

ANNUAL REPORT 2014

 **GAFSP**

global agriculture & food security program

*Reducing
Hunger,
Increasing
Incomes*



The Global Agriculture and Food Security Program (GAFSP)

invests in agriculture to reduce poverty and improve food and nutrition security in low-income countries. Over the past four years, GAFSP has successfully pooled donor funds to make lasting improvements by supporting technically sound, country-led plans and sustainable, inclusive small and medium sized enterprises. Our donors — **Australia, Bill & Melinda Gates Foundation, Canada, Republic of Korea, Ireland, Japan, the Netherlands, Spain, United Kingdom, and the United States** — work in partnership with **recipients, civil society organizations**, and other stakeholders to improve the lives of smallholder farmers and their families. Millions of poor and vulnerable people around the world will directly benefit from GAFSP's continued commitment and support.

GAFSP looks to engage other donors and stakeholders in this important initiative.



GAFSP is
On-The-Ground,
Increasing
Agricultural
Productivity,
Reducing Poverty,
And Increasing
Food And
Nutrition Security
World-Wide.

CONTENTS

3	LETTER FROM THE CHAIRS
4	The GAFSP Approach
6	The GAFSP Theory of Change
8	Reach
10	GAFSP: Where We Work
12	Impact
14	Increasing Farm Production
18	Adding Value Food Safety
22	Getting to Market Roads Access to Finance The Missing Middle
30	Improving Food Security and Nutrition
34	Resilience Climate Smart Agriculture Empowering Female Farmers Improving Nutrition Outcomes Through Agriculture
42	ANNEX 1: GOVERNANCE
44	ANNEX 2: CONTRIBUTIONS TO GAFSP
46	ANNEX 3: PROJECT PROFILES





Dear Friends,

More than 75 percent of the world's poor live in rural areas and rely on agriculture or farming for their livelihoods. And yet, agriculture is underfunded in international development. Five years ago, in the wake of a devastating crisis in global food prices, world leaders committed to fight global hunger and poverty by reversing a decades-long decline in agriculture investment in developing countries through sustained financial and technical assistance.

The Global Agriculture and Food Security Program (GAFSP) is the result of that commitment—it represents a partnership between governments, civil society, private sector, and development partners targeting funds to have the largest possible impact and supporting the entire food chain where countries and companies need it most.

For some countries this includes investing in increasing farm production by improving water management, providing training on sustainable farming practices, and increasing access to high quality inputs like seeds. For other countries, the need is more heavily focused on processing foods to sell in markets or ensuring that vulnerable populations have access to nutritious foods.

But, for all of them, GAFSP funding is critical to develop healthy and sustainable food systems while also improving rural incomes.

Governments are working together, pooling their resources to fund effective, medium- and long-term projects that improve the lives and livelihoods of the rural poor. The country-owned schemes supported by the Public Sector Window are complemented by an active Private Sector Window searching out private initiatives, supporting opportunities to integrate farmers into inclusive business models, and promoting appropriate risk evaluations and services to benefit the rural poor.

GAFSP uses innovative approaches to help the world's poorest farmers produce more food and earn higher incomes so that they can lift themselves and their communities out of poverty and hunger. With your help, we can finish the job of creating a world free from hunger and poverty.

Daniel Walter Peters
Chair
GAFSP Steering
Committee

Marcel Beukeboom
Chair
Private Sector Window
Donor Committee

The GAFSP Approach

- > We focus on long-term agriculture and food security development, which have traditionally been underfunded by governments and development aid.
- > We fund the most promising projects in countries with the highest level of need to increase the impact on poor, hungry, and malnourished people.
- > We rely on the broad participation of civil society organizations (CSOs) and farmer organizations in project implementation and program governance.
- > We focus on technically sound, innovative projects, and support evidence-based policy making through experimental, independent impact evaluations.
- > Our structure is based on supporting existing aid effectiveness principles as well as international, regional, and country-led initiatives such as the Comprehensive Africa Agriculture Development Program (CAADP) and Scaling Up Nutrition (SUN).

