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BOARD APPROVAL
Lapse-of-Time Procedure

4 March 2024

FOR INFORMATION

MEMORANDUM

TO : THE BOARD OF DIRECTORS

FROM : Vincent O. NMEHIELLE
Secretary General

SUBJECT : THE GAMBIA - AGRICULTURE AND FOOD SECURITY PROJECT*
ADB/BD/WP/2021/176/Approval

Reference no: P-GM-AA0-022
Investment Sovereign Operation ó Additional Financing

Language: English
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AFRICAN DEVELOPMENT BANK



PROJECT APPRAISAL REPORT

Additional Financing to The Gambia Agriculture and Food Security Project

REPUBLIC OF THE GAMBIA

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AFRICAN DEVELOPMENT BANK



THE GAMBIA

AGRICULTURE AND FOOD SECURITY PROJECT

ADDITIONAL FINANCING

AHVP/RDGW/AHAI/PGCL DEPARTMENTS

March 2024

PROJECT INFORMATION SHEET

CLIENT INFORMATION

Additional Financing Project Name	Additional Financing to The Gambia Agriculture Food Security Project
Original Project Name	Gambia Agriculture and Food Security Project
Sector	Agriculture
Grant Recipient	Republic of The Gambia

BACKGROUND

1. The Board of Directors of the African Development Bank on 21st September 2021, approved The Gambia Agriculture and Food Security Project (GAFSp), with a grant funding of USD 16 million from the Global Agriculture and Food Security Programme (GAFSP), and USD 1.37 million as counterpart contribution from the Government of The Gambia.
2. The project is designed with the overall objective (PDO) to increase food and nutritional security, as well as household income, particularly for the vulnerable households in five administrative regions: Central River Region (CRR North and South), Lower River Region (LRR), Upper River Region (URR), North Bank Region (NBR) and West Coast Region (WCR)

be implemented through two subcomponents: (i) Climate Smart Agriculture; and (ii) Post-harvest Management and Commercialization Investment.

Subcomponent 1.1: Climate Smart Agriculture

13. The objective of this subcomponent is to support smallholder farmers particularly women and youth with certified climate smart seeds of groundnut, rice, maize, findi, cowpea, cassava cuttings and vines of Orange Fleshed Sweet Potato doubling the target area of the upland crops to 3,000 ha while increasing the area under rice from 3,000 ha to 4,500 ha. The certified climate resilient seeds of rice, maize, cowpea, findi and groundnuts will be sourced from local seeds growers who will employ CSA practices and are supervised by the National Seed Secretariat (NSS) to ensure adherence to quality standards. The climate resilient vegetable seeds will be sourced from reputable seed centres in the subregion. Fertilizers comprising NPK (6: 20: 10), NPK (15: 15: 15) and Urea (46%) will be provided to boost productivity of upland crops and rice. Complementary GAP training with emphasis on CSA for smallholder farmers and extension agents will be conducted. Activities to be implemented under the subcomponent include: support the cultivation of additional 100 ha of vegetable in 20 women garden schemes including improvement of existing infrastructure⁴ and provision of small garden tools; support the cultivation of additional 800 hectares of climate resilient groundnut varieties in three of the five project intervention regions; support the cultivation of additional 400 hectares of climate resilient maize varieties; support the cultivation of new 100 hectares of findi, an iron rich cereal; support the cultivation of additional 200 hectares of cassava, cowpea, and orange flesh sweet potato; support the cultivation of additional 1,500 ha of rice; establish 150 poultry layer schemes for women in targeted vulnerable households in project intervention sites; construct 25 compost chambers in the women vegetable gardens being supported in the original project; construct 20 compost chambers in new additional women vegetable gardens targeted for expansion ; train an additional 200 extension agents of crops and livestock in Climate Smart Agriculture (CSA) technologies; train an additional 8,000 smallholder farmers (52% women) in Good Agricultural Practices including Climate Smart Agriculture (CSA) technologies; provide extension service support through implementing partners (Department of Agriculture-DOA, Department of Livestock Services- DLS, National Seed Secretariat-NSS); provide extension service support to additional 1,500 smallholder livestock farmers through the Farmer Field School National Extension strategy; and, provide fertilizer to enhance productivity in additional 1,500 ha of Rice.

