

BOARD APPROVAL
Lapse-of-time Procedure
7 November 2022

FOR INFORMATION

MEMORANDUM

TO : THE BOARD OF DIRECTORS

FROM : Vincent O. NMEHIELLE
Secretary General

SUBJECT : SENEGAL: PROJECT TO MITIGATE THE IMPACT OF COVID-19
ON FOOD SECURITY IN THE LOUGA, MATAM AND KAFFRINE
REGIONS (C19 PASA/LMK) *

GAFSP GRANT OF USD 4,422,335

The above-mentioned **Document** and the **Draft Resolution** were submitted for your consideration, **on a Lapse-of-time basis** on 24 October 2022.

Since no objection was recorded **by 5.00 p.m. on 7 November 2022**, the proposal is considered **approved** and the Resolution **adopted**.

Attch.:

cc.: The President

*** Questions on this document should be referred to:**

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AFRICAN DEVELOPMENT BANK



PROJECT TO MITIGATE THE IMPACT OF COVID-19 ON FOOD SECURITY IN THE LOUGA, MATAM AND KAFFRINE REGIONS (C19 PASA/LMK)

COUNTRY: SENEGAL

APPRAISAL REPORT

Date: October 2022

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AFRICAN DEVELOPMENT BANK



REPUBLIC OF SENEGAL

PROJECT TO MITIGATE THE IMPACT OF COVID-19 ON FOOD SECURITY IN THE LOUGA, MATAM AND KAFFRINE REGIONS (C19 PASA/LMK)

APPRAISAL REPORT

AHAI/COSN DEPARTMENTS

October 2022

Translated Document

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CURRENCY EQUIVALENTS

(April 2022)

Currency Unit	=	CFAF
UA 1	=	CFAF 816.857
UA 1	=	USD 1.38240
UA 1	=	EUR 1.24529

FISCAL YEAR: 1 January - 31 December

WEIGHTS AND MEASURES

1 metric tonne	=	2,204 pounds
1 kilogramme (kg)	=	2.20 pounds
1 metre (m)	=	3.28 feet
1 millimetre (mm)	=	0.03937 inch
1 kilometre (km)	=	0.62 mile
1 hectare (ha)	=	2.471 acres

ACRONYMS AND ABBREVIATIONS

AfDB	African Development Bank
AFO	Administrative and Financial Officer
ANIDA	National Agency for Integration and Agricultural Development
COSN	Bank's Regional Office in Senegal
CSP	Country Strategy Paper
DAPSA	Directorate of Agricultural Analysis, Forecasting and Statistics
DBRLA	Directorate of Catchment Basins and Artificial Lakes
DCEF	Directorate of Economic and Financial Cooperation
DEPA	Directorate of Livestock and Animal Production
DODP:	Directorate for the Authorisation of Public Expenditure
DSPP	Project and Programme Performance Monitoring Directorate
ERR	economic rate of return
ESMP	Environmental and Social Management Plan
F.E.	foreign exchange
GAFFSP	Global Agriculture and Food Security Programme
Govt.	Government
ICT	information and communication technology
IRR	internal rate of return
L.C.	local currency
MAER	Ministry of Agriculture and Rural Equipment
NGEES	National Gender Equity and Equality Strategy
NGO	non-governmental organisation
NPV	net present value
PAP 2A	Adjusted and Accelerated Priority Action Programme
PASA/LMK	Food Security Support Project in the Louga, Matam and Kaffrine Regions
PASAD	Agricultural Programme for Food Sustainable Sovereignty 2021-2025
PMU	Project Management Unit
PSE	Emerging Senegal Plan
SME	small and medium-sized enterprise
TFPs	technical and financial partners
UA M	million Units of Account
UA	Unit of Account

PROJECT INFORMATION SHEET

Customer Information

DONEE: Republic of Senegal

EXECUTING AGENCY: Ministry of Agriculture and Rural Equipment

Financing Plan

Source	Amount (USD)	Instrument
GAFSP	4,422,335	Grant
Government	489,335	-
TOTAL COST	4,911,670	

Key GAFSP Financing Information

GAFSP grant currency	USD
ERR (baseline scenario)	17%
NPV (CFAF)	4.96 billion

Timeframe - Milestones (expected)

Concept Note approval	October 2022
Project approval	November 2022
Effectiveness	November 2022
Completion	September 2023
Last disbursement	31 December 2023

EXECUTIVE SUMMARY

Project Overview: The Food Security Support Project in the Louga, Matam and Kaffrine Regions (PASA/LMK), which started in 2014, has achieved appreciable results in economic, environmental and social terms at its various intervention sites thanks to the hydro-agricultural infrastructure set up in close collaboration with the beneficiary rural communities. The project has facilitated access to diversified agricultural and pastoral infrastructure (2,450 ha of lowland rice fields, 320 ha of modern agricultural farms, 18 pastoral boreholes, etc.), as well as to adapted technologies, services and training for about 18,628 small producers, women and young people, and their organisations. It has also raised the hopes of the population faced with the problems of climate change. The grant awarded by the Global Agriculture and Food Security Programme (GAFSP) aims to consolidate the gains of PASA/LMK by providing specific and targeted support to more than 20,128 farmers and stockbreeders, 1,500 of whom are specifically targeted by infrastructure rehabilitation and training activities that would enable them to cope with the impacts of the COVID-19 pandemic and the recent negative fallout from the war in Ukraine.

Needs assessment: Since the outbreak of the COVID-19 pandemic in March 2020, the Government of Senegal has stepped up impact mitigation measures and economic recovery plans. Indeed, the pandemic, as well as the recent war in Ukraine, has eroded livelihoods and food security in the target area. The pandemic prevention measures have hampered most economic activities and weakened the safety nets on which vulnerable families depend. For the agricultural sector, through the Emerging Senegal Plan (*Plan Sénégal Emergent* - PSE), the Agricultural Programme for Sustainable Food Sovereignty (2021-2023) has been developed in order to meet the challenges of the Government's Adjusted and Accelerated Priority Action Plan (PAP 2A), the agricultural component of which aims to accelerate Senegal's food sovereignty by strengthening autonomy over basic products. The C19 PASA/LMK project is part of this momentum and will improve access of small farmers and stockbreeders to production factors (supporting infrastructure, equipment, inputs, etc.), while building their capacities.

Bank value-added: The Bank has been designated by the Senegalese authorities as the GAFSP supervisory entity. The Bank has developed a more extensive COVID-19 Crisis Response Facility (CRF), worth USD 10 billion, to help member country governments access resources for investments to mitigate the effects of the COVID-19 pandemic. The Bank's Agriculture and Agro-industries Department has also developed a response to the food crisis caused by COVID-19 entitled "*Feed Africa Response to COVID-19* " (*FAREC*) to ensure accelerated resource mobilization (USD 10 billion). The GAFSP grant to PASA/LMK is consistent with these Bank initiatives as well as with the Country Strategy Paper (2021-2025) for Senegal, the Ten-Year Strategy (2013-2022), and Feed Africa: A Strategy for Agricultural Transformation in Africa (2016-2025). In particular, PASA/LMK has contributed to the consolidation of approaches and achievements in food security and population resilience, and that explains why GAFSP is interested in providing additional resources to support households as they strive to cope with the effects of the pandemic.

Knowledge-building: Implementation of the grant activities will consolidate the know-how of producers and stockbreeders in the PASA/LMK impact area. It will also enable young people and women to build their technical and entrepreneurial capacity in an inclusive manner by carrying out their activities in sites with equipped infrastructure and modern facilities. The knowledge gained will be documented through a monitoring and evaluation system, progress reports, a beneficiary impact assessment report and a project completion report.

RESULTS FRAMEWORK

A PROJECT INFORMATION					
Project Name: Project to Mitigate the Impact of COVID-19 on Food Security in the Louga, Matam and Kaffrine Regions (C19 PASA/LMK) SAP CODE : P-SN-A00-005				COUNTRY/REGION: SENEGAL/RDGW	
PROJECT DEVELOPMENT OBJECTIVE: Contribute to food security and increase the incomes of small-scale producers					
KEY ALIGNMENT INDICATORS					
(1) Increase agricultural output and productivity (coverage rate: 80% for rice needs and 100% for other horticultural products).					
(2) Increase cereal yields (Level 1 of the Bank's CMR indicator 2016-2025)					
B RESULTS MATRIX					
DESCRIPTION OF THE CHAINS AND RESULT INDICATORS	CMR INDICATOR	MEASUREME NT UNIT	BASELINE VALUE (2021)	TARGET AT COMPLETION (2023)	MEANS OF VERIFICATION
OUTCOME 1: The production of producers affected by COVID-19 is maintained/increased and their climate resilience built					
OUTCOME 1.1: Annual vegetable yield of women's organisations		Tonnes/year	5,489	16,220	Farm monitoring sheets PMU M&E system
Outcome 1.2 Annual rice yield		Tonnes/year	4,909	7,500	
Outcome 1.3 Cereal (rice) yield	x	Tonnes/year	2.7	3	
Outcome 1.4 Annual poultry meat output (including by women's groups)		Tonnes/year	39	42	
Outcome 1.5 Annual milk output (including by women's groups)		Litre/year	34,000	43,000	
OUTCOME 2: Incomes of households (including female-headed ones) affected by COVID-19 are maintained or increased					
OUTCOME 2.1: Average income in lowland areas (rice and off-season vegetable farming) including women farmers	X	CFAF/year	2,000,000	3.8 million (100% women's groups)	Field surveys Final impact assessments PMU M&E system
Outcome 2.2: Average farm and vegetable garden incomes (borehole and lowland), including for women farmers	X	CFAF /year	From 11,000,000 to 29,000,000	From 27,000,000 to 75,000,000 (80% women beneficiaries)	
Outcome 2.3: Average income of herders/pastoralists and small-scale pastoralists (including women farmers)	X	CFAF /year	From 320,000 to 650,000	From 567,000 to 1,000,000 (50% women)	
Outcome 2.4: Industrial poultry income		CFAF/year	155,000	1,300,000	
OUTPUT 1: The infrastructure of COVID-19 affected producers is developed and their resilience to climate change built					
Output 1.1: Number of women and men supported and benefiting from agricultural progress	X	Number	18,628	20,128 (+1,500 of which at least 50% women)	PMU M&E system
Output 1.2: Number of people living with disabilities benefiting from production facilities		Number	1,862	2,163	

Output 1.3: Agricultural structures built (including for women's groups)		Number	0	12 (50% women)	Works control mission reports Progress reports PMU M&E system
		Area (ha)	0	20 (10 for women)	
Output 1.4: Number of solar pumps installed on farms		Number	0	12	
Output 1.5: Number of storage facilities built		Number		6	
Output 1.6: Kilometres of water supply lines laid from constructed boreholes		Kilometres	0	7	
Output 1.7: Number of livestock buildings constructed, of which 29 for the benefit of people with disabilities		Number	Sheep and goat pens (121), henhouse (100), dairy barn (15), sheds (25)	Sheep and goat pens (131), henhouse (110), dairy barn (20), shed (42)	
OUTPUT 2: COVID-19- affected households receiving upgrade and capacity-building support are strengthened					
Output 2.1: Number of units supported including for women		Number	Demonstration units (0) Aggregation centres (0) Dairies (2) Processing units (0)	Demonstration units (50) Aggregation Dairies (4) Processing units (4) (50% of them managed by women's groups)	Progress reports PMU M&E system
Output (2.2): Quantities of climate-smart fertilisers and seeds supplied		Kilogrammes Tonnes	Quantity of climate-smart vegetable seed (1,866.5) Amount of fertilizer (600)	Quantity of climate-smart vegetable seeds (4,469), 50% for women's groups Quantity of fertiliser (1,650), 50% for women's groups	
Output 2.3: Support for climate-resilient livestock inputs		Number	Dairy heifers (15) Sheep/goat breeding stock (0) Cows inseminated (500) Broiler chicks (0)	Dairy heifers (35) Sheep/goat breeders (60), 100% for women's groups Cows inseminated (750) Broiler chicks (5,000), 100% for women's groups	
Output 2.4: Producers' capacity (animal health, appropriate production, conservation/storage techniques, IEC, COVID-19 barrier actions, etc.) is built	X	Number	0	1,500 (50% of them women producers trained and sensitized through gender-sensitive modules)	

C19 PASA/LMK IMPLEMENTATION SCHEDULE

Year Month	2022				2023											
	Sept.	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept.	Oct	Nov	Dec
1 INITIAL ACTIVITIES																
<i>GAFSP grant approval</i>																
<i>Signing of the Grant Protocol Agreement, fulfilment of 1st disbursement conditions</i>																
<i>Publication of the General Procurement Notice</i>																
2 START-UP ACTIVITIES																
<i>Procurement for consolidation works</i>																
<i>Procurement for equipment and inputs</i>																
<i>Activation of protocols and conventions</i>																
<i>Updating of the procedures manual and the accounting system</i>																
<i>Adaptation of the existing monitoring/evaluation system</i>																
3 DEVELOPMENT OF AGRICULTURAL INFRASTRUCTURE																
<i>Rehabilitation of 20 one-hectare farming</i>																
<i>Installation of 12 solar pumping systems</i>																
<i>Construction of 6 storage warehouses</i>																
4 DEVELOPMENT OF LIVESTOCK INFRASTRUCTURE																
<i>Construction of 7 km of water supply lines from existing boreholes</i>																
<i>Construction of 10 sheep and goat pens, 10 chicken houses, 5 stables and 17 sheds</i>																
5 DEVELOPMENT SUPPORT																
<i>Support for 50 demonstration units and 4 processing units</i>																
<i>Support for 7 aggregation centres and 2 dairies</i>																
<i>Supply of fertiliser and seed to producers</i>																
<i>Supply of livestock inputs (heifers, sheep/goat brood stock, broiler chicks)</i>																
6 CAPACITY-BUILDING																
<i>Training and organisation of producers</i>																
<i>Support to 2 existing warning systems taking into account the climate risk</i>																
<i>Awareness and communication activities through 8 community radio stations</i>																
7 PROJECT MANAGEMENT																
<i>Management, monitoring/evaluation and communication activities</i>																
<i>Completion of the C19 PASA/LMK project</i>																
<i>Final audit of the C19 PASA/LMK accounts</i>																
<i>Climate compliance and carbon footprint monitoring audit</i>																
<i>Bank and Government completion report for PASA/LMK and C19 PASA/LMK</i>																

SENEGAL

ASSESSMENT OF THE IMPACT OF COVID-19 ON FOOD SECURITY IN THE LOUGA, MATAM AND KAFFRINE REGIONS (C19 PASA/LMK)

APPRAISAL REPORT

Management submits this report and recommendations on the proposal to award a grant of USD 4,422,335 (UA 3,199,027) from the Global Agriculture and Food Security Programme (GAFSP) to the Republic of Senegal to finance the Project to Mitigate the Impact of COVID-19 on Food Security in the Louga, Matam and Kaffrine Regions (C19 PASA/LMK).