The Situation

1.2 billion people live below \$1.25 per day and almost 1 billion people go to bed hungry, every night. The world needs to produce about 50 percent more food to feed its growing population by 2050, with increasingly constrained land and water resources. In fact, climate change further compounds this issue as it will reduce yields by 30 percent (without effective adaption)¹ over the same period. The already urgent need for action in agriculture, and food and nutrition security was amplified by the multiple world food price spikes since 2008; their lasting impact on poverty and nutrition; and the associated risk of social and political tensions.

The Global Challenge

25%

**AVERAGE EXTREME
POVERTY RATE
IN DEVELOPING
COUNTRIES**

75%
of world's poor live
in rural areas
and depend on
agriculture for their
livelihoods.

805
million people are
undernourished

80%
of food consumed
in Asia and Sub-
Saharan Africa is from
smallholder
farms

¹ World Bank (2012). Turn Down the Heat: Why a 4°C Warmer World Must be Avoided. Washington D.C.

GAFSP Contribution

Financial and technical assistance

\$912m

FUNDED PUBLIC SECTOR PROJECTS

\$77m

FUNDED PRIVATE SECTOR PROJECTS

Targeted at the poorestⁱ

25

COUNTRIES FUNDED

43%

POVERTY RATE

26%

UNDERNOURISHMENT

32%

FRAGILE STATES

Effective delivery

1/3

FASTER

Inclusive

PARTNERSHIP WITH RECIPIENTS, DONORS, AND CSOs

6%

LOW ADMINISTRATIVE COSTS

Raising income

10m

PEOPLE TO BENEFIT

1m

PEOPLE ALREADY REACHED

\$140m

ADDITIONAL SMALLHOLDER INCOMES GENERATED PER YEAR

The Goal

3%

POVERTY RATE IN DEVELOPING COUNTRIES BY 2030

~15-30%

reduction in global crop yields by 2050 in absence of climate change adaptation

50%

more food production needed to feed the world's **9 billion** people by 2050

>\$80

billion needed in public and private investment in agriculture, per year, to eliminate hunger

ⁱ The average poverty headcount (\$1.25 per day), and undernourishment rate for all developing countries is 25% and 17% respectively

The GAFSP Theory of Change

Three out of every four poor people live in rural areas on developing countries, and most rely on agriculture for food and livelihoods.

Our Approach

A challenge of this magnitude requires an innovative approach and relies on partnerships with a variety of public and private sector stakeholders. Three out of every four poor people live in rural areas in developing countries, and most rely on agriculture for food and livelihoods.

The **GAFSP Public Sector Window** provides critical grant funding to support country-led efforts to raise agricultural productivity, link farmers to markets, reduce risk and vulnerability, improve non-farm rural livelihoods, and develop farmer, community, and government capacity. It works in the poorest countries to strengthen governments' abilities and empower smallholder farmers to grow to their fullest potential.

While strong, comprehensive public programs are a critical part of this mission, success relies ultimately on the people and companies engaged in farming for their livelihoods. The **GAFSP Private Sector Window** provides complementary private investments in agribusinesses and financial institutions, as well as comprehensive advisory services. These specialized financing packages for small- and medium-sized agribusinesses, include loans, risk-sharing products, and equity in areas that would be considered too risky for other investors. It works to link businesses to farmer markets to create sustainable, integrated value chains.

Together, these two windows pool donor resources and work with recipients to increase rural household income, support viable businesses, develop sustainable and resilient food systems, empower marginalized farmers, and increase access, availability, and utilization of safe, nutritious foods.

- > **The GAFSP Public Sector Window provides critical grant funding to support country-led efforts**
- > **The GAFSP Private Sector Window provides complementary private investments**



1

FARM

Developing and promoting high-yield technologies while improving water and risk management.

Increased farm production

2

ADDING VALUE

Improve agricultural products to reduce loss, improve food safety and increase profits.

Vibrant businesses provide jobs

3

GETTING TO MARKET

Establish links to markets, improved financial access, infