

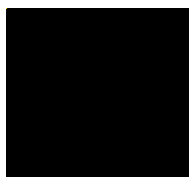
**AFRICAN DEVELOPMENT BANK**

**ADB/BD/WP/2021/176/Approved**  
**12 October 2021**  
**Prepared by: RDGW/AHHD/PGCL**  
Original: English

**BOARD APPROVAL**  
**Lapse-of-Time Procedure**

**12 October 2021**

# AFRICAN DEVELOPMENT BANK



## **PROJECT: GAMBIA AGRICULTURE AND FOOD SECURITY PROJECT**

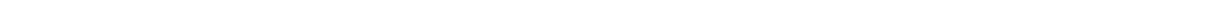
**COUNTRY: THE GAMBIA**

### **PROJECT APPRAISAL REPORT**

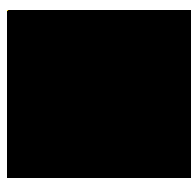
*Date: 12 August 2021*

Team Leader

APPRAISAL  
TEAM



**AFRICAN DEVELOPMENT BANK**



**THE GAMBIA**

**GAMBIA AGRICULTURE AND FOOD SECURITY PROJECT**

**RDGW/AHHD/PGCL DEPARTMENTS**

**October 2021**



## **Currency Equivalents**

*As of Feb. 2021*

UA1.00	=	USD1.44080
UA1.00	=	GMD74.2100
USD1.00	=	GMD51.50611

## **Fiscal Year**

[01 January – 31 December]

## **Weights and Measures**

1 metric tonne	=	2204 pounds (lbs)
1 kilogramme (kg)	=	2.200 lbs
1 metre (m)	=	3.28 feet (ft)
1 millimetre (mm)	=	0.03937 inch (“)
1 kilometre (km)	=	0.62 mile
1 hectare (ha)	=	2.471 acres



SDG =

## Grant Information

### Client's information

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**RECIPIENT:** Republic of The Gambia

**EXECUTING AGENCY:** World Food Programme, The Gambia Country Office

### Financing plan

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Source	Amount (USD)	Instrument
GASFP	16.00 Million	Grant
Government of the Gambia	1.37 Million	N/A
Beneficiaries	1.13 Million	N/A
<b>TOTAL COST</b>	<b>18.50 Million</b>	



## **Project Summary**

**Project Overview:** The purpose of the project is 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. This will be achieved by increasing climate-resilient food production, postharvest management, market access and resilience for identified nutrient-rich food chains; and by promoting smallholder farmers' access to the HGSF as an institutional market. The connection between the food supply side (farmers) and food demand side (consumers) in the project is the HGSF Programme. The project targets the most vulnerable



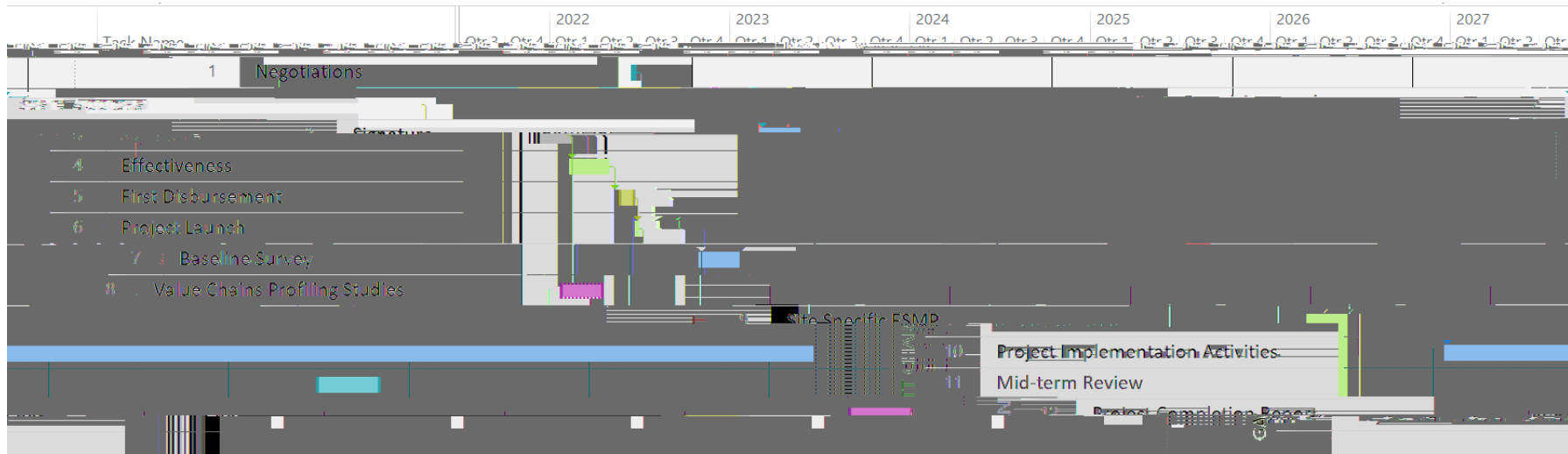






RESULTS CHAIN AND INDICATOR DESCRIPTION	RMF/ADOA INDICATOR	UNIT OF MEASUREMENT	BASELINE (2020)	TARGET AT COMPLETION (2026)	MEANS OF VERIFICATION
		No. of project yearly ESMP Implementation Report submitted timely No. of project quarterly ESMP Implementation Report Submitted timely	0	5	Project Reports

# Project Timeframe



# **REPORT AND RECOMMENDATION OF THE MANAGEMENT TO THE BOARD OF DIRECTORS ON A PROPOSED GRANT TO THE GAMBIA FOR THE GAMBIA AGRICULTURE AND FOOD SECURITY PROJECT**

Management submits the following Report and Recommendation on a proposed grant of Sixteen Million United States Dollars (USD16,000,000.00) from the Global Agriculture and Food Security Program to finance the Gambia Agriculture and Food Security Project in The Gambia.

## **I – STRATEGIC THRUST & RATIONALE**

### ***1.1. Project linkages with country strategy and objectives***

In 2017 the World Bank and the African Development Bank (AfDB) prepared a joint Fragility Risk and Resilience Assessment and a Country Brief for The Gambia. The 2021 fragility assessment of the country undertaken by the Bank indicated that the country’s key drivers of fragility remain largely unchanged compared to 2017 and grouped them as follows: 1) Authoritarianism, weak public institutions, political instability; 2) Unsustainable macro-fiscal management which increased the Gambian economy’s sensitivity to external shocks; 3) Food insecurity; 4) Susceptibility to environmental damage and degradation; 5) The Gambia’s relationship with the subregion.

The Gambia’s development challenges are typical of its fragility. The Gambia’s fragility stands out as an outlier in many common global indices: Fragile States Index steadily worsened in recent years, rising from 80.6 in 2010 to 89.4 in 2017 (the closer to 100, the more fragile the State) when the country ranked 37th of 178 countries; Human Development Index in 2017 was 0.460—or 174th of 189 countries; Multi-Dimensional Poverty Index 57.2 percent of the population experience multiple dimensions of poverty; and Country Policy and Institutional Assessment (CPIA) deteriorated from 3.5 in 2011 to 3.0 in 2018, which is below the SSA average of 3.2.

The country is characterized by pervasive poverty, food insecurity, malnutrition and vulnerability of households to climate shocks. This is evidenced by The Gambia’s Gross Domestic Product (GDP) per capita of US\$ 483 in 2017, a low level, even compared to other Economic Community of West African States (ECOWAS) countries. Results of national poverty surveys including the Integrated Household Survey (IHS 2015/16) using the US\$ 1.25 per day, show that almost half (48.6 %) of the population fall below the poverty line compared to 48.1% for a similar survey in 2010. The IHS 2015 survey also shows that 55.1% of Gambians have a caloric intake below 2,400 calories with stunting occurring at 22.9%, underweight at 21.4% and wasting at 10.3%. Results from the recent Gambia Micronutrient Survey (GMNS, 2019 shows that significant improvements have been registered with stunting and wasting for the under-five dropping to 15.7% and 5.8% respectively).