I Strategic Thrust and Rationale

1.1 Project Linkages with Country Strategy and Objectives

1.1.1 The C19 PASA/LMK project is aligned with the various national strategies in force, in particular the Emerging Senegal Plan (PSE 2014-2034), which constitutes the benchmark for Senegal's economic and social policy, and the country's Adjusted and Accelerated Priority Action Plan (PAP 2A, 2021-2023), prepared for the post-COVID economic recovery. At sector level, the project is consistent with the Agro-Sylvo-Pastoral Policy Law (*Loi d'Orientation Agro-Sylvo-Pastorale* - LOASP), the Programme to Accelerate the Pace of Agriculture in Senegal (PRACAS II), and the National Agricultural Investment and Food and Nutrition Security Programme (PNIASAN), 2nd generation of the PNIA, which constitutes Senegal's translation of the regional agricultural policy. It also incorporates the various multisector strategies, including the National Strategy for Food Security and Resilience (SNSAR 2015-2035), the National Strategy for Social Protection (SNPS 2016-2035), the National Strategy for Gender Equity and Equality (SNEEG 2015-2025) and also the country's nationally determined contribution to the Paris Climate Agreement.

1.1.2 The project also addresses the two priority areas identified in the Bank Group's 2021-2025 Country Strategy Paper (CSP) for Senegal, namely: strengthening competitiveness and regional integration support infrastructure; and building the resilience of the economy through agricultural transformation and industrial development. The project is aligned with the Bank's sector strategies, notably the Strategy for Addressing Fragility and Building Resilience in Africa (2022-2026) which makes "building resilient societies" its Priority Area 2. The C19 PASA/LMK project provides for the rehabilitation and equipping of existing farming areas, the construction of agricultural and livestock buildings, as well as the facilitation of access to inputs and seeds to enable producers and stockbreeders to maintain and increase their output and income levels, in the post COVID-19 context.

1.2 Rationale for Bank Intervention

1.2.1 The Bank has been supporting Senegal for several decades, particularly in the rural and hydro-agricultural sector. In this regard, it was designated by the Government of Senegal in 2010 as the supervisory entity of the Global Agriculture and Food Security Programme (GAFSP), and was responsible for administering the Food Security Support Project in the Louga, Matam and Kaffrine regions (PASA/LMK), which received in 2012 a GAFSP grant of USD 40 million and an ADF loan of UA 2 million. This project is nearing completion (physical implementation rate close to 100% and disbursement rates of about 98% for the GAFSP grant and 82% for the ADF

loan) and has achieved very satisfactory results. Indeed, after eight years of implementation, PASA/LMK has completed and commissioned all the programmed agro-pastoral infrastructure. Almost all the expected outputs have been achieved or exceeded. The project's activities have led to a significant increase in crop production (+4,800 tonnes of rice and +5,500 tonnes of vegetable produce in 2021) and animal production (+42,000 litres of milk, 42 tonnes of poultry and 1.5 tonnes of small ruminant meat carcass), and increased incomes for the beneficiaries, while improving their living conditions. The number of direct beneficiaries of the project is estimated at 18,628 and the number of indirect beneficiaries is 400,000, of whom approximately 200,000 have been impacted by the rural road development component. The 20 new farms (390 ha) attached to the boreholes are major agricultural production tools and offer employment opportunities for young people and women. The development of 2,575 ha of lowlands has revitalised rice growing and lowland vegetable farming in Kaffrine. The drilling of boreholes has expanded the network of water points in the sylvo-pastoral zone, while the livestock infrastructure has made it possible to carry out income-generating activities that are more secure and focused on animal production. All of these activities have helped to reduce the climatic vulnerability of agro-pastoral farms and built their resilience to climatic risks, particularly droughts and the scarcity and irregularity of rainfall.

1.2.2 These satisfactory results were, however, adversely impacted in 2020 and 2021 by the effects of the COVID-19 pandemic: difficulties in marketing horticultural and livestock products (closure of weekly markets and cancellation of religious holidays), delays in finalising certain development works and in the delivery of drilling equipment, increased difficulties in the upkeep and maintenance of irrigation networks, a drop in production due to fear of marketing difficulties, etc. This situation has been compounded by the fallout from the war in Ukraine, which has resulted in higher input costs and tension on world grain markets. Producers' incomes have thus been severely affected. In the livestock-meat sector, the drop in income, combined with difficulties in procuring foodstuffs and animal feed, has led to excessive destocking of certain species such as sheep and goats, resulting in a reduction in productive nuclei on the breeding chains set up by PASA/LMK. High livestock mortality was also recorded during this period, due to the decline in health coverage. The various impacts linked to poor sales and depreciation of stocks were more severely felt by vulnerable groups such as young people and women who are heavily involved in occupations/activities within the horticultural and livestock value chains.

1.2.3. In terms of climate, Senegal's climate has become more arid in recent decades, with a sharp decrease in rainfall, an increase in temperature, as well as disruptions in arable land and water resource availability. Future trends predict a more intense variability of the Senegalese climate and a higher aridity with a predominance of drought risks, irregularity and scarcity of rainfall, etc. Throughout Senegal, annual rainfall is expected to drop drastically. These climatic uncertainties are a contributory factor to the worsening of the food crisis currently threatening the country, and call for increased investment in order to ensure better water management and promote more resilient and climate-smart production techniques.

1.2.4 To cope with the effects of the COVID-19 pandemic, a comprehensive and inclusive response plan has been drawn up by the Senegalese Government, which includes the implementation of social support measures for building the people's resilience. As part of this initiative, the Ministry of Agriculture and Rural Equipment (MAER) has developed a COVID-19 response Economic and Social Resilience Agricultural Programme (PARES), aimed mainly at providing an urgent response to the negative impacts of the pandemic on actors in the various agricultural value chains. To this end, the rural community has received more substantial input and livestock feed subsidies. A national coordination committee has been set up to coordinate the implementation of all response activities.

1.2.5 The Bank and GAFSP have been heavily involved in the national COVID-19 response mechanism, through the financing/restructuring of development projects and programmes. Thus, through PASA/LMK, inputs (fertilisers, seeds, plant protection products, livestock and poultry feed, etc.) were made available to producers and breeders in the project impact areas, as well as to plant protection services. As part of this response, Senegal, through PASA/LMK, submitted a proposal relating to GAFSP's call for applications to support ongoing projects in order to benefit from additional funds. As a result, PASA/LMK was awarded a grant of USD 4,422,335 in September 2020. The Bank, as the supervising entity, is appraising the present project named C19 PASA/LMK, for which detailed design studies and an Environmental and Social Management Plan were prepared in 2021.

1.3 Aid Coordination

The Ministry of the Economy, Planning and Cooperation (MEPC) coordinates aid through the Directorate of Economic and Financial Cooperation (DCEF). Senegal's net official development assistance (ODA) is estimated at USD 10.121 billion (current USD) over the period 2010-2019. The 2019 ODA was USD1.444 billion, or 100.4% of the gross domestic product, estimated at USD1,438 billion in the same year (<https://donnees.banquemondiale.org> and ANSD). In order to ensure efficient management, the national authorities and TFPs set up a new coordination mechanism in 2018, whose components include the Group of 15 members (G15), where the Bank is Vice-Chair. The Bank is a member of the Rural Development and Food Security Thematic Group (RDFSG). The International Fund for Agricultural Development (IFAD) is the lead agency of this group, with Italian Cooperation as deputy. This momentum will be amplified during project implementation, notably through COSN. The table below shows the funding committed in recent years by the various technical and financial partners (TFPs).

Sector or Sub-sector	Magnitude (in 2020)		
	GDP	Exports	Labour Force
Agro-industrial sector)	12.9% (2016)		9.1% (2014)
			Approx. 70
Stakeholders - Public expenditure (ongoing programmes or projects)			
Government	Donors	Amounts (USD million)	Period
USD100-112 million (per year:)	WB	95	2012-2019
	IFAD	130	2017-2024
	USAID	277	2013-2017
	AfDB	99.2	2013-2020
	CIDA	79.3	2013-2017
	IsDB	16	2011-2015
	BOAD	35.5	Active portfolio 2012
	JICA	33	2015-2020
	FAO	6.85	2012-2013
	EU	105.7	2014-2017
	France	79	2014-2017
	ENABEL		
Level of aid coordination			
Existence of thematic working groups		Yes	
Existence of a comprehensive sector programme		No	

Sources: DCFE/MEFP

II. Project Description

2.1 Project Objectives and Components

2.1.1 The activities proposed for the grant to Senegal will contribute to the overall development objective of PASA/LMK, namely “contribute to food security and increase the income of small producers in the project impact areas”. They will strengthen components A and B of the current project, devoted to the development and enhancement of various agro-pastoral infrastructure. The expected results of the C19 PASA/LMK project will help mitigate the impacts of the COVID-19 pandemic and build climate resilience by (i) reducing climate risks through water and climate resilient seeds/inputs control; (ii) increasing agro-sylvo-pastoral production and income through support for the development of value chains in the targeted sectors; (iii) improving access to storage, conservation and processing infrastructure; (iv) promoting employment and entrepreneurship among young people and women; and (v) building the capacities of stakeholders (central and decentralised technical services, local authorities, farmers' organisations, private sector, etc.). The table below summarises the main activities of the C19 PASA/LMK project planned for each component.

Table 2.1: Project Components

Components	Cost	Activities
Component A: Development of agricultural and livestock infrastructure	USD 1,339,113 (27%)	<ul style="list-style-type: none"> • Rehabilitation of 12 vegetable farming areas totalling 20 ha, which are no longer in production (fencing, procurement of motor pumps and solar pumping systems, wells, mini-boreholes, rehabilitation of damaged irrigation networks, etc.) • Construction of 7 km of water conveyance system for the boreholes constructed and a watering place in the Lavardi site, to better meet the water needs of the population and for grazing purposes • Construction of 10 sheep and goat pens, 10 chicken houses, 5 dairy barns and 17 fodder storage sheds with solar lighting • Construction of 6 storage warehouses and toilet blocks
Component B: Development support and capacity- building	USD 2,626,375 (53%)	<ul style="list-style-type: none"> • Equipping of 12 areas with small equipment • Installation of 12 solar pumping systems on 12 farms • Supply of vegetable seeds and chemical and organic fertilisers subsidised at 80% to small producers • Provision of inputs to small-scale poultry and livestock farmers to enable them to resume their activities (nuclei of breeding females, 20 climate-resilient crossbred dairy heifers with hormones and other insemination inputs, 60 climate-resilient sheep/goat brood stock, broiler chicks, poultry feed, medicines, vaccines) • Supply of inputs to small-scale livestock farmers to help them restart their activities (to improve the quality of marketable products, revolving stock of starter feed, medicines, vaccines, multivitamin supplements in the feed ration) • Supply of small agricultural and livestock production equipment (irrigation kits, power tillers, seeders, diggers, sprayers, tricycles, feeders, watering troughs, etc.) for the establishment of 50 demonstration units for vulnerable women and youth • Artificial insemination of 250 local cows (training of private veterinary service providers and provision of insemination kits). • Development of 2 fodder fields in Mogueré and Kamb • Support for 4 women's processing units to improve product marketing conditions (provision of quality packaging, product labelling, marketing, etc.)

		<ul style="list-style-type: none"> • Support to 7 aggregation centres and 2 dairies (tricycles, solar kits, water supply) • Technical and organisational capacity-building for 1,500 producers (animal health, appropriate production techniques, conservation/storage, IEC, COVID-19 barrier measures, etc. • Support to 2 existing warning systems, including on climate risks and 8 community radio stations.
Component C: Project Management	USD 946,183 (19%)	Coordination of project activities; administrative, accounting and financial management; procurement of goods, works and services; monitoring and evaluation of project implementation and impact measurement; and information and communication.

2.2. Technical Solutions Adopted and Alternatives Explored

This is a short-term emergency project, aimed at protecting the livelihoods of producers against shocks caused by the COVID-19 pandemic in the three regions targeted by PASA/LMK and at priority sites, as well as against shocks related to the recent disruption of global markets by the war in Ukraine. The technical solutions and options adopted in the initial project design were satisfactory: use of boreholes for livestock watering and farm irrigation, appropriately sized hydro-agricultural schemes, upgrading of livestock habitats, solar pump irrigation systems, etc. The C19 PASA/LMK project will capitalise on these achievements to ensure the sustainability of the investments and ownership of the project by beneficiaries. The table below presents the alternative solutions explored for this project and the reasons for their rejection.

Table 2.2: Alternatives Explored and Reasons for Rejection

	Brief Description	Reason for Rejection
Focus primarily on long-term infrastructure and institutional development to improve crop productivity and value chain development	Alternative	Even if this solution would be more sustainable, the impact of COVID-19 requires more short-term mitigation measures to curb food insecurity and malnutrition of the affected and vulnerable population segments. Thus, an effort has been made to provide inputs and equipment, without however neglecting targeted operations at a number of PASA/LMK sites for which studies are available

2.3 Project Type

The C19 PASA/LMK project is an operation funded by a GAFSP grant for the purpose of supporting the implementation of short-term mitigation measures to counter the adverse effects of COVID-19 on vulnerable groups. The project approach is essential to consolidate and protect the gains of long-term PASA/LMK investments in the rice, vegetable farming and livestock sectors.

2.4 Project Costs and Financing Arrangements

The cost of the C19 PASA/LMK project is estimated at USD 4,911,670 (CFAF 2.902 billion) exclusive of taxes and customs duties. Customs duties and taxes will be paid by the State, which will be required to take the necessary measures to implement this provision. The project will be financed mainly by GAFSP funds to the tune of USD 4,422,335 (90%). The Government's counterpart contribution amounts to USD 489,335 (10%) or CFAF 289,147,000. It covers part of the operating costs and staff expenses of the Project Coordination Unit and the regional technical services involved in project implementation. The breakdown of project costs is presented in the tables below, by component, expenditure category and financing source. A

schedule of expenditure by component is also provided. The detailed tables of project costs and the list of goods and services are presented in Annex C of Volume II.

Table 2.3: Summary of Cost Estimates by Component

Components	CFAF /000			USD			F.E.
	L.C.	Currencies	Total	L.C.	F.E.	Total	
Development of agricultural and livestock infrastructure	365,442	355,022	720,464	618,452	600,818	1,219,270	49
Development & capacity building support	750,745	691,911	1,442,656	1,270,515	1,170,949	2,441,463	48
Project management	485,635	31,548	517,183	821,859	53,390	875,249	6
Total Base Cost	1,601,821	1,078,481	2,680,303	2,710,826	1,825,56	4,535,982	40
Provision for contingencies	65,892	39,703	105,596	111,512	67,192	178,703	38
Provision for price escalation	65,642	50,56	116,398	111,088	85,897	196,985	44
Total Project Cost	1,733,355	1,168,941	2,902,296	2,933,425	1,978,245	4,911,670	40

Table 2.4: Summary of Cost Estimates by Expenditure Category

Expenditure Categories	CFAF/000			USD			F.E.
	L.C.	F.E.	Total	L.C.	F.E.	Total	
Goods	596,110	597,017	1,193,127	1,008,820	1,010,355	2,019,175	50
Works	286,999	287,435	574,434	485,699	486,438	972,137	50
Services	199,694	189,021	388,715	337,949	319,888	657,837	49
Staff	238,156	-	238,156	403,041	-	403,041	-
Operation	280,864	5,008	285,871	475,317	8,475	483,791	2
Total Base Cost	1,601,821	1,078,481	2,680,303	2,710,826	1,825,156	4,535,982	40
Provision for contingencies	65,892	39,703	105,596	111,512	67,192	178,703	38
Provision for price escalation	65,642	50,756	116,398	111,088	85,897	196,985	44
Total Project Cost	1,733,355	1,168,941	2,902,296	2,933,425	1,978,245	4,911,670	40

Table 2.5: Financing Sources

Sources of Financing	CFAF/000			USD			%
	F.E.	L.C.	Total	F.E.	L.C.	Total	
GAFFSP	1,470,549	1,142,600	2,613,149	2,488,668	1,933,667	4,422,335	90%
Government	262,806	26,341	289,147	444,757	44,578	489,335	10%
Total Project Cost	1,733,355	1,168,941	2,902,296	2,933,425	1,978,245	4,911,670	100%

Table 2.6: Expenditure Schedule by Component

Components	CFAF/000			USD			%
	2022	2023	Total	2022	2023	Total	
Development of agricultural and livestock infrastructure	777,219	14,060	791,279	1,315,319	23,794	1,339,113	27%
Development & capacity building support	1,528,300	23,620	1,551,920	2,586,402	39,973	2,626,375	53%
Project management	416,085	143,012	559,097	704,157	242,025	946,183	19%
Total Project Cost	2,721,604	180,692	2,902,296	4,605,878	305,792	4,911,670	100%

2.5. Project Target Area and Beneficiaries

The project area is the same as that of PASA/LMK, which covers three administrative regions located in the Centre/North of Senegal (Louga, Matam and Kaffrine), representing one third of the national territory and comprising 10 departments and 83 communes. The area has a population of approximately 1,960,000. This area was selected because of its poverty (incidence of between 45.2% and 63.8%) and recurrent food insecurity (global acute malnutrition rate of between 11 and 14% at end-2011). The priority targets of the project are small-scale producers (men and women) residing in the three programme intervention regions. The project's beneficiaries will be not only the families of producers and breeders directly affected by the activities promoted to increase production, but also the inhabitants of neighbouring villages whose living conditions will improve thanks to greater availability of food, the opening up of access to the area and the multiplication of drinking water supply points. It is estimated that 20,128 people will benefit directly from the effects of the entire PASA/LMK programme, including the supplementary funding, and approximately 400,000 people will be indirectly impacted, of whom approximately 200,000 will benefit from the impact of the rural road development component.

2.6 Participatory Approach

The project was identified by the Government based on the need to reduce vulnerabilities to COVID-19 and its effects on food security and income gains achieved under PASA/LMK. The C19 PASA/LMK project proposal was developed and submitted in August 2020 after consultation with stakeholders and taking into account the needs expressed at the grassroots. These consultations made it possible to define the intervention sites, the urgent activities to be carried out and the implementation modalities. The project was submitted to the Bank and reviewed before being presented to the GAFSP Technical Advisory Committee which approved it on 24 September 2020. The Bank (supervisory entity), through COSN, has closely involved the Senegalese authorities in the drafting of this project appraisal report for consideration by the Bank's Board of Directors. The design of the C19 PASA/LMK project is in line with the participatory and inclusive approach, which involved all stakeholders (technical services, producers' organizations, women's/youth groups, civil society, private sector, TFPs and other ongoing projects) during the design of the initial PASA/LMK project. The operational mechanism in place and the project's steering and policy bodies will encourage the continuation of this participatory approach, which will continue to fully involve producers, women and young people as well as local communities.

2.7. Consideration of Bank Group Experience and Lessons Reflected in the Project's Design

A number of lessons were learned during the development of the CSP 2021-2025. At the strategic level, there is a need to address issues of vulnerability and productivity. At the operational level, one of the lessons learned was the need to pay greater attention to quality at entry, while strengthening environmental and social safeguards. These lessons were factored into the design of the C19 PASA/LMK project. Indeed, the project is fully aligned with and contributes to the implementation of the Emerging Senegal Plan (PSE) and the 2021-2025 Country Strategy Paper (CSP) for Senegal. An environmental and social performance audit of PASA/LMK yielded a positive outcome, while the ESMP of C19 PASA/LMK was developed during 2021. The detailed design studies have been prepared to allow for a speedy implementation of project activities. All these arrangements were informed by lessons from other similar operations in order to ensure good quality at entry of the project.

2.8 Key Performance Indicators

Internal monitoring/evaluation of project activities and results framework indicators will be carried out by the monitoring/evaluation specialist of the PASA/LMK Project Management Unit (PMU), in close cooperation with all associated partners, including primarily the three executing agencies (ANIDA, DEPA and DBRLA) and the Ministry of Agriculture. Special emphasis will be placed on targeting parameters that can be monitored and collected internally, and those specifically related to women (systematic data disaggregation). The monitoring will cover in particular: (i) the volume of additional output (tonnes) and crop yields (t/ha); (ii) the increase in farmers' incomes by type of activity, with particular attention to the situation of young people and women; (iii) the number of jobs created in each sub-sector (installation of young people on new farms, small-scale livestock activities linked to the modernisation of habitats, revitalisation of rice farms thanks to the development of lowlands, marketing activities linked to the installation of aggregation centres, etc.); (iv) the growth rate of the number of jobs created in each sub-sector; (v) the number of jobs created in each sub-sector; (vi) the rate of completion of agricultural and livestock infrastructure (number of infrastructure built by type); (vii) the areas benefiting from irrigation (hectares); (viii) the effective organisation of supervision and training (number of structures and people trained, taking gender into account); (ix) the involvement of women in decision-making bodies and their rate of access to land (percentage); and (x) the overall social impacts of the project, with special attention to the spin-offs for vulnerable groups and women. All the indicators selected for the project will be aligned with those selected, at a broader level, for the National Agricultural Investment Programme (PNIA) and GAFSP. The various supervision missions and periodic progress reports will indicate the level of achievement of the indicators.

III. Project Feasibility

3.1 Economic and Financial Performance

Table 3.1: Key Economic and Financial Data

NPV (baseline scenario)	CFAF 4.5 billion at a discount rate of 12%.
ERR (baseline scenario)	17%

3.1.1 Assumptions and methodology: The C19-PASA/LMK project is a continuation of PASA/LMK, granted supplementary financing to consolidate the gains of the initial financing and avoid any slippage due to factors exogenous to the project, namely the effect of the COVID-19 and the fallout from the war in Ukraine. The additional activities will help to achieve the goal and objectives of the original project and have not changed the component structure and institutional set-up of PASA/LMK. Therefore, the economic and financial analysis was carried out taking into account the actual achievements of the initial financing from 2014 to 2021 and the projections resulting from the supplementary financing from 2022 onwards. Thus the project cash flow took into account the costs of the original and supplementary financing as well as the benefits achieved up to 2021 and the projected benefits from 2022 onwards. The benefits are derived from crop and livestock activities supported by the project in terms of development of production infrastructure and support for the enhancement of value chains such as rice, vegetable and animal products. The project's profitability analysis covered a 20-year period beginning from the initial financing. All project investment and operating costs were taken into account and estimated on the basis of economic prices. For the benefits of the project, rice production, vegetable produce, milk production, beef and sheep/goat meat, and poultry

meat were taken into account. Market prices were considered as economic prices, except for the economic price of rice which was calculated based on the price of imported rice.

3.1.2 Financial performance: The analysis focused on the various farm models that were identified and considered in the calculation of the project's financial performance at the time of the project appraisal. For crop production development: (i) Model 1: a 5-hectare farm developed and supplied with water from developed lowlands; (ii) Model 2: a 20-hectare farm equipped with a drip irrigation system and supplied by a new borehole; (iii) Model 3: 5 hectares of vegetable farming area developed on lowlands or provided with boreholes. In terms of livestock development: (iv) Model 4: a model of the herders/pastoralists benefiting from the project activities in the pastoral areas; (v) Model 5: a model illustrating the impact of the project on small ruminant breeders; and (vi) Model 6: a model illustrating the impact of the industrial poultry support activities. It is a new model developed under this supplementary financing Model to assist small breeders severely affected by the Covid-19 crisis.

3.1.3 The income generated by Model 1 in 2016 (2nd year of PASA/LMK), 2018 and 2020 respectively was CFAF 1.9, 2.2 and 1.8 million. The income in the cruising year after the supplementary financing is estimated at CFAF 3.8 million, which reflects the impact of the supplementary financing in terms of correcting the decline observed in 2020. The incomes derived from Model 2 in 2016, 2018 and 2020 respectively were estimated at CFAF 33.7, 34 and 20.5 million. The estimated income in 2024 is around CFAF 75 million. The incomes derived from Model 3 in 2016, 2018 and 2020 were estimated at CFAF 12.9, 11.8 and 7.5 million. The income for 2024 is estimated at CFAF 26.9 million.

3.1.4 In terms of livestock development, the income from Model 4 was CFAF190,000; 480,000 and 656,000 respectively in 2016; 2020 and 2021. With the C19 PASA/LMK project, the income will increase to about CFAF 1 million. For Model 5, the income was CFAF 215,000; 307,000 and 319,000, respectively. It is estimated at CFAF 568,000 from 2023. Lastly, for Model 6, representing poultry income-generating activities, the income was estimated at CFAF 155,000, which corresponds to the traditional poultry model, estimated at about CFAF 7 million in 2023 for six cycles of 500 chickens per cycle.

