

Smallholder Agricultural Production Restoration and Enhancement Project (P162659)

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the project by four months to ensure the satisfactory completion of the remaining activities. The rationale for the extension of the project closing date has been assessed by the task team.

- 5. The following activities would require additional time beyond the current closing date to be completed successfully:
- a. Further support to the Horticulture value chain activities of the project to strengthen organization arrangements of the Horticulture Seedling Centers (HSC), Horticulture Collection Centers (HCC) and Women Agro-processing Groups to ensure their sustainability. While the HSC have already started their operations, the work on the establishment of three HCC (completion of construction works) and 10 Women's group (training and provision of equipment to the groups) are expected to be completed only at the end of February 2021, and if permits are not further delayed. An additional time period will be required to test and adjust modalities of their functioning, and provide additional training to ensure that (i) the nurseries and collection centers are fully operational and operated by well-trained managers and staff; and (ii) any production and marketing problems are resolved and that the women beneficiaries build effective links with the seedling and collection centers as the basis for sustainable post-project activity. Lessons learned from the horticulture support activities will help to design the new GAFSP operation which would expand support to value chains;
- b. Rehabilitation of community water infrastructure. 80 sub-projects are completed and 16 are expected to be completed by end-February 2021. Works on the other 11 subprojects have been achieved ranging from 65% to 79% completion rates. Their full completion is expected by mid-April 2021. As of December 31, 2020, US\$14.78 million (or 93% of allocated) have been disbursed by SFD for rehabilitation works;
- c. Distribution of remaining last set of seven fodder chopping machines in Hodeydah, along with the provision of training to groups in Saada, Hajjah and Hodeydah governorates provided with this equipment and monitoring the operations of the groups. These activities were planned for December 2020 but are still awaiting permits from authorities in the North;
- d. Project final survey to capture the results to inform the ICR. This five months' survey has been fully designed and is ready to be launched. The survey would articulate lessons learned which will be incorporated in the preparation of the new agricultural operation.
- 6. If approved, this will be the second extension of the project. In July 2020, the original closing date of August 31, 2020 was extended till February 28, 2021. About US\$110,000 of GAFSP funds and also interest earnings (US\$286,000) are available for the period beyond the current closing date. These funds are planned to be used for the completion of the remaining activities as described above, final Third-Party Monitoring (TPM) report, and operational costs during the extension period. Implementation plan for the proposed extension period has been prepared by the implementing agency and agreed with the Bank task team. The FAO committed to complete all the remaining activities by the proposed new closing date and no further extension of the closing date will be granted.
- 7. The task team seeks approval of the Country Director for a Level 2 Restructuring of the Project to extend the Closing Date for four months from February 28, 2021 to June 30, 2021 to finalize the implementation of the remaining project activities to ensure satisfactory completion of the Project. The project objectives continue to be achievable and the performance of the Grant Recipient is satisfactory.



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#### II. DETAILED CHANGES

### LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
TF-A5431	Effective	31-Aug-2020	28-Feb-2021	30-Jun-2021	30-Oct-2021