	7,700
Increasing the links with the market	% of business plans achieve agreements with market agents for 2 years for more	0	0	0	30	-	30
Increasing subsistence consumption	% Increased subsistence consumption	0	0	45	20	-	20
Component 2: Nutrition Education and Household Hygiene							
Client days of nutrition training provided	# of client days	0	10,228.85	10,451	12,000	5,000	17,000
Number of children under age of two attending the growth monitoring program	# number of children under age of two	0	3,287	3,287	3,000	-	3,000
HH hygiene investments	Number of HH	0	2,806	3,208	4,000	1,200	5,200
Community Nutritional Subprojects	# community nutritional subprojects (communities, health centers)	0	104 (244)	114 (279)	120 (250)	120 (250, 94)	120 (250, 94)
Component 3: Monitoring, Evaluation and Project Management							
Evaluations carried out	Number of Evaluations	0	1	2	3	-	3
Timely semiannual monitoring reports	# monitoring reports produced	0	6	7	10	3	13