3.1.5 Economic performance: On the basis of the defined assumptions, the project's economic rate of return (ERR) is estimated at 17%. The calculation does not take into account the definite impact of the 120 km of rural developed by the project to open up villages, production areas and markets (access to Dahra, a major urban centre and one of the largest livestock markets in the country; access to basic health centres; facilitation of the procurement of inputs and products such as fresh milk, hay for cattle feed; lower transport costs and reduced travel time; and marketing of eggs, and various fragile goods, previously not marketed due to the poor state of the road).¹ The ERR is slightly lower than that estimated in the PASA/LMK assessment (21%), but still satisfactory. It is due to realistic assumptions and the fact that the project's benefits were estimated on the basis of a minimalist approach. Sensitivity tests were conducted using several assumptions: (i) an increase in project costs due to rising costs of infrastructure, equipment and activities; (ii) a decrease in additional project benefits due to lower revenues or product prices; and (iii) a combination of the two assumptions mentioned above, that is, increased costs and decreased benefits. The results of the sensitivity analysis are as follows: (i) 10% increase in costs (additional financing) - ERR = 16.5%; (ii) 10% decrease in additional revenues (from 2022) -ERR = 15.3%; (iii) 10% increase in costs and 10% decrease in revenues - ERR = 14.7%. These sensitivity tests suggest that the project's economic rate of return is satisfactory with the expected variations, but still require the Borrower to strictly adhere to the costs and schedule of additional activities for the project to achieve a satisfactory rate of return nationally. The detailed assumptions and calculations of the

¹ Socio-economic impact assessment study of the Dahra-Thiel road, May 2020

economic and financial analysis can be found in Annex B2 of Volume II. In addition, thanks to the increase in vegetable production (5,500 tonnes in 2021 and 16,200 tonnes expected in 2023) and rice production (4,800 tonnes obtained in 2021 and 7,500 tonnes expected in 2023), the project will contribute to the improvement of the country's balance of trade, as the demand for these products is still mainly met by imports. The project will also generate other important social benefits that cannot be quantified.

3.2 Environmental and Social Impact

3.2.1 Environment/Social: In line with the requirements Bank's Integrated Safeguards System (ISS), the C19 PASA/LMK project is classified as Category 2 in accordance with the Bank's environmental and social safeguards, as was the original PASA/LMK project. The country considers the project to be Category 2, given the dispersed nature of the infrastructure to be built, its small scale and limited impact on the host environment. Overall, the planned activities will have positive impacts on the environment and on the preservation of natural resources. Indeed, it will contribute significantly to the conservation of biodiversity, the fight against desertification and the regeneration of the natural environment. On the social front, the project will improve the living conditions of the most vulnerable population segments in the context of the COVID-19 pandemic through increased incomes, drinking water supply and protection of the natural environment. The project will also have unexpected positive effects of a non-financial nature: there will be an improvement not only in the rates of school attendance and access to basic health services thanks to the opening up of several villages (paragraph 3.1.6), but also in the supply of fragile goods and access to the region's large market, with the likelihood of reducing rural exodus, particularly the departure of young people. Certain secondary negative impacts, linked in particular to the new infrastructure and the development of production, have however been identified and will be addressed through mitigation measures under the Environmental and Social Management Plan. The infrastructure will not displace people or restrict their access to goods or livelihoods. The management of E&S risks and impacts requires that the Project Coordination Unit should have an Environmental and Social Safeguards Specialist on a permanent basis throughout the project implementation period. Also, for the various works that will be carried out under the project, the E&S clauses of the works companies and those of the consulting engineers will include a significant number of E&S staff for the implementation of environmental and social measures. Quarterly E&S performance monitoring reports will be regularly produced and forwarded to the AfDB.

3.2.2 Climate change: The C19 PASA/LMK project is classified as Category 2, which means that it is vulnerable to the impacts of climate change. The project may be affected by climatic hazards such as insufficient rainfall, droughts, excessive heat, land salinization, especially in the lowlands - which are areas with high rice production potential - proliferation of crop diseases and pests as well as flooding. The climate scenarios all point to the fact that rainfall will decrease and the climate will become more arid, with strong uncertainties about rainfall parameters. Proper management of hydro-agricultural and pastoral pumping systems, through the resulting water control, will build the people's resilience against the harmful effects of climate change, characterised by the irregularity of rainfall, climatic variability, unpredictability of the start of first rains period, and global warming. Support for the adoption of innovative and climate-resilient farming practices and the appropriate agricultural practices that will be promoted will help build the people's resilience and enable the adaptation of their livelihoods to climate change. The project will also focus on solar irrigation systems, thus limiting carbon emissions. It is perfectly in line with the Bank's new ten-year Climate Change and Green Growth Strategic Framework. The project is also consistent with Senegal's nationally determined contribution (NDC). A climate compliance and carbon footprint monitoring audit

will be conducted at the end of the project to assess its contribution to building the climate resilience of the beneficiaries as well as its carbon footprint.

3.2.3 Gender: Poverty in the project area is higher than the national average, and affects especially women due to their lack of access to productive resources, including land. The PASA project is classified in Category 2 in accordance with the Bank's Gender Marker System. It places great emphasis on gender mainstreaming in terms of improving access to productive resources and increasing the level of participation of men, women and young people - both male and female - in social mobilisation and the management of the project works. The project will include a package of integrated services for women and girls, focusing on: (i) land security for women and young people (who will be allocated 80% of the hectares for vegetable farming, with girls receiving half of the areas allocated to young people, especially through sensitization rural council leaders and the issuance of land titles); (ii) equitable access to socio-economic infrastructure (mini boreholes, farm roads, storage warehouses, village nurseries, etc.); (iii) same access as men to technologies that reduce their working time and increase their productivity and the value added of their products (multifunctional platforms and processing and drying equipment, women's farmers' organisations); (iv) equal access for women producers to the capacity-building programmes provided under the project; (v) facilitation of women's access to local, national and regional markets by strengthening partnership between women's enterprises and women producers (see more information in the Annex on gender below).

3.2.4 Fragility and resilience: Recent fragility assessments conducted in Senegal have shown that mitigating the effects of the COVID-19 is fundamental to ensuring the country's medium-term growth and mitigating the socio-economic impact of the health crisis, which has aggravated the challenges of structural transformation and low productivity of the Senegalese economy. Climatic hazards, insufficient inputs, inefficient agricultural subsidies, weak structuring of value chains, limited access to land, technologies and markets are all challenges that hamper food security in Senegal. In the project area, the ageing of the agricultural workforce due to exodus and emigration, the weakness of hydro-agricultural facilities and equipment, limited access to agricultural equipment and materials and difficulty in accessing financing are challenges that hamper food security. About 200,000 people are food insecure according to the May 2022 alert system estimates. The Matam region is the most affected with 18% of its population in phases 3 and 4 of the food crisis, or 143,258 people. In addition, the COVID-19 pandemic has severely eroded social support for households due to a lack of labour and income (especially private remittances).

3.2.5 By aiming to improve food security and increase the income of small-scale producers, the C19 PASA/LMK project is aligned with the Bank's Strategy for Addressing Fragility and Building Resilience in Africa (2022-2026). It should be noted that 100% of the project's activities are aimed at building people's resilience. However, special emphasis will be placed on the most vulnerable segments. The project will improve the living conditions of the population, particularly women and children who make up the most vulnerable group in terms of food security. The implementation of the project activities takes into account these extremely vulnerable segments and relies on the resilience levers identified in the project area. These include the possibility of growing three types of crops (irrigated, rain-fed and flood recession) in Matam, acceleration of the seed-capital rebuilding process in Louga, capitalization on the agro-ecological situation favourable to crop diversification and the availability of land that is not yet fully exploited in Kaffrine. Component A will improve access for women, young people, the disabled and small-scale vulnerable producers to production infrastructure, including plots for vegetable farming, sheep and goat pens and chicken houses. Under Component A, nearly 80% of the support for vegetable seeds and fertilisers will be allocated to small producers and 50 demonstration units for the use of agricultural and livestock equipment will be set up for

women and young people. The project will build the resilience of local communities by (1) increasing yields and food availability; (2) contributing to the improvement of incomes of vulnerable households; and (3) enabling the economic inclusion of the most vulnerable segments, including women, young people and persons living with disabilities.

3.2.6 Social: The activities of the C19 PASA/LMK project will have positive impacts on the development of socio-economic activities and trade, especially by improving incomes and living conditions, promoting value chains in promising sectors (rice and vegetable farming), creating and strengthening rural entrepreneurship and increasing rural employment. By rehabilitating vegetable farms, building storage warehouses and supporting small processing units, the project will help reduce post-harvest losses and increase the availability of food products and household income. It also plans to support income-generating activities that are popular with women, such as vegetable farming, poultry farming, small ruminant breeding, processing and marketing of agricultural products, including those from small livestock. The various types of employment and the additional income generated will reduce poverty and rural exodus in the project area.

3.2.7 Nutrition: Crop and livestock production supported under the C19 PASA/LMK project will contribute to improving the nutrition of beneficiary households and will have a positive impact on the health of the most vulnerable segments of the population, namely children and women of childbearing age. The information, awareness and education activities on COVID-19 barriers, nutrition, hygiene and the prevention of the resurgence of waterborne diseases will also help improve the health and nutrition of the population. In order to enhance market access for processed products, the C19 PASA/LMK project will sensitize four processing units/SMEs on the need to improve packaging and labelling standards, and also support them in that regard.

3.2.8 Involuntary resettlement: The C19 PASA/LMK activities will not lead to any displacement or resettlement of people. However, should any of the activities result in loss of income or restriction of access to sources of income or natural resources, the project will prepare an appropriate specific instrument to restore the livelihoods of the affected populations. Also, a complaint management mechanism will be set up and operated throughout the project area.

IV. Implementation

4.1 Implementation Arrangements

4.1.1 Implementation arrangements: The GAFSP grant will be implemented by the PASA/LMK Coordination Unit under the supervision of the Directorate of Catchment Basins and Artificial Lakes, which will be responsible for its coordination, both at the National Coordination Office (light team based in Dakar) and in the three regions, with the involvement of ANIDA, DEPA and DBRLA in their respective fields of intervention (farms, livestock, lowlands). The Steering Committee and the Regional Consultation Committees set up under PASA/LMK will be maintained for the C19 PASA/LMK project, in their missions and composition. External monitoring and evaluation will continue to be carried out by the technical directorates concerned (DCEF, DODP, DAPSA, etc.). The Bank, through its regional office (COSN) will ensure the technical and financial monitoring of the project, and will organise periodic supervision missions. The computerised internal monitoring and evaluation system currently in place will be adjusted and used to assess the achievements and impacts resulting from the implementation of the new GAFSP grant.

4.1.2 **Procurement arrangements:** All works, goods and consultancy services financed with Bank resources will be procured in accordance with the Procurement Policy for Bank Group Financed Operations (“AfDB Procurement Policy “), October 2015 edition, and with the provisions mentioned in the Financing Agreement. Pursuant to this policy and following various evaluations conducted, works and goods financed with GAFSP resources will be procured in accordance with Decree No. 2014-1212 of 22 September 2014 relating to the Senegalese Public Procurement Code. Meanwhile all consultancy services under the project will be procured in accordance with the Bank's methods and procedures and on the basis of a short list since such procurements involve the recruitment of individual consultants for which there are no specific provisions in the Senegalese Public Procurement Code.

4.1.3 The use of the country system improves efficiency through, among other things: (i) better ownership of the procurement system to be used by the executing agency; and (ii) time-saving with the absence of a second control (after the national entities) represented by the Bank's *ex-ante* review. However, the Bank reserves the right to request the Borrower to revert to the use of the Bank's system if: (a) the public procurement legal framework in Senegal were to change to a system not satisfactory to the Bank; (b) the provisions in force were not complied with by the executing agency; or (c) the appropriate risk mitigation measures included in the risk assessment action plan were not complied with.

4.1.4 **Procurement Risk and Capacity Assessment (PRCA):** In order to take into account the specific features of the project, the Bank assessed: (i) the risks at the country, sector and project levels; and (ii) the capacity of the executing agency. The results of these assessments led to the conclusion that the level of procurement risk was *moderate* and were used as the basis for determining, subject to the implementation of the mitigating measures proposed in paragraph 5.9 of Annex B, which group of procurements should be carried out following the Bank's system and which could be carried out, without major risk, using the national system. The procurements planned to be financed by the Bank amount to about UA 1.187 million for works, UA 0.802 million for miscellaneous goods and UA 0.026 million for consultancy services. Details of the procurement arrangements for these items are available in Annex B.5 of the appraisal report.

4.1.5 **Disbursement:** To ensure the implementation of the new grant, a new special account will be opened in the name of the Project Unit with an approved commercial bank to receive part of the GAFSP resources. Disbursements will be made through the direct payment, working capital and reimbursement methods. For the working capital method, the Minister of Finance and Budget will need to open a new special account in an acceptable bank to finance the project operation as well as some low-value expenditures for the remaining period. Fund advances from the Bank to this special account will be done on the basis of the annual work programme and budget (AWPB) previously approved by the Steering Committee and the Bank. Mobilisation, justification and reimbursement modalities will be in accordance with the procedures described in the new Disbursement Handbook, 2020 edition.

4.1.6 To ensure payment of the State's counterpart funding for the new Grant, an account will be opened at the Public Treasury of Senegal to receive the funds. Counterpart funding will cover operating expenses not eligible for the grant, social security and tax charges for staff, allowances for the four months following the end of the grant (grace period) payable to the coordinator, AFO, RSEC and accountant, as well as end-of-contract allowances.

4.1.7 **Financial management:** For the financial management of the grant, the computerised administrative and accounting system set up under the original project will be used, but the accounts will be separate. Same as for the PASA/LMK special account, a sub-account dedicated to the C19 PASA/LMK project and managed by the PMU will be opened with an approved commercial bank. A portion of the grant resources will be transferred to the special account to be used in financing operating expenses and small services. Expenditure relating to consultants,

contractors and suppliers will be settled in most cases by direct payment. An annual work plan and budget (AWPB), based on the activity forecasts drawn up by the PMU, must be prepared and validated by the Steering Committee and forwarded to the Bank for a no-objection notification (NON) before the beginning of the fiscal year. Once the Bank's no-objection notification for the AWPB is received, it should be entered into the accounting software in order to allow the preparation of the budget monitoring statement. The accounting system used in the original project will be used and adjusted to record the financial information of the additional grant and prepare the financial statements and reports. At the end of each quarter, a financial monitoring report will need to be prepared and forwarded to the Bank no later than 45 days after the end of the quarter. The project has a financial management team consisting of an administrative and financial officer (AFO), an accountant and a stores accountant at the Project Coordination Unit (PCU). The AFO shall be responsible for setting up an appropriate administrative, accounting and financial system. The procedures manual currently used by the PASA/LMK team will be reviewed and amended to include specific aspects related to the management of the new GAFSP grant, where necessary.

4.1.8 **Audit:** The project's accounts will continue to be audited as usual by the Government's authorised agencies. An external audit firm recruited with grant resources will audit the financial statements as agreed in the Bank's audit terms of reference. Given the planned duration of the project, a single audit will be conducted, covering the period from 1 July 2022 to 30 June 2023. The audit report must be forwarded to the Bank within 6 months of the end of the audit period. However, if the project duration is extended, annual audit reports will be required.

4.2. Monitoring-Evaluation

4.2.1 The monitoring-evaluation mechanism currently used for PASA/LMK will be adapted to integrate the additional activities of the C19 PASA/LMK project, linked to the project results framework. Internal monitoring will continue to be coordinated by the project's monitoring and evaluation officer with the involvement of the entire PMU team and technical implementation partners. The monitoring system adopted ensures the quality of the data collected and relies on the data collected by the project's focal points in partner agencies. The existing monitoring and evaluation system is computerised and allows for the geo-referencing of the project's various achievements. The monitoring plan for C19 PASA/LMK activities is set out in Appendix VI.

4.2.2 The external monitoring of the C19 PASA/LMK project will focus on the status of physical and financial execution, the effective contribution of the project to the implementation of sectoral programmes and strategies, and the achievement of the expected development outcomes and objectives. It will be coordinated by the Directorate of Programme Performance Monitoring (DSPP) in cooperation with the Directorate in charge of Rural Engineering of the Ministry of Agriculture and Rural Development, and the Directorate for the Authorisation of Public Expenditure (DODP). The project will also be monitored by the Bank through regular meetings and contacts with COSN and periodic supervision missions. Prior to the close of the project, the Bank and the Government will produce a completion report for the entire project (PASA/LMK and C19 PASA/LMK), within the required timeframe. The key stages in the implementation of the new grant are summarised below.

STAGES	SCHEDULE	RESPONSIBLE
GAFSP grant approval	November 2022	Bank
Signing of the GAFSP Grant Agreement	November 2022	Bank/Government
GAFSP implementation	November 2022	Bank / Government
Procurement of works, goods and services	December 2022 - June 2023	Companies/Consulting Engineers/PMU
Training/capacity building	November 2022 - May 2023	Providers/PMUs
Completion report	2 nd quarter of 2023	PMU/Govt./ADF
Project close	3 th quarter of 2023	PMU/Govt./ADF

4.3 Governance

The Bank's experience in Senegal has shown that project governance practices and control systems in place are generally deemed satisfactory. The positive developments noted in the portfolio and CPIA reviews, as well as the analysis of the national procurement system, are indicators of the quality of the efforts made in this area. Senegal was ranked 9th out of 54 African countries in 2020 by the Mo Ibrahim Index of African Governance (IIAG), with a score of 63.2. The score has increased by 3.3 points over the past 10 years, thanks to improvements in security and rule of law (68.2) and human rights participation (64.3). The Transparency International index is stable at 45/100 from 2016 to 2019, making Senegal the 66th least corrupt country out of 180. The Senegalese authorities are striving to strengthen this performance from year to year and more generally to consolidate governance in the country. The current PASA/LMK project, which focuses on the involvement of local authorities, the empowerment of grassroots community organisations and the promotion of entrepreneurship, will help strengthen the territorial and local governance process. This inclusive approach, aimed at ensuring the full empowerment of local actors, will be pursued under the C19 PASA/LMK project.

4.4 Sustainability

The sustainability of the project investments is linked especially to the capacity of farmers' organisations to assume responsibility for the maintenance and management of infrastructure and equipment on a regular and long-term basis. The management committees for hydro-agricultural, pastoral and support infrastructure currently in place help to facilitate the mobilisation of community participation. Management committee members will continue to be trained in the accounting management of endogenous funds for works maintenance, the amounts of which are determined by mutual agreement between the beneficiaries, depending on the recurrent costs of each type of infrastructure. The dissemination of solar systems planned under the C19 PASA/LMK project aims to reduce operating costs and make them more affordable. The project will build the capacity of young entrepreneurs in the day-to-day maintenance of structures and will also provide them with the equipment kits required for such maintenance. The technical, managerial, accounting and logistical capacities of all the entities set up to manage the storage and processing infrastructure for agricultural products will be built to enable them to eventually become autonomous enterprises capable of carrying out income-generating activities on a long-term basis after the project is completed. The development of local expertise and the participatory approach promoted will foster proper ownership of the project and contribute to the sustainability of all the infrastructure.

4.5. Risk Management

The potential risks that were identified at appraisal of PASA/LMK were largely addressed during implementation and remain relevant to the C19 PASA/LM project. Additional risks were identified and the proposed mitigation measures are provided in Appendix VII. These are mainly increases in the cost of raw materials and equipment due to the uncertain international context and the possible recurrence of the COVID-19 pandemic, which has subsided in recent months.

4.6. Knowledge-Building

The PASA/LMK project, through its “Support to development and capacity-building” component, has contributed to training and knowledge-building benefiting various actors, including primarily producers and stockbreeders. It has also enabled young people and women to develop technical and entrepreneurial capacities by opening farms equipped with modern infrastructure and farming facilities. In terms of resilience to climate change, the project has developed and disseminated innovative approaches and practices that enhance local know-how and contribute to the mitigation of food security constraints. Through various partnerships, it has strengthened initiatives in the area of pastoral resilience, increased the interest and membership of producers in mutual health insurance schemes, as well as developed community participation and fostered private sector involvement. The C19 PASA/LMK project will continue along these lines, while capitalising, during the completion mission and through targeted impact studies, on all the innovations and knowledge gained from the implementation.

V - Legal Framework

5.1. Instrument

The GAFSP grant to the Government of Senegal will be administered by the Bank, as the designated supervisory entity. The legal instrument for the project financing will be a Protocol Agreement between the Republic of Senegal (donee) and the Bank as supervisory entity of the Global Agriculture and Food Security Programme (GAFSP).

5.2. Conditions Associated with Bank Intervention

5.2.1 Conditions precedent to grant effectiveness: The effectiveness of the GAFSP grant shall be subject to the signing by the Donee and the Bank of the related Protocol Agreement.

5.2.2 Conditions precedent to first disbursement: The Bank's obligation to make the first disbursement of the grant shall be subject to the effectiveness of the Letter of Agreement.

5.2.3 Undertakings: The Grantee agrees to recruit, no later than three (3) months after the first disbursement of Grant resources, an Environmental and Social Safeguards Specialist within the PMU and to maintain him/her throughout the Project.

5.2.4 Recipient's Counterpart: The Recipient shall contribute an amount of US\$489,335, equivalent to CFAF 289,147, which shall cover a portion of the operating and staffing costs of the Project Coordination Unit and regional technical services involved in the implementation of the Project as a counterpart (the "Counterpart") to participate in the Project costs.

5.3 Compliance with Bank Policies

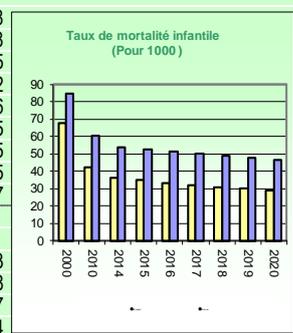
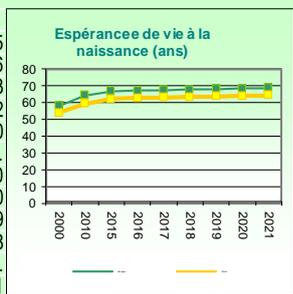
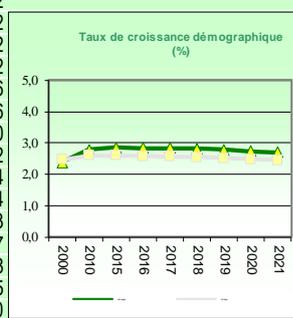
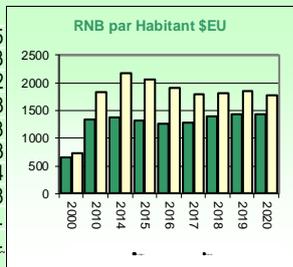
This project complies with all applicable Bank policies.

VI - Recommendation

Bank Management recommends that the Board of Directors should approve the proposal to award a GAFSP grant not exceeding USD 4,422,335 to the Republic of Senegal to finance project for mitigate the impact of COVID-19 on food security in the Louga, Matam and Kaffrine regions (C19 PASA/LMK), under the conditions set forth in this report.

Appendix I: Comparative Socioeconomic Indicators of Senegal

	Année	Sénégal	Afrique de l'Ouest	Afrique	Pays en Développement
Indicateurs de Base					
Superficie ('000 Km ²)	2021	197	5 115	30 064	96 535
Population totale (millions)	2021	17,2	407,7	1 371,7	6 518,3
Population urbaine (% of Total)	2021	49,9	48,3	44,3	51,2
Densité de la population (au Km ²)	2021	89,3	81,0	46,7	69,3
Revenu national brut (RNB) par Habitant (\$ EU)	2020	1 430	1 671	1 767	4 843
Participation de la Population Active * - Total (%)	2021	44,5	58,4	61,9	58,3
Participation de la Population Active ** - Femmes (%)	2021	33,5	52,2	53,3	44,4
Rapport de Masculinité (hommes pour 100 femmes)	2021	95,4	101,4	99,9	106,8
Indice de développement humain (rang sur 189 pays)	2019	168
Population vivant en dessous de 1,90 \$ par Jour (%)	2007-19	38,5	34,8	34,1	...
Indicateurs Démographiques					
Taux d'accroissement de la population totale (%)	2021	2,7	2,6	2,5	1,2
Taux d'accroissement de la population urbaine (%)	2021	3,7	4,0	3,6	2,2
Population âgée de moins de 15 ans (%)	2021	42,3	43,0	40,1	27,2
Population âgée de 15-24 ans	2021	19,7	19,7	19,3	16,2
Population âgée de 65 ans et plus (%)	2021	3,1	2,8	3,6	7,6
Taux de dépendance (%)	2021	83,2	84,5	77,6	54,6
Population féminine de 15 à 49 ans (%)	2021	24,7	23,5	24,3	25,0
Espérance de vie à la naissance - ensemble (ans)	2021	68,5	58,7	64,1	71,2
Espérance de vie à la naissance - femmes (ans)	2021	70,5	59,8	65,9	73,4
Taux brut de natalité (pour 1000)	2021	32,9	36,0	32,2	19,4
Taux brut de mortalité (pour 1000)	2021	5,4	9,7	7,7	7,3
Taux de mortalité infantile (pour 1000)	2020	28,9	61,6	46,6	29,7
Taux de mortalité des moins de 5 ans (pour 1000)	2020	9,5	71,9	47,5	39,8
Indice synthétique de fécondité (par femme)	2021	4,4	5,0	4,2	2,5
Taux de mortalité maternelle (pour 100000)	2017	315,0	713,9	475,7	231,0
Femmes utilisant des méthodes contraceptives (%)	2021	30,9	22,6	38,3	59,1
Indicateurs de Santé et de Nutrition					
Nombre de médecins (pour 100000 habitants)	2010-19	6,9	29,4	38,1	138,5
Nombre d'infirmières et sages-femmes (pour 100000 habitants)	2010-19	31,3	88,8	106,5	254,6
Naissances assistées par un personnel de santé qualifié (%)	2010-20	74,5	55,2	64,4	79,3
Personnes utilisant au moins des ser. de base en eau potable (% Pop.)	2020	84,9	73,5	69,3	88,2
Personnes utilisant au moins des ser. de base d'assainissement (% Pop.)	2020	56,8	36,0	41,9	74,0
Pourcent. d'adultes de 15-49 ans vivant avec le VIH/SIDA	2020	0,3	1,3	3,0	...
Incidence de la tuberculose (pour 100000)	2020	117,0	170,0	193,2	149,0
Enfants vaccinés contre la tuberculose (%)	2019	99,0	76,8	81,0	88,0
Enfants vaccinés contre la rougeole (%)	2019	90,0	65,9	71,9	84,9
Insuffisance pondérale des moins de 5 ans (%)	2010-20	5,4	22,1	16,8	13,8
Prévalence de retard de croissance	2010-20	11,7	35,7	31,9	...
Prévalence de la malnutrition (% de pop.)	2019	7,5	13,8	17,69	10,41
Dépenses de santé courantes (en % du PIB)	2019	4,1	3,4	5,1	5,3
Indicateurs d'Éducation					
Taux brut de scolarisation au (%)					
Primaire - Total	2011-21	83,0	90,8	103,0	101,8
Primaire - Filles	2011-21	88,9	89,5	101,0	100,8
Secondaire - Total	2011-21	46,6	46,3	52,7	72,5
Secondaire - Filles	2011-21	50,1	44,4	50,8	72,2
Personnel enseignant féminin au primaire (% du total)	2010-21	32,2	47,1	50,5	63,6
Alphabétisme des adultes - Total (%)	2010-20	51,9	59,1	68,2	84,5
Alphabétisme des adultes - Hommes (%)	2010-20	96,2	58,8	72,4	88,5
Alphabétisme des adultes - Femmes (%)	2010-20	39,8	50,1	61,4	80,5
Dépenses publiques d'éducation (% du PIB)	2010-20	5,3	4,1	4,8	3,7
Indicateurs d'Environnement					
Terres arables (en % de la superficie totale)	2018	16,6	17,3	8,2	11,3
Terres agricoles (% superficie des terres)	2018	46,1	48,4	37,8	37,8
Forêts (en % pourcentage de la superficie totale)	2020	41,9	16,7	22,6	31,7
Emissions du CO2 par habitant (tonnes métriques)	2018	0,6	0,5	1,1	3,4



Source : Base des données du Département des Statistiques de la BAD;

dernière mise à jour:

Avril 2022

Banque Mondiale WDI; ONUSIDA; UNSD; OMS, UNICEF, PNUD, Rapports nationaux.

Notes: n.a. Non Applicable ; ... : Données non disponibles. * Participation à la population active, total (% de la population totale âgée de 15+)

** Participation à la population active, femmes (% de la population féminine âgée de 15+)

APPENDIX II: AfDB Portfolio in Senegal (30 April 2022)

Sector / Operation		Date Approved	Amount Approved (UA million)	Amount Disbursed (UA million)	Disbursement Rate (%)	Disbursement Deadline
RURAL						
1	Food Security Support Project in the Louga, Matam and Kaffrine Regions PASALOUMAKAF - ADF - GAFSP	26-Apr-13 26-Apr-13	2.00 30.72	1.65 30.47	82.19 99.18	31-Mar-23
2	Project to Open Up Production Areas in Support of the National Local Development Programme (PDZP/PNDL) - ADF - OFID	22-Jun-18 20-Jan. -20	20.00 15.36	11.57 0.00	57.85 0.00	30-Sep-23 31-Dec-24
3	Water for Value Chain Development Project (PROVALE-CV) - AfDB - AGTF	17-Jul-19	46.41 20.41	16.76 7.30	36.11 35.77	31-Dec-24 31-Dec-24
4	South Agro-Industrial Processing Zone Project (PZTA-SUD) - AfDB	18-Dec-19	32.88	4.63	14.06	31-Mar-25
5	Emergency Food Production Programme (2PAU-SN/AEPF-Senegal)	8-Jul-22	92.27	0.00	0.00	31-Dec-23
Sub-Total			260.05	72.38	27.83	
TRANSPORT						
6	Project to Rehabilitate the Sénoba-Ziguinchor-Mpack Road and Open Up the Southern Regions - AfDB	27-Jun-18	64.85 19.08	9.65 2.60	14.88 13.52	30-Jun-24 30-Jun-24
7	Cities Modernisation Programme (PROMOVILLES) - AfDB	29-Mar-17	87.23	41.73	47.83	31-Dec-22
8	Regional Express Train Project (TER) - AfDB	21-Jun-17	139.56	113.57	81.38	31-Dec-22
9	Programme to Open Up Agricultural and Mining Areas (PDZAM) - AfDB AGTF	17-Dec-21	89.73 33.57	0.00 0.00	0.00 0.00	31-Dec-26 31-Dec-26
Sub-Total			434.02	167.55	38.60	
ICT						
10	Digital Technology Park Project - AfDB	21-Oct-15	46.51	36.05	77.52	23-Jun-23
ENERGY						
11	Project to Enhance Electricity Access in Peri-Urban and Rural Areas (PAMACEL) - AfDB	03-Oct-18	27.71	6.23	22.47	30-June-24
WATER AND SANITATION						
12	Project to Reinforce Multiple-Use Water Supply along the Louga-Thiès-Dakar Road from the Keur Momar Sarr Treatment Plant - - AfDB	18-Nov. -16	49.60	31.53	63.58	30-April-23
13	Water and Sanitation Sector Project (WSSP) - ADF - RWSSI	23-Apr-14	20.00 4.60	13.50 3.82	67.49 83.37	30-Dec-22
14	Emergency Community Development Programme Support Project (PA-PUDC) - AfDB	27-Sept. -18	45.78	6.04	13.19	31-Dec-22
Sub-Total			120.00	54.89	45.75	
Social						
15	Support Project for Skills Development and Youth Entrepreneurship in Growth Sectors (PDCEJ) - ADF	17-Sept. -18	14.00	3.62	25.80	30-Dec-23
16	Project to Support and Promote Women's and Young People's Entrepreneurial Initiatives – (PAVIE I) - AfDB - ADF	10-Dec-19	37.25 10.00	15.80 1.21	42.41 12.00	31-Dec-23
17	Business Partnership Programme for SMEs - FAPA	23-Mar-21	0.77	0.06	7.80	31-Dec-26
Sub-Total			62.02	20.69	33.36	
GOVERNANCE						
18	Senegal Delivery Unit Support Project. BOS - MIC	21-Nov-20	0.44	0.24	54.60	30-Jun-23
19	Resource Mobilisation and Investment Attractiveness Support Project (PAIMRAI) - ADF	17-Jul. -19	10.84	6.25	57.66	30-Aug-23
Sub-Total			11.28	6.50	57.54	
INDUSTRY						
20	Accelerated Industrialization. Competitiveness and Employment Support Programme (PAAICE) - AfDB - ADF loan	26-Nov-21	73.32 10.00	0.00 0.00	0.00 0.00	06 Jul -26 06 Jul -26
Sub-Total			83.32	0.00	0.00	
TOTAL			1,137.06	446.96	39.31	

Partial Credit Guarantee

Operation	Date Approved	Amount Approved (UA million)	Objectives
Partial credit guarantee for foreign exchange risk coverage (GPCRC)	05-Sep-2018	358.54	The GPCRC will contribute to the achievement of the following objectives: (i) Mobilisation of resources under sustainable conditions for the financing of the PSE; and (ii) Control of public debt sustainability

Private Sector Window Projects

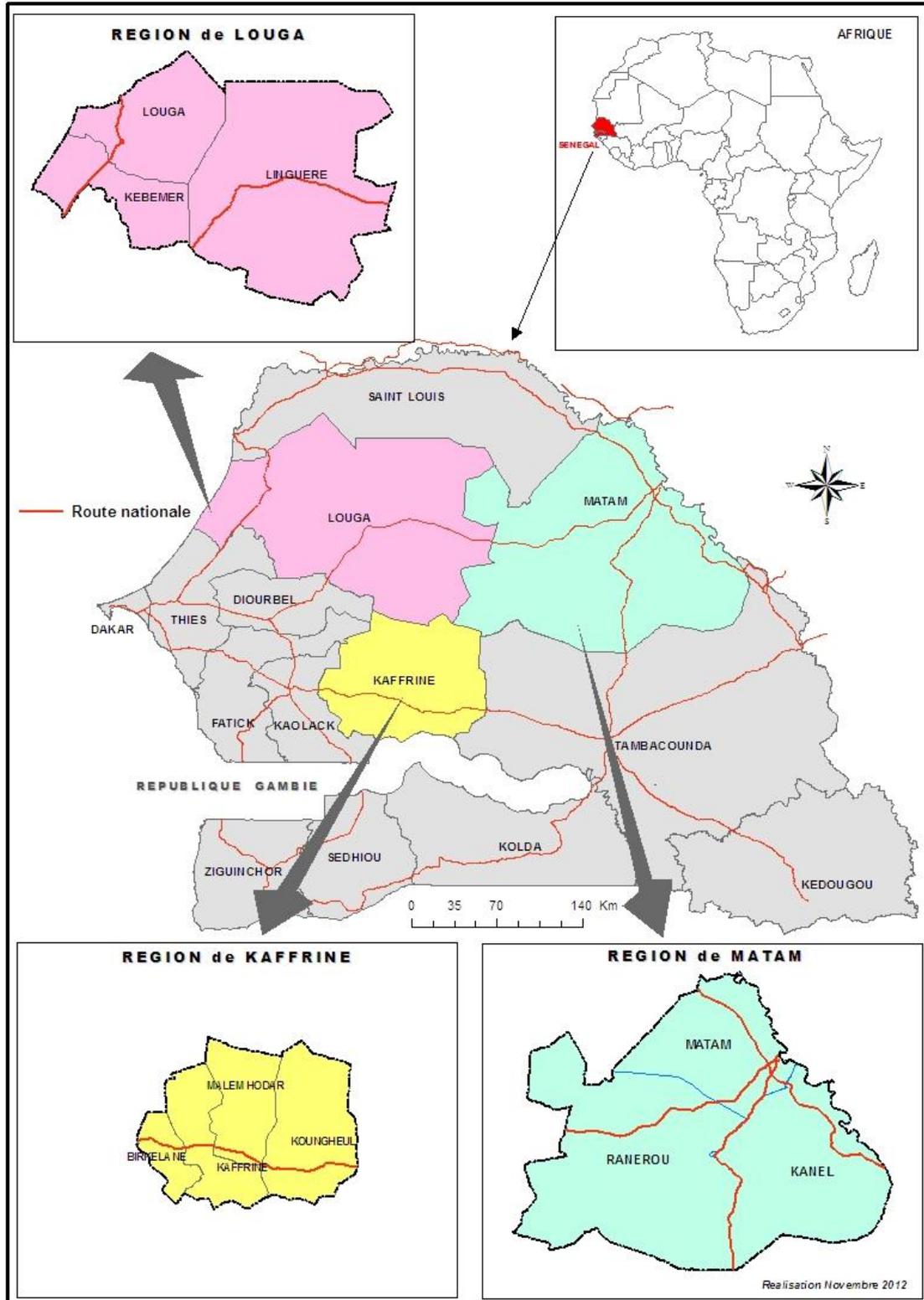
	Sector / Operation	Date Approved	Amount Approved (UA million)	Amount Disbursed (UA million)	Disbursement Rate (%)	Closing Date
1	Blaise Diagne International Airport (AIBD)	17-Dec-10	53.41	53.41	100	5-Mar-29
2	Dakar Toll Motorway Project					
	- Preferred loan	19-Jul-10	7.23	7.23	100	31-Dec-25
3	Sendou Power Plant Project					
	- Preferred loan	25-Nov-09	41.96	41.96	100	31-Dec-24
	- Supplementary loan	30-Oct-15	3.82	3.82	100	10-Dec-27
4	Malicounda Power Plant Project	27-Nov. -18	39.11	0.00	0.00	31-Dec-26
5	Saint Louis Agricultural Company Rice Project (CASL)	22-Jun-16	10.42	10.42	100	25-Jul-26
6	Line of credit to BNDE - AfDB loan	24-Sep-19	11.45	7.63	66.67	22-Jun-27
	- AGTF loan		5.73	0.00	0.00	22-Jun-27
	- ADF guarantee	15-Jan-20	2.29	0.00	0.00	22-Jun-27
6	TOTAL		175.42	124.47	71%	

Multinational Projects

	Sector / Operation	Date Approved	Amount Approved (UA million)	Amount Disbursed (UA million)	Disbursement Rate (%)	Disbursement Deadline
	ENERGY					
1	OMVG energy project - ADF loan Senegal	30-Sep-15	42.50	25.71	60.48	31-Dec-22
	TRANSPORT					
2	Rosso Bridge Construction Project					
	- ADF loan Senegal	09-Dec-16	7.50	2.50	33.23	30-Nov-22
	- FIAf grant (PAGoDA)	29-Jun-18	7.77	2.14	27.45	31-Dec-24
	Sub-Total		18.45	4.68	25.37	
3	TOTAL		57,77	30,35	52,53%	

* Source: SAP-PS August 2022

APPENDIX III: Map of Project Area



APPENDIX IV: RECORD OF DECISIONS OF THE GAFSP STEERING COMMITTEE

Summary of Decisions

GAFSP Steering Committee Meeting
24 September 2020



Summary of Decisions

Session 1: Allocation of Additional Funding for COVID-19 Support

Decision Point	SC Decision
Which additional funding (AF) requests will be approved for funding?	11 AF requests approved, per the expert panel's recommendations (see Table 1 below)
How much funding (grant amount) will be allocated for each approved request?	Total Additional Grant Funding Approved US\$: 53,347,630 (see Table 1 for country- and project-specific breakdown)
Approval of Supervising Entity Administrative fees	GAFSP's prevailing admin fee rate of 5% applies, based on the approved grant amount (this would equate to US\$2,667,382 in addition to the approved AF grant total) SEs may request exceptional SC approval for Admin Fees higher than 5% following existing GAFSP procedures. Requests will be considered on a case-by-case basis
Approval of project closing date extension requests	All recommended closing date extensions for 9 projects were approved, including Timor Leste who is not a recipient of AF (see Table 2 below)

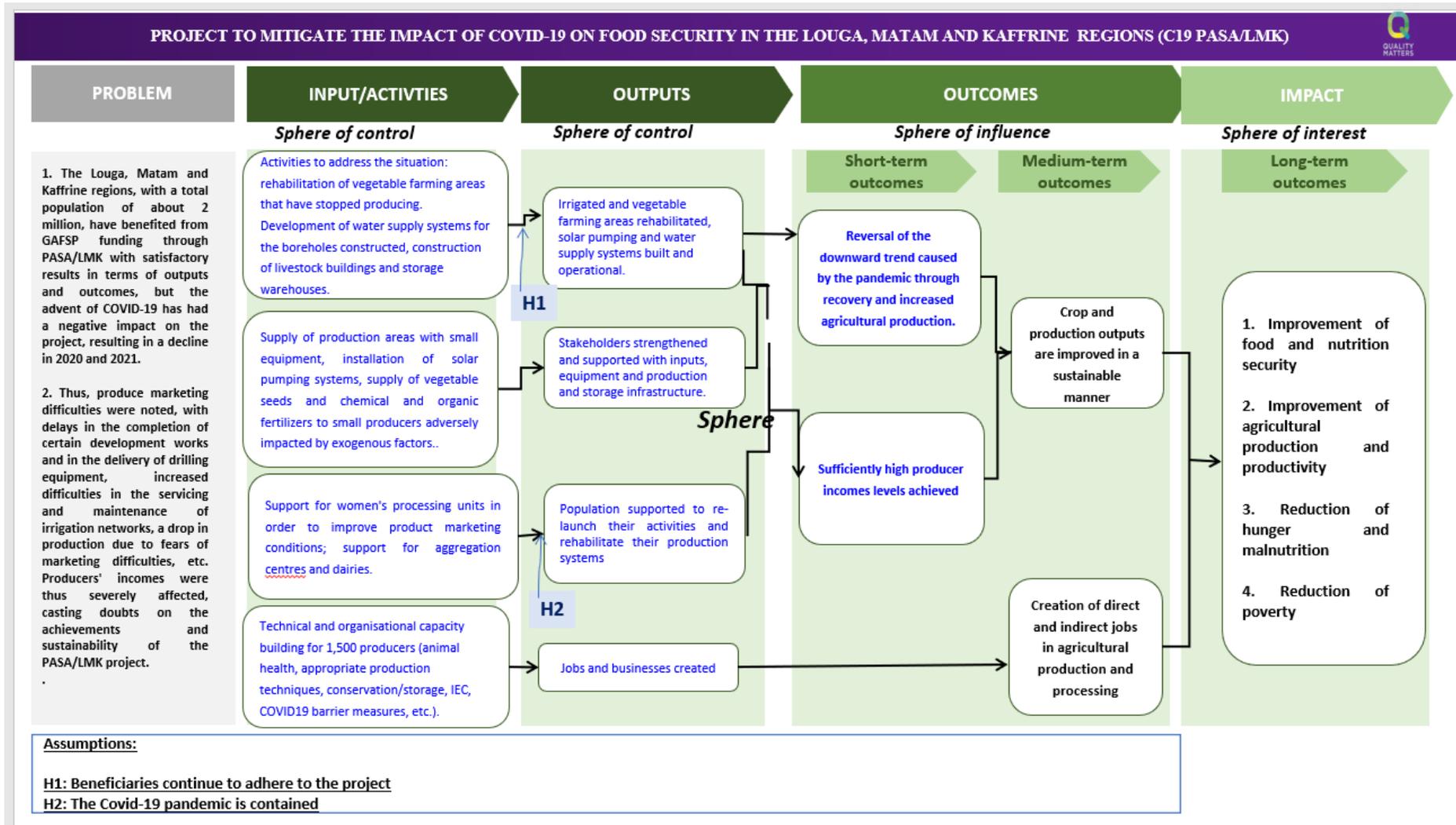
Approved Additional Funding requests

Table 1: GAFSP Response to COVID-19 – SC approved funding

	Country	SE	Additional Grant Funding APPROVED (US\$)		
			Investment	TA	Total Grant Funding Approved
1	Yemen	WB	7,000,000	-	7,000,000
2	Rwanda	WB	5,985,295	-	5,985,295
3	Bhutan	WB	4,640,000	-	4,640,000
4	Uganda	WB	7,000,000	-	7,000,000
5	Senegal	AFDB	4,422,335	-	4,422,335
6	Honduras	WB	5,000,000	-	5,000,000
7	Ethiopia	WB/FAO	5,000,000	1,000,000	6,000,000
8	LAO PDR	IFAD/WFP	1,500,000	2,300,000	3,800,000
9	Zambia	AFDB	1,400,000	-	1,400,000
10	Haiti	IDB	4,300,000	-	4,300,000
11	Cambodia	ADB	3,800,000	-	3,800,000
Subtotal			50,047,630	3,300,000	53,347,630



APPENDIX V: THEORY OF CHANGE



Appendix VI: C19 PASA/LMK Monitoring and Evaluation Plan

A. Alignment indicator							
Indicator	Definition/ Description	Source	Reference and targets				
1) Increase agricultural production and productivity	Rate of coverage of rice needs by local production	<i>PASAD 2021-2025</i>	80% (in 2025)				
	Rate of coverage of other horticultural products		100% (in 2025)				
2) Increase cereal (rice) yields	<i>Yield (tonnes/ha)</i>	<i>PASAD 2021-2025</i>	3.2 (in 2025)				
B. Outcome and output indicators (<i>performance indicators</i>)							
Indicator Designation	Definition/ Description	Collection Method	Responsible for Collection	Reporting Frequency	Results Planning		
					2021	2022	2023
I. Outcome indicators							
Outcome 1.1: Annual vegetable production	Annual production (tonnes)	Agricultural statistical surveys	PMU/MAER	Annual	5,489	8,000	16,220
Outcome 1.2: Annual rice production	Annual production (tonnes)	Agricultural statistical surveys	PMU/MAER	Annual	4,909	5,500	7,500
Outcome 1.3: Cereal (rice) yields	Yield (tonnes of paddy/ha)	Agricultural statistical surveys	PMU/MAER	Annual	2.7	3	3
Outcome 1.4: Annual meat production	Annual production (tonnes)	Agricultural statistical surveys	PMU/MAER	Annual	39	39	42
Outcome 1.5: Annual milk production	Annual production (litre)	Agricultural statistical surveys	PMU/MADR	Annual	34,000	37,000	43,000

Outcome 2.1: Average income in lowlands (rice and off-season vegetable farming)	Annual agricultural income (CFAF million)	Agricultural statistical surveys	PMU/MAER	Annual	2	2.5	3.8
Outcome 2.2: Average income from farms and vegetable gardens (borehole and lowland)	Annual agricultural income (CFAF million)	Agricultural statistical surveys	PMU/MAER	Annual	From 11 to 29	From 15 to 35	From 27 to 75
Outcome 2.3: Average income of herders/pastoralists and small-scale pastoralists	Annual income (CFAF thousand)	Agricultural statistical surveys	PMU/MAER	Annual	From 320 to 650	From 400 to 800	From 567 to 1,000
Outcome 2.4: Income Industrial poultry	Annual income (CFAF million)	Agricultural statistical surveys	PMU/MAER	Annual	0.155	0.155	1.3
II. Output indicators							
Output 1.1: Number of households directly supported and benefiting from agricultural progress	Statistics of supported households and populations	Agricultural statistical surveys	PMU/MAER	Annual	18,628	19,000	20,128
Output 1.2: Number of people living with disabilities benefiting from production facilities	Statistics of supported households and populations	Agricultural statistical surveys	PMU/MAER	Annual	1,862	1,862	2,163
Output 1.3: Agricultural facilities built	Area of lowlands, vegetable farms developed. (ha)	Agricultural statistical surveys	PMU/MAER	Quarterly	0	10	20
Output 1.4: Solar pumps installed on farms	Number of pumping systems installed and operational	Surveys	PMU/MAER	Quarterly	0	6	12
Output 1.5: Storage warehouses built	Number of warehouses built and operational	Surveys	PMU/MAER	Quarterly	0	3	6
Output 1.6: Water supply from drilled boreholes	Number of kilometres of water supply installed and operational	Surveys	PMU/MAER	Quarterly	0	3	7
Output 1.7: Livestock buildings constructed, of which 29 for the benefit of people living with a disability	Number of livestock buildings constructed and operational	Surveys	PMU/MAER	Quarterly	261	280	303
Output 2.1: Demonstration units, aggregation centres, dairies and processing units supported	Number of infrastructure built and operational	Surveys	PMU/MAER	Quarterly	2	30	65

Output 2.2: Quantities of agricultural inputs supplied	Quantities of seed (kg) and fertiliser (tonnes) distributed	Agricultural statistical surveys	PMU/MAER	Quarterly	1,866.5 Kg of seed 600 tonnes of fertiliser	2,500 kg of seed 900 tonnes of fertiliser	4,469 Kg of seed 1,650 tonnes of fertiliser
Output 2.3: Livestock input support	Number of dairy heifers, sheep/goat breeding stock, inseminated cows and broiler chicks	Agricultural statistical surveys	PMU/MAER	Quarterly	15 dairy heifers; 500 Cows inseminated	15 dairy heifers 500 cows inseminated	35 dairy heifers 60 sheep/goat breeders 750 Cows inseminated 5,000-day-old broiler chicks
Output 2.4: Producer capacity built (in the areas of animal health, appropriate production techniques, conservation, storage, etc.)	Number of farmers and stockbreeders trained and supported	Agricultural statistics survey	PMU/MINAE	Quarterly	0	500	1,500

Appendix VII: Risk Analysis Matrix and Mitigation Measures

RISK CATEGORY	RISK DESCRIPTION	RATING	MITIGATION MEASURES	ENTITY RESPONSIBLE FOR RISK MONITORING
	Initial risks of PASA/LMK		Measures taken and maintained	
ENVIRONMENTAL, SOCIAL AND ECONOMIC RISKS	Climatic hazards with direct effects on agricultural and livestock production and development	High	Improvement water management, dissemination of improved seeds, resilient itineraries and technologies disseminated	RSEC/Coordinators of surface /ground water components
	Conflicts between nomadic herders and sedentary farmers	High	Awareness-raising among producers and breeders, concerted organisation of the agro-pastoral area, maintenance of the delineation of livestock grazing areas	RSEC/Coordinators of surface /ground water/livestock components
	Limited access to land for women and young people	Medium	Inclusion of this concern in the intervention criteria (positive discrimination), clarification of the land issue before any operation (prior delivery of land deeds by the rural councils).	RSEC/Component coordinators
	Difficulties in marketing vegetable produce	Medium	Adoption of measures to ease market access (farm-to-market roads, storage facilities, etc.), choice and targeting of crops, adaptation of cropping calendars, support in finding outlets, product processing	Surface and groundwater coordinators
RISK RELATED TO THE LOW CAPACITY OF EXECUTING AGENCIES	Insufficient synergy between the PMU and the three agencies	Low	Establishment of a procedures manual detailing the applicable processes and rules, establishment of partnership agreements	AFO
	New risks (C19 PASA LMK)		Planned mitigation measures	
ENVIRONMENTAL, SOCIAL AND ECONOMIC RISKS	Increased costs of raw materials and equipment	High	Use of solar energy to reduce operating costs, increased production to improve the availability of food products (vegetables, milk, eggs, meat, etc.) at local level.	CN/ Component coordinators
	Recurrence of the COVID-19 pandemic and the continuing fallout from the war in Ukraine	Medium	Support measures for households affected by the Covid-19 pandemic, provision of inputs and small equipment, dissemination of barrier health measures, local response and mitigation plans. Sustained support from the Government and TFPs in the event of a recurrence of Covid-19 and the continuation of the war in Ukraine and its spill-over effects.	CN /RSEC

Appendix VIII : Fragility and Resilience Rating

In the 2021 Fragile States Index report, Senegal ranks 76th out of 178 countries. It ranks 76th in the world in terms of overall improvement in the fragility context, with a -1.2-point decline in the index. Senegal also improved in the Mo Ibrahim governance index, with a score of 63.2, and is ranked 3rd in the ECOWAS region. Despite these notable improvements, the country faces socio-economic challenges that undermine the population's well-being. These include poverty, which affects 33% of the population, high unemployment, especially among women and young people, and poor access to basic social services, especially water, electricity and health. Although somewhat resilient, the agricultural system is unable to ensure food security for the population. This sector has also been affected by COVID-19, plunging the population into vulnerability. This Bank operation in Senegal aims to mitigate this situation by focusing on agriculture and livestock in three regions: Matam, Kaffrine and Louga. The project has adopted a participatory and inclusive approach that will build the food resilience of the target communities. It is based on the resilience levers identified in the project area and takes into account the recommendations to “leave no one behind” and “do no harm” of the Bank's new strategy for addressing fragility and building resilience.

1. Highlights of the CRFA 2020 Analysis²

In terms of inclusive politics, Senegal has a long tradition of democracy and is known as a pillar of stability in the region. Regarding representation in the political system, the proportion of women in government bodies has increased significantly. Indeed, women hold 42% of seats in Parliament, the fourth highest rate on the continent, and young people are playing an increasingly prominent role in the political sphere. However, turnout in the last parliamentary elections was moderate (54%). The Secretariat of State for the Promotion of Human Rights and Good Governance, the Economic and Financial Crimes Prosecution Court, and other institutions have made efforts to address corruption concerns.

On the security front, it is worth noting that since the 2014 ceasefire that ended the conflict in the southern region of Casamance, Senegal has stepped up its operational security capacity. The police force and military institutions are well resourced and enjoy public confidence in the performance of their duties, despite the persistence of some cases of violent crime. With this capacity and its internal stability, Senegal has contributed troops to peacekeeping efforts in the DRC, Mali and elsewhere on the continent.

With respect to justice, the Senegalese judicial system is independent of the executive, based on the rule of law, and the public generally has confidence in the courts. However, delays in court proceedings are burdensome, despite the limited alternative dispute settlement mechanisms available in the country. Although the constitution guarantees gender equality and laws protect children and women from violence, implementation of the legislation is uneven and inconsistent. As for access to land, the 2016 National Land Policy is slow to address the concerns of rural inhabitants, including in the area land security, due to obstacles in its implementation.

With regard to economic and social inclusion, public investment under the Emerging Senegal Plan has contributed to economic growth and helped to increase the country's economic growth in recent years to an average of over 6% since 2014. Offshore oil and gas production, which is expected to start in 2022, could further boost this growth trend. This performance should enable the Government to increase access to basic public services such as education, health care, nutrition, water and sanitation, especially in rural areas.

² SENEGAL COUNTRY STRATEGY PAPER 2021-2025.

As concerns social cohesion, despite legal proceedings against some opposition figures, Senegal is known for its freedom of expression and a relatively independent press. Investments in transport infrastructure under the Emerging Senegal Plan should make it easier for people to move from one city or region to another. The country has a relatively low youth unemployment rate and the Government has undertaken legal reforms to reduce gender inequality.

Regarding external factors and regional impacts, Senegal's relative economic resilience can be attributed to an economy driven by the agricultural, mining and fisheries sectors. The exploitation of offshore oil and gas, expected in 2022, should strengthen this resilience. The country is well integrated into the West African region and exports to ECOWAS account for more than a third of its exports. Nevertheless, Senegal faces significant cross-border pressures, particularly in the area of security. In 2017, the Government deployed additional resources to combat domestic and cross-border trafficking and smuggling.

Lastly, regarding climate and environmental impacts, the overall objective of Senegal's environmental and sustainable development policy (LPSEDD 2016 - 2020) is to: "Create a national momentum for improving environmental and natural resource management, integrating sustainable development principles into policies and building the population's resilience to climate change". In addition, Senegal's National Adaptation Plan uses a bottom-up sectoral approach to assess local climate risks and mainstream adaptation measures into national planning. The National Climate Fund helps access international climate support resources. The urban coastal zone, home to 67% of the population and 90% of industrial production, is prone to erosion and flooding, especially when sea levels rise. About 70% of agriculture is rain-fed and therefore vulnerable to changing rainfall patterns. Together with livestock and fisheries, these sectors account for about 20% of GDP and need to be protected from the risks associated with climate change.

2. Fragility challenges caused by COVID-19 and resilience levers in the project area

Recent fragility assessments in Senegal have shown that mitigating the effects of the COVID-19 pandemic is fundamental to ensuring the country's medium-term growth and mitigating the socio-economic impact of the health crisis. The health crisis has compounded the structural transformation and low productivity challenges facing the Senegalese economy. Climatic hazards, insufficient inputs, inefficient agricultural subsidies, poor structuring of value chains, limited access to land, technologies and markets are all challenges that undermine food security in Senegal. In the project area, the ageing of the agricultural workforce due to exodus and emigration, the weakness of hydro-agricultural facilities and equipment, low access to agricultural equipment and materials and the difficulty of accessing financing are challenges that compromise food security. About 200,000 people are food insecure according to the May 2022 alert system estimates. The Matam region is the most severely affected with 18% of its population, or 143,258 people, in phases 3 and 4 of the food crisis. In addition, the COVID-19 pandemic has caused severe social support losses for households due to a lack of labour and income (especially private cash transfers).

By aiming to improve food security and increase the incomes of small-scale producers, the C19 PASA/LMK project is aligned with the Bank's Strategy for Addressing Fragility and Building Resilience in Africa (2022-2026). It will help to improve the living conditions of the population, especially women and children who make up the most vulnerable class in terms of food security. Implementation of the project activities takes into account these most vulnerable segments of the population and relies on the resilience levers identified in the project area. These include the possibility of growing three types of crops (irrigated, rain-fed and flooded) in Matam, acceleration of the seed capital rebuilding process in Louga, the favourable agro-ecological situation for crop diversification and the availability of land that has not yet been fully exploited in Kaffrine and Matam, where 55,000 ha of land is available for cultivation, of which only 12,000 ha is being utilised. Component 1 will improve access production infrastructure for women, young people, the disabled

and small-scale vulnerable producers, in particular plots for vegetable farming, sheep pens and chicken houses. Under Component 2, nearly 80% of the support for vegetable seeds and fertilisers will be allocated to small-scale producers and 50 demonstration units for the use of agricultural and livestock equipment will be set up for women and young people. The project will build the resilience of local communities by: (1) increasing yields and food availability; (2) contributing to the improvement of incomes of vulnerable households; and (3) ensuring the economic inclusion of the most vulnerable segments of the population, especially women, young people and the disabled.

3. Recommendations for Building Resilience

All components of the project are inclusive. The project will take into account the most vulnerable people. By introducing improved breeds, improved seeds and promoting environmentally-friendly farming practices, the project will improve agricultural production and producers' incomes in a sustainable manner. It is worth noting that 100% of the project activities are aimed at building resilience. Hence, these recommendations targeting the most vulnerable people will enhance the project's contribution to improving their food security. Thus:

-Under Component A: 50% of the agricultural developments that will be carried out will benefit women's groups, at least 300 pieces of production infrastructure will benefit people living with a disability, while at least 29 other people living with a disability will benefit from livestock buildings. Similarly, 50% of the project's infrastructure will benefit women and young people. In targeting beneficiaries, local authorities and officials in decentralized services will be involved to ensure that the most vulnerable people are reached.

-Under Component B: The project will fully utilise climate-smart inputs and techniques that promote sustainable, environmentally-friendly resilience in agricultural and livestock production systems. These include improved seeds and improved cattle and poultry breeds. Input and small equipment support will help offset the working capital limitations faced by small-scale farmers affected by COVID-19. Mechanised equipment support will lighten the workload of women who will then be able to focus on other income-generating activities. The various forms of support will improve the quantity and quality of the marketed products and thus the income of producers.

Appendix IX: Environmental and Social Compliance Note

ENVIRONMENTAL AND SOCIAL COMPLIANCE NOTE (ESCON)



GROUPE DE LA BANQUE AFRICAINE DE DEVELOPPEMENT

A. Information de base ³	
Project Title: Mitigating the COVID-19 Impact on Food Security in the Regions of Louga, Matam and Kaffrine (C19 PASA/LMK)	Project "SAP code": P-SN-A00-023
Country : Senegal	Lending Instrument ⁴ : ID <input checked="" type="checkbox"/> IF <input type="checkbox"/> AB <input type="checkbox"/> PE <input type="checkbox"/> GU <input type="checkbox"/> APR <input type="checkbox"/> PP <input type="checkbox"/> FAR <input type="checkbox"/>
Project Sector: Agriculture and Agro-Industry	Task Team Leader: Hatem FELLAH
Appraisal date: 15-20 may 2022	Estimated Approval Date: 30 october 2022
Environmental Safeguards Officer: Ndiaga SAMB / Chaibou MAMANE	
Social Safeguards Officer: xxxx	
Environmental and Social Category: 2	Date of categorization: 05/10/2022
Operation type: OS <input checked="" type="checkbox"/> ONS <input type="checkbox"/> OBP <input type="checkbox"/>	
Is this project processed under rapid responses to crises and emergencies?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Is this project processed under a waiver to the Integrated Safeguards System?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
B. Disclosure and Compliance Monitoring	
B.1 Mandatory disclosure	
Environmental Assessment/Audit/System/Others specify: 1 E&S Audit, 1 ESIA	
Was/Were the document (s) disclosed <i>prior to appraisal</i> ?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
Date of "in-country" disclosure by the borrower/client	09 May 2022
Date of receipt, by the Bank, of the authorization to disclose	10 May 2022
Date of disclosure by the Bank	18 May 2022
Resettlement Action Plan/Framework/Others (specify: NA.	
Was/Were the document (s) disclosed <i>prior to appraisal</i> ?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Date of "in-country" disclosure by the borrower/client	[Date]
Date of receipt, by the Bank, of the authorization to disclose	[Date]
Date of disclosure by the Bank	[Date]
Vulnerable Peoples Plan/Framework/Others (specify: NA.	
Was the document disclosed <i>prior to appraisal</i> ?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Date of "in-country" disclosure by the borrower/client	[Date]
Date of receipt, by the Bank, of the authorization to disclose	[Date]
Date of disclosure by the Bank	[Date]
If in-country disclosure of any of the above documents is not expected, as per the country's legislation, please explain why: NA.	
B.2. Compliance monitoring indicators	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Oui <input checked="" type="checkbox"/> Non <input type="checkbox"/> NA <input type="checkbox"/>
Have costs related to environmental and social measures, including for the running of the grievance redress mechanism, been included in the project cost?	Oui <input checked="" type="checkbox"/> Non <input type="checkbox"/> NA <input type="checkbox"/>
Is the total amount for the full implementation for the Resettlement of affected people, as integrated in the project costs, effectively mobilized and secured?	Oui <input type="checkbox"/> Non <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Oui <input checked="" type="checkbox"/> Non <input type="checkbox"/> NA <input type="checkbox"/>
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Oui <input checked="" type="checkbox"/> Non <input type="checkbox"/> NA <input type="checkbox"/>

A. Clearance

Is the project compliant to the Bank's environmental and social safeguards requirements, and to be submitted to the Board?

Yes No

Prepared by:	Name	Signature	Date
Environmental Safeguards Officer:	Chaibou MAMANE / Ndiaga SAMB		06/10/2022
Social Safeguards Officer:	xxx		-
Task Team Leader:	Hatem FELLAH		06/10/2022
Submitted by:			
Sector Director:	Martin FREGENE		06/10/2022
Cleared by:			
Director SNSC:	Maman-Sani ISSA		11/10/2022

³Note: This ESCON shall be appended to project appraisal reports/documents before Senior Management and/or Board approvals.

⁴DI=Direct Investment; FI=Financial Intermediary; CL=Corporate Loan; BS=Budget Support; GU=Guarantee; RPA=Risk Participation Agreement; EF=Equity Financing; RBF=Results Based Financing.

AFRICAN DEVELOPMENT BANK

BOARD OF DIRECTORS

Resolution N° B/SN/2022/68

Adopted by the Board of Directors on a lapse-of-time basis, on 7th November 2022

Grant to the Republic of Senegal, from the approved resources of the Global Agriculture and Food Security Program (GAFSP) Trust Fund to finance part of the costs of the Project to Mitigate the Impact of Covid-19 on Food Security in the Louga, Matam and Kaffrine Regions (C19 PASA/LMK)

THE BOARD OF DIRECTORS,

HAVING REGARD TO: (i) Articles 1, 2, 10, 12, 13, 17, 32 and 37 of the Agreement Establishing the African Development Bank (the “Bank”); (ii) the Transfer Agreement under the Global Agriculture and Food Security Program (GAFSP) Trust Fund between the Bank and the International Bank for Reconstruction and Development (IBRD) as Trustee of the GAFSP Trust Fund effective 26 October 2010 (the “Transfer Agreement”); and (iii) the Appraisal Report contained in document ADB/BD/WP/2022/208/Approval (the “Appraisal Report”);

RECALLING THAT:

- (i) GAFSP Trust Fund was established to provide funding for projects supporting national and regional strategies targeting agriculture and food security in developing countries; and
- (ii) Pursuant to the Transfer Agreement, the Bank has been designated as one of the Supervising Entities of the GAFSP Trust Fund;

HAVING CONSIDERED:

- (i) That on 24 September 2020, the GAFSP Steering Committee approved a grant of an amount not exceeding Four Million, Four Hundred and Twenty-Two Thousand Three Hundred and Thirty-Five United States Dollars (USD 4,422,335) out of the resources of the GAFSP Trust Fund, to the Republic of Senegal to finance part of the costs of the Project to Mitigate the Impact of Covid-19 on Food Security in the Louga, Matam and Kaffrine Regions (C19 PASA/LMK) (the “Project”); and
- (ii) The letter of commitment issued by IBRD as Trustee of the GAFSP Trust Fund on 24 September 2020, for an amount not exceeding Four Million, Four Hundred and Twenty-Two Thousand Three Hundred and Thirty-Five United States Dollars (USD 4,422,335) in favor of the Bank for the implementation of the Project;

DECIDES as follows:

1. To award to the Republic of Senegal (the “Recipient”), from the approved resources of the GAFSP Trust Fund, a grant of an amount not exceeding Four Million, Four Hundred and Twenty-Two Thousand Three Hundred and Thirty-Five United States Dollars (USD 4,422,335) (the “Grant”) to finance part of the costs of the Project;
2. To authorize the President to conclude a grant agreement between the Bank, as Supervising Entity for the GAFSP Trust Fund and the Recipient (the “Grant Agreement”), on the terms and conditions specified in the Standard Conditions Applicable to Grants made by the African Development Bank and the African Development Fund from the Resources of Various Funds, the Transfer Agreement and the Appraisal Report;
3. The President may cancel the Grant if the Grant Agreement is not signed within ninety (90) days from the date of approval of the Grant by this Board; and
4. This Resolution shall become effective on the date above-mentioned.