Subcomponent 1.2: Post-harvest management and commercialization Investment

14. The objective of this subcomponent is to enhance access to post-harvest management technologies for perishable commodities. The activities to be implemented under the sub-component

schools will be trained on commodity management and recordkeeping. To enhance knowledge and skills 200 additional Mothers' Club members in 68 schools will receive training on nutrition, water, sanitation, and hygiene (WASH) and reproductive health. The project aims to establish School Level Procurement Modalities in these 68 additional schools, providing fencing materials and assorted climate resilient vegetable seeds for school gardens. Furthermore, the construction supervision of School Feeding Infrastructure including boreholes for improved water facilities, additional school kitchens, toilets (gender responsive) and food commodity stores will be carried out in these 68 schools.

Component 3: Project Management, Monitoring & Evaluation

20. This component will support the existing coordination, monitoring and evaluation and facilitate results management and reporting on the implementation of the project. Specific activities will comprise reporting (including fiduciary and safeguard), communication and knowledge management; and monitoring and evaluation including generation of evidence on the impact of HGSF on incomes of smallholder farmers and education, health, and nutrition outcomes for children.

D. Expected Result, health u Re

E. Revised Project Cost and Financing Arrangements

22. The GAFSP Additional financing will be fully financed by the grant resources from the GAFSP fund. The total project cost of USD 12 million will cover all physical and price contingencies with no other counterpart financing from other sources. The financing plan for the additional financing takes into consideration the in-kind contributions of the CHU, which includes the use of existing project office spaces under the GAFSP, other facilities provided by the MOA, and extension workers used in the implementation of the project. This cost is inclusive of physical and price contingencies computed at 5%. A summary project cost estimates by component, expenditure categories and schedule are presented as Tables 1, 2, 3, 4 and 5 below, while details are provided in Technical Annexes B2 Volume II of the Appraisal Report.

Table 1: Estimated Cost of the Overall Project by Component

Components	Original Project (USD million)		AF Project (USD million)		Total (USD million)	% of Total Project Cost
	Foreign Currency	Local Currency	Foreign Currency	Local Currency		
Component 1	5.05	1.26	4.71	1.18	12.20	43.6
Component 2	5.98	1.50	3.24	0.81	11.53	41.2
Component 3	1.64	0.41	1.18	0.30	3.53	12.6
Total Base Costs	12.67	3.17	9.14	2.29	27.27	97.4
Physical contingencies	0.06	0.02	0.23	0.06	0.37	1.3
Price contingencies	0.06	0.02	0.23	0.06	0.37	1.3
Total Project Costs	12.79	3.21	9.60	2.40	28	100.00

Table 2: Overall Project Sources of Financing (USD million)

Sources of Financing	Original Project		AF Project		Total	% of Total Project Cost
	Foreign Currency	Local Currency	Foreign Currency	Local Currency		
GAFSP	12.79	3.21	9.60	2.40	28	100
Government of The Gambia	N/A					

Table 4: AF Project Expenditure Schedule

Component

Component 2: Reducing Vulnerability through Social Protection, Improving Nutrition and Climate Resilience	80,230	149,550	30,000	0
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ongoing project (GAFSp) and the Additional Financing Project. An addendum will be made to the existing LOA between the GoTG and WFP, detailing the required arrangements in the Additional Financing Project. The following will be the conditions for disbursement: (i) Signed Addendum to the LOA between The GoTG and WFP signing the Letter of Agreement (LoA); and (ii) For each withdrawal request submitted by WFP, should be based on the schedule of consolidated project activities (GAFSp and Additional Financing) to be carried out in the fiscal year, approved by the government of The Gambia, and accompanied with the relevant account details to the Bank for the funds to be disbursed. The assessment recommends that as part of the quarterly un-certified interim financial reports to be submitted to the Bank, WFP should include a fund utilization report or schedule, indicating the funds received, utilised and period fund balance.

31. Cm' f kudwtugo gpw' wpf gt" vj g" r tqlgev" uj cm' dg" kp" ceeqtf cpeg" y kj " vj g" Dcpm' f kudwtugo gpv' procedures outlined in the Disbursement Handbook 2020.

32. **External Audit:** The National Audit Office (NAO) shall audit the consolidated (GAFSp and Additional Financing) annual projects financial statements in line with its legal mandate. The assessment discussed and agreed with the Auditor General (AG) that in instances that the NAO is not able to carry out the audit, the AG will lead the project management in the recruitment of a private independent external audit firm (using a list approved audit firms) through a competitive process, acceptable to the Bank. The audit terms of reference (TOR) shall be agreed with the Bank prior to the commencement of each audit. The audit reports consolidating the GAFSp and Additional Financing Project, shall consists qh'vj g'cwf kwf 'hpceknucvgo gpw'y kj "vj g'cwf kqt'qr kkp"end accompanying management letter. The audit reports must be submitted to the Bank no later than six (6) months after the end of each financial year being audited. The audit cost shall be paid for from project resources. The ongoing project is yet to submit its first audit report for the period 16 June 2022 to 31 December 2022, which was due for submission on 30 June 2023, due to late recruitment of an auditor. Other CPCU management projects except the closed P2RS (which still has its 2021 and 2022 audit reports outstanding) other Bank financed project have consistently complied with the fiduciary requirement regar4(nto0)-61(u7(g//o584.71 T.Tf1re)7(ga)-

made to ensure gender-disaggregated data at every level and where applicable the project will update the existing computerized M&E system as required. In order to stimulate stakeholder participation in M&E, the project will additionally employ participatory approaches such as beneficiary contact

National Social Protection Policy (NSPP, 2015-4247) supported with inputs and linked with markets.

37. Several elements⁶ of the parent project and the additional financing are of technological, economic, socioeconomic, institutional and environmental in nature that are geared towards sustainability of the interventions, these include: promotion of simple and adoptable technologies that are scalable and at the means of smallholder farmers and SMEs; strengthening of the Seed system with support to the provision of certified climate resilient seeds of rice, maize, cowpea, groundnuts, and vegetable seeds to smallholder farmers for enhanced productivity; enhanced private sector comprising suppliers of goods (production inputs, machinery and equipment), services (land preparation) and works (construction of post-harvest facilities, garden infrastructure); accrual of sustainable benefits (products and income) to beneficiaries including smallholder farmers and SMEs in their enterprises; capacity building of Smallholder farmers, SMEs and Schools in Good Agricultural Practices (GAP), Good Storage Practices (GSP) and Good Manufacturing Practices (GMC); and, employment of climate resilience technologies and practices for sustainable production in the face of climate variability.
38. The Gambia Education Sector Policy, 2016-4252 gradually take ownership of the School Feeding Program through the implementation of the Home-Grown School Feeding Programme. In facilitating the gradual take over, capacities will be built to allocations and structures to facilitate implementation of the programme. Since 2019, a national budget line for school feeding has been identified in the Ministry of Education budget to support the school feeding programme in the regions already handed over to the Government.

Risk Management

39. Potential risks to the successful execution of the project could stem from economic shocks and climate change effects which could negatively affect productivity, market surplus and other project benefits. This could be mitigated through prudent fiscal and financial measures and through strengthening climate change adaptation and mitigation measures. Other potential risks and mitigation measures are:

Table 7: Risk Matrix and Mitigation Measures

Risk category	Risk description	Rating	Mitigation	Risk owner
Environment and Social	Climate change and variability. Risk of crop failure due to extreme weather events such as droughts and floodings	Moderate	Promote Climate Smart Agriculture (varieties and technologies) and proofing of infrastructure	Bank and The Government of The Gambia
Environment and Social	Unsuitability of the technologies promoted			

Other ó pest and disease	Diseases and r guwá outbreaks for crops and livestock(poultry) due to natural causes	Moderate	Regular crop monitoring and disease surveillance and vaccinations of birds	Government
Capacity of implementing entity	Weak capacity of national implementing partners to deliver services on a timely basis	Moderate	Appropriate technical experts are provided by service providers who are competitively recruited.	Bank and the government of Gambia
Environment and Social	Gender and youth participation is low in Project interventions	Moderate	Awareness building and training with the use of SBCC to engender participation and capacity in production, nutrition, and WASH.	Bank and the government of The Gambia
Environment and Social	Inadequate access to markets due to inadequate post-harvest processing capacity	Moderate	Provision of appropriate training and linkage with the Home-Grown School Feeding	Bank, Government of The

LEGAL INSTRUMENTS AND AUTHORITY

A Legal Instrument

58. The legal inst

- (iv) maintain at all times during Project implementation, the Project Management Unit established under the Gambia Agriculture and Food Security Project funded by the ICHUR" cpf "uwr gtxkugf "d{ "vj g"Dcpm" *vj g"õRctgpv" Rtqlgeö+" cpf "ukwcvgf" within the Central Project Coordination Unit with mandate, staffing and resources satisfactory to the Bank; and
- (v) maintain at all times during implementation of the Project, the Project Steering Committee (PSC) established under the Parent Project which shall be responsible for inter alia Project strategic oversight and policy guidance, review of annual work plans and budgets, progress and quality of Project implementation.

C Compliance with Bank Policies

This project complies with all applicable Bank policies.

African Development Bank Group Independent Recourse Mechanism

64. Communities and individuals who believe that they are adversely affected by an African Development Bank Group (AfDB) supported project may submit complaints to existing project-level i tlgxcpeg"tgf tguu"o gej cpluo u"qt"vj g"ChF Døu"kp f gr gpf gpv" Tgeqwtug"O gej cpluo " *KTO -0Vj g"KTO " ensures project chgevgf "eqo o wplkgu"cpf "lpf kxf wcu"o c{ "uwo kv"vj gk"eqo r mlpv"vq"vj g"ChF Døu" Independent Recourse Mechanism which determines whether harm occurred, or could occur, as a result of AfDB non-compliance with its policies and procedures. To submit a complaint or request further information please contact: or visit the IRM website. Complaints may be submitted at any vko g"chgt"eqpegtpu"j cxg"dggp"dtqwi j v"fk gewn{ "vq"vj g"ChF Døu"cwgpv"kp. "cpf "Dcpm"O cpci go gpv"j cu" been given an opportunity to respond before reaching out to the IRM.

RECOMMENDATION

Management recommends that the Board of Directors approve the proposed Grant of USD 12,000,000 from the Global Agriculture and Food Security (GAFSP) Trust Fund to the Republic of The Gambia for the purposes and subject to the conditions stipulated in this report.

RESULTS FRAMEWORK

RESULTS FRAMEWORK

A	PROJECT INFORMATION				
PROJECT NAME AND SAP CODE: Gambia Agriculture and Food Security Project Additional Financing			COUNTRY/REGION: The Gambia		
PROJECT DEVELOPMENT OBJECTIVE: to increase food and nutritional security, as well as household income, particularly for the vulnerable households in five administrative regions: CRR (North and South), LRR, URR, NBR and WCR of The Gambia, through the strengthening of the sustainable Home-Grown School Feeding (HGSR) Programme.					
ALIGNMENT INDICATOR (S): Food Insecurity Experience Scale (FIES) ¹² Acceptable Food Consumption Score. % rural population below poverty line (USD 1.25 per day) ¹³					
B	RESULTS MATRIX				
RESULTS CHAIN AND INDICATOR DESCRIPTION	RMF/ADOA INDICATOR	UNIT OF MEASUREMENT	BASELINE (2022)	TARGET AT COMPLETION (2027)	MEANS OF VERIFICATION

	Yields of Cassava MT/Ha	6	10	
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2.3. Wasting rate		%	5.0%	2%	Nutrition surveys; Food security studies;
2.4. Prevalence of moderate to severe food insecurity in project target Regions based on the Food Security Experience Scale (FIES)		%	TBD ¹⁸	TBD	Food Insecurity Experience Scale studies
2.5. Sch. dropout for under 12s	Girls	%	26%	20%	Education Management Information System
	Boys	%	27%	20%	
2.6. % of households with acceptable food consumption score		%	43% ¹⁹	44%	Nutrition surveys; Food security studies;
COMPONENT 1: DEVELOPING SUSTAINABLE FOOD SYSTEMS FOR IMPROVED LIVELIHOOD, PRODUCTIVITY, COMMERCIALIZATION AND CLIMATE RESILIENCE OF EXISTING FARMERS AND SCHEMES					
OUTPUT STATEMENT 1.1: STRENGTHENING SKILLS, PRODUCTIVITY, COMMERCIALIZATION AND CLIMATE RESILIENCE OF EXISTING FARMERS AND SCHEMES²⁰					
1.1.1. Land area receiving improved production support (hectare) Disaggregation: Area provided with new/improved irrigation or drainage services (hectare)		Number of hectares	0	6,250	Project Reports
		Ha provided with new/improved irrigation	0	6,250	Project Reports

1.1.2.

	No. of Annual Project Progress Reports submitted on time	0	5	Project Reports
	No of Project Quarterly Progress Reports submitted on time	0	20	

CHANGES TO THE PROJECT RESULTS FRAMEWORK		
Revisions to the results framework		Comments/Rationale for change
PROJECT DEVELOPMENT OBJECTIVE		
<i>Current (PDO)</i>	<i>Proposed change</i>	
to increase food and nutritional security, as well as household income, particularly for the vulnerable households in five administrative regions: CRR (North and South), LRR, URR, NBR and WCR of The Gambia, through the strengthening of the sustainable Home-Grown School Feeding (HGSF) Programme.	No Change	
OUTCOME STATEMENTS AND INDICATORS		
<i>Current</i>	<i>Proposed change</i>	

**OUTCOME
STATEMENT 1:**

consolidation of school-based programmes		
OUTCOME INDICATOR 2.1: People benefiting from improvements in agriculture (millions)	Revised An additional 8,000 farmers	Increase outreach of smallholder farmers
OUTCOME INDICATOR 2.2: Stunting rate among children under five	No Change	
OUTCOME INDICATOR 2.3 Wasting rate	No Change	
OUTCOME INDICATOR 2.4 Prevalence of moderate to severe food insecurity in project target Regions based on the Food Security Experience Scale (FIES)	No Change	
OUTCOME INDICATOR 2.5 School dropout for under 12	No Change	
OUTCOME INDICATOR 2.6 % of households with acceptable food consumption score	No Change	
OUTPUT STATEMENT AND INDICATORS		
<i>Current</i>	<i>Proposed change</i>	
OUTPUT STATEMENT 1.1: Strengthening skills, productivity, commercialization, and climate resilience of existing farmers and schemes	Revised 8,000 additional farmers strengthened in skills	Skills enhancement of farmers for productivity, commercialization and resilience building against climate change.
OUTPUT INDICATOR 1.1.1: Land area receiving improved production support.	Revised Additional 1500 ha of rice, and additional upland crops of 1,500 ha and 100 ha of vegetables.	Additional land area and number of schemes increased to increase food production and market for HGSF

<p>OUTPUT INDICATOR 1.1.2: Farmers receiving productivity enhancement support yearly</p>	<p>Revised An additional 8,000 smallholder farmers</p>	<p>Increased outreach to vulnerable food insecure households for enhanced production and productivity.</p>
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<p>OUTPUT INDICATOR 1.1.3: Farmers receiving inputs or services on climate resilient sustainable agricultural practices</p>	<p>Revised</p>
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Schools reached with SBCC messages on micronutrient deficiencies and consumption of locally available diversified foods	72,000 school going children in 68 schools with awareness on nutrition through SBCC	
OUTPUT STATEMENT 3.1 Ensure effective project management	No Change	
OUTPUT INDICATOR 3.1.1 Timely submission of AWP&B and Repots	Revised Additional requirement for preparation of 4 AWP&B and 16 project progress reports	

ADDITIONAL FINANCING CHECKLIST

Eligibility Criteria for AF Due to Project Scaling up	Compliance (Yes / No)	Justification/reference to relevant paragraphs
i. Satisfactory performance of the Project: Scoring of 3 or better on the development objective (DO); (Satisfactory); Scoring of 3 or better on implementation progress (IP); (Satisfactory) ; The outputs/effects		

priorities, and the overall environment is conducive to its success ²²²³		for on Climate Change and Green Growth. At country level it is aligned with the NDP (2023-2027), The ANR Policy (2017-2026);The Gambia Agricultural Investment Plan and Food and Nutrition Security (GNAIP II FNS 2019-2026); The National Nutrition Policy (NNP 2021-2025); National Climate Change Policy (2016) and National Social Protection Policy. Reference Annex 1-6 of the Technical Annexes
v. The project is broadly in line with the development objectives of the initial project ²⁴	Yes	The PDO is the same as the initial project. Reference Para 1
vi. The project is technically feasible overall	Yes	The Project is technically feasible with the crop and livestock enterprises adopted to local condition, scalable and technical sound. Reference Para 36, 37, 38
vii. The project is economically and financially viable overall	Yes	The Economic and Financial Analysis indicate it is economically and financially viable overall with an FIRR of 27% and EIRR of 26% . Reference para 39, 40, 41
viii. The institutional, fiduciary, environmental and social arrangements for the project as a whole are satisfactory	Yes	The institutional, fiduciary, environmental and social arrangements build on the existing project and are satisfactory. Reference
ix. Associated risk mitigation measures are satisfactory for the project as a whole ²⁵	Yes	The associated risk mitigation measures are satisfactory. Reference Para 33
x. The assessment of the quality at entry (QaE) of the project and the assessment of its overall credit risk are considered satisfactory for sovereign operations financed from AfDB resources in ADF-only countries	No	

DECIDES as follows:

1. To award to the Republic of The I co dlk *j g'ōTgek lgpvö+ 'h qo 'j g'cr r tqxgf 'tguqwtegu'qh'j g' GAFSP Trust Fund, a grant of an amount not exceeding Twelve Million United States Dollars (USD 12,000,000) *j g'ōCf f kkpqrñI tcpvö+ as additional financing for 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 *j g'ōI tcpv'Ci tggo gpvö+ 'qp'j g'vgtō u'cpf 'eqpf kkpqrñI' 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 Additional Financing Appraisal Report;
3. The President may cancel the Additional Grant if the Grant Agreement is not signed within ninety (90) days from the date of approval of the Additional Grant by this Board; and
4. This Resolution shall become effective on the date above-mentioned.