In order to address these main drivers of fragility, reduce poverty and improve the food security status of the population, The Government of The Gambia (GOTG) articulated and is implementing a medium-term development framework: The National Development Plan 2018-2021 (NDP). The objectives of the Gambia Agriculture and Food Security Project (GAFSp) is well in line with National Development Plan (NDP 2018-2021), specifically the third strategic priority of the NDP is geared towards “modernizing agriculture and fisheries for sustained economic growth, food and nutrition security and poverty reduction”. Furthermore, the operation will also support a key outcome of the NDP “improved nutritional wellbeing of all Gambians” by reducing stunting among children under five as well as the proportion of the population that is food insecure.







Nations Development Assistance Framework (UNDAF 2017-2021). In the recent past, the World Bank and the AfDB (2012-2015) have collaborated in Joint programming. The current Bank programming is implemented through the Country Brief (CB 2017-2019). The Bank has supported the Gambia agriculture sector since 1974 (with a total amount of UA 101.168 million). Its knowledge product and financial products have been used to support critical interventions in the country and has evolved to become a partner of choice by the government and the sector. These culminated in the selection of the Bank as the preferred supervision entity for both the earlier

Components	Total costs (USD million)	Component Description
2. Reducing Vulnerability through Social Protection, improving nutrition and climate-resilient WASH	7.25	<ul style="list-style-type: none"> <li>• Support for the establishment of 1 Private Sector Development Facility to strengthen business plans</li> </ul> <p>This component will focus on addressing gaps in social protection and building climate resilience related to food and nutrition security through activities based on structured demand lead by HGSF. It will also focus on improving related infrastructure in schools. In particular, the specific activities will be supported:</p> <ul style="list-style-type: none"> <li>• Provide 200 schools (131,900 pupils) with nutritious meals</li> <li>• Support construction of 200 School kitchens and equipped with essentials items; 200 toilets blocks separated by sex; 200 climate-resilient Water System (Borehole and storage tank and rainwater harvesting and 200 School Stores Constructed supplies of food from the communities</li> <li>•</li> </ul>



Table 2.5: Project cost by category of expenditure [amounts in million USD]

CATEGORY	USD Million			% of base cost	% of F.C
	F.E.	L.C.	Total		
Works	0	5.078	5.078	29%	0%
Goods	0.279	4.533	4.812	28%	11%
Services	2.025	3.396	5.421	31%	78%
Operating Costs	0	1.628	1.628	9%	0%
Miscellaneous (Indirect Cost - WFP)	0.281	0	0.281	2%	11%
<b>Total base cost</b>	<b>2.585</b>	<b>14.635</b>	<b>17.22</b>	<b>100%</b>	<b>100%</b>
	0.001	0.346	0.35	2%	0%

agencies (Ministry of Basic and Secondary Education, Ministry of Youth and Sports, National Nutrition Agency-

## ***2.8. Key performance indicators***

The key performance indicators identified and the outcomes expected at project completion, as set out in the results-based logical framework, are: (i) Reduced poverty levels and food and nutrition





out in project activities and budget. To further reduce climate risks, additional measures will be incorporated in the project including climate-smart crop management (e.g. drought-tolerant, early maturing, flood-tolerant seed varieties etc); water management (solar-powered motor pumps, micro-dams, etc.); soil management measures; provision of early warning systems; climate risk insurance; tailored weather/seasonal forecasts and agricultural advisories. Implementation of the climate adaptation measures proposed in the project will be monitored in the course of project

protection mechanism. The structured demand the program creates provides smallholder farmers with a stable and available market for their produce. Demand readiness depends both on the programme execution per se, but also on their capability to supply the school menus' baskets with the right quantity and quality. This works as an effective poverty alleviation tool by creating a social protection floor on which the project expects the vulnerable farmers to stand on and graduate from. Ideal social impacts aim at improving the smallholder famers' livelihoods, and boosting private sector activities, as they will also participate in the value chain.

With the involvement of the private sector alongside the structured demand create by the HGSF, the youth could be engaged in activities along the value chain to create jobs, goods, and services



can be directly provided by public entities (that have this mandate and are competent for) instead of procuring. To that extent, a Memorandum of Understanding (MoU) or an Implementation Agreement (IA) will be signed with these entities. These public entities will use their own resources and the MoU or IA will not allow Staff salaries payment but will cover only direct actual additional costs generated by the project related assignment.

For activities of the project to be managed and implemented by UN-WFP: the procurement of goods, works and the acquisition of consulting services, financed by the Bank supervised GAFSP Funds for the project, will be carried out in accordance the World Food Programme (WFP) applicable regulations, rules and procedures and provisions stated in the Grant Agreement as

the Bank within 45 days after the end of the quarter. Annually, the PA will produce project financial reports, covering all project activities for the fiscal year in line with IPSAS Cash Basis, which shall be audited by the Auditor General of The Gambia or a competitively recruited independent private external audit firm, using audit TOR agreed with the Bank. The content of both IFRs and annual project financial statements have been discussed and agreed with CPCU. All financial reports prepared by the PA must be reviewed and approved by the FC. The assessment recommends that a project implementation manual (PIM) customised from the existing PIM and implemented to guide project operations and implementation. A project steering committee will be constituted (chaired by the MOA Permanent Secretary) to provide strategic direction and oversight guidance as well as approve key strategic documents including- annual workplans, budgets and procurement plans before transmission for the Bank's 'no-objection'. The GOTG internal control procedures (as modified by CPCU for projects) will be implemented by the project to strengthen the control environment. The Internal Audit Directorate (IAD) will provide internal checks and periodically review project operations. The internal audit reports must be approved by the Director of the IAD before submission to the PSC, who will ensure timely implementation of audit recommendations.

**4.1.4 Disbursement Arrangement:** The Bank uses four (4) disbursement methods in disbursing funds to its projects: (i) Direct payments; (ii) Special Account (SA); (iii) Reimbursement; and (iv) Reimbursement guarantee methods. Bank funded projects managed by the CPCU have generally made use of direct payment and Special account methods. The **Direct payment method** will be used for payments against larger contracts signed between project management and contractors/suppliers/ service providers. A dedicated special account (SA) USD will be opened at the Central Bank of The Gambia to receive advances from the Bank for payments of operating costs. A Gambian Dalasi counterpart fund contributions account will also be opened at the Central Bank of The Gambia to receive government counterpart contributions and other income (including bid sale receipts). The remaining disbursements methods (**Reimbursements and Reimbursement guarantee**) shall also be at the disposal of the project should the need arise during project implementation.

**World Food Programme (WFP)- Disbursements** to the WFP under the project for activities to be carried out will be in accordance the Fiduciary Principles Agreement (FPA) signed between the signed between the ADB and ADF and WFP in March 2018. The Bank will disburse funds on behalf of the Government of the Gambia in tranches (one tranche at the beginning of each fiscal year), through direct transfer to a WFP designated account (details of this account to be provided by WFP). **The following will be the conditions for disbursement: (i) The Government of the Gambia and WFP signing the Letter of Agreement (LoA); and (ii) For each withdrawal request submitted by WFP, should be based on the schedule of project activities to be carried out in the fiscal, approved by the government of the Gambia, and accompanied with the relevant account details to the Bank for the funds to be disbursed.** The funds will be transferred to the WFP's designated account in United States Dollars or in any other currency agreed by the parties. 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 sch1 0 12 T or









of Mothers Clubs and Parent-Teacher Associations who will manage and govern the WASH and School Feeding activities in the school aside cost saving will also help create ownership of these intervention activities and help in building partnerships between the actors. GAFSp takes onboard Environmental and Social safeguard with the objective of ensuring that the activities confirm both inclusive growth (growth across gender, geography and age) and green growth (minimizing waste, improving efficiency and building resilience to shocks).

#### ***4.5. Risk Management***

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:

<b>Risk</b>	<b>Mitigation</b>
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experience of others who have gone through, or are going through, similar challenges of finding working solutions.

## **V – LEGAL INSTRUMENTS AND AUTHORITY**

### ***5.1. Legal instrument***

The legal instrument to finance this operation is a Protocol of Agreement for an amount of USD 16 million (the “Grant Agreement”), to be entered into amongst the African Development Bank (the “Bank”) as Supervising Entity for the GAFSP Trust Fund and the Republic of The Gambia (the “Recipient”)

- (i) carry out the Project in accordance with the site-specific Environmental and Social Management Plans “ESMPs”), and the Bank’s Safeguards Policies and the applicable national legislation in a manner and in substance satisfactory to the Bank;
- (ii) prepare and submit to the Bank Project Reports, including quarterly reports on the implementation of the site-specific ESMPs including any deficiencies identified and the corrective measures thereto;
- (iii) refrain from taking any action which would prevent or interfere with the implementation of the site-specific ESMPs, including any amendment, suspension, waiver, and/or voidance of any provision thereof, whether in whole or in part, without the prior written concurrence of the Bank;
- (iv) cooperate fully with the Bank in the event that the implementation of the Project or change in Project scope results in hitherto unforeseen displacement and /or resettlement of persons, and shall not commence any works in the affected area under the Project, unless all PAPs in such areas have been compensated and/or resettled in accordance with a RAP, to be prepared by the Recipient;
- (v) maintain at all times during implementation of the Project the PMT with mandate, staffing and resources satisfactory to the Bank; and
- (vi) establish a Project Steering Committee (PSC) which shall be responsible for strategic oversight for policy guidance and implementation as well as review of annual work plans and budgets, progress and quality of Project implementation.

### ***5.3. Compliance with Bank Policies***

This project complies with all applicable Bank policies.

## **VI – RECOMMENDATION**

Management recommends that the Board of Directors approve the proposed grant of Sixteen Million United States Dollars (USD16,000,000) from the GAFSP to the Republic of The Gambia for the purposes of implementation of the Gambia Agriculture and Food Security Project subject to the terms and conditions stipulated in this report.



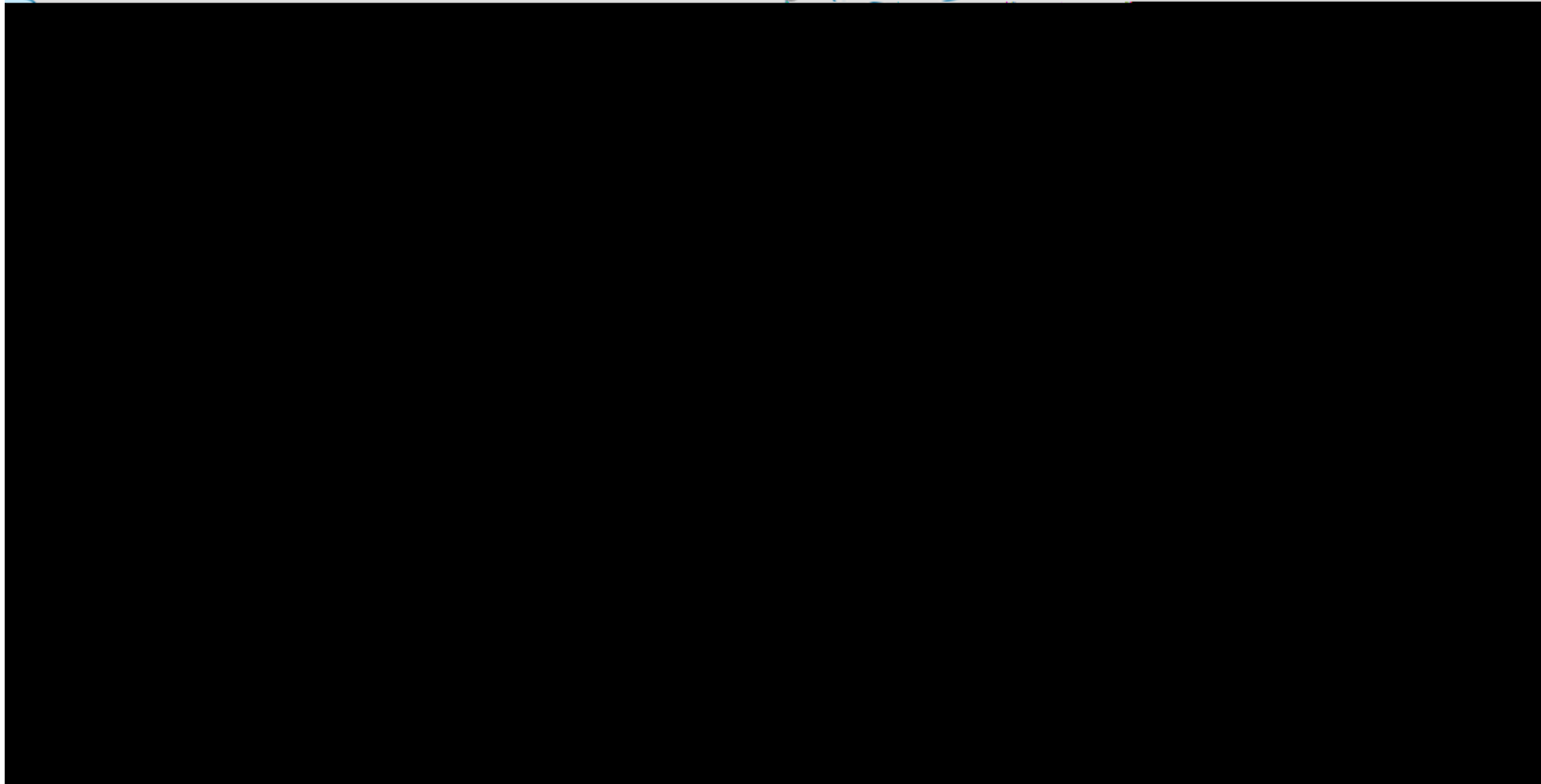


**Appendix III: The Gambia Ongoing portf**





## Appendix V. Map of the Project Area



Disclaimer: This political administrative map of The Gambia is for illustrative purposes and is without prejudice to the status of or sovereignty over and territory covered by the map.

**A. Basic Information<sup>12</sup>**

<b>Project Title:</b> Agriculture and Food Security Project		<b>Project "SAP code":</b> P-GM-AA0-018
<b>Country:</b> GAMBIA	<b>Lending Instrument<sup>13</sup>:</b> DI <input checked="" type="checkbox"/> FI <input type="checkbox"/> CL <input type="checkbox"/> BS <input type="checkbox"/> GU <input type="checkbox"/> RPA <input type="checkbox"/> EF <input type="checkbox"/> RBF <input type="checkbox"/>	
<b>Project Sector:</b> Agriculture		<b>Task Team Leader:</b> Tabi KARIKARI
<b>Appraisal date:</b> 30/09/2020 (reappraisal 13/08/2021)		<b>Estimated Approval Date:</b> 07/10/2021
<b>Environmental Safeguards Officer:</b> Moses Yao DUPHEY / Chaïbou MAMANE		
<b>Social Safeguards Officer:</b> xxxxx		
<b>Environmental and Social Category:</b> 2	<b>Date of categorization:</b> 31/07/2020	<b>Operation type:</b> SO <input checked="" type="checkbox"/> NSO <input type="checkbox"/> PBO <input type="checkbox"/>
<b>Is this project processed under rapid responses to crises and emergencies?</b>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Is this project processed under a waiver to the Integrated Safeguards System?</b>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

**B. Disclosure and Compliance Monitoring****B.1 Mandatory disclosure**

<b>Environmental Assessment/Audit/System/Others:</b> ESMF
Was/Were the document (s) disclosed <i>prior to appraisal</i> ? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>

**AFRICAN DEVELOPMENT BANK**

**BOARD OF DIRECTORS**

**Resolution N° B/GM/2021/38**

Adopted by the Board of Directors, on a lapse-of-time basis, on 12 October 2021

**Grant to the Republic of The Gambia, from the approved resources of the Global Agriculture and Food Security Program (GAFSP) Trust Fund to finance part of the costs of the Gambia Agriculture and Food Security Project**

**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/2021/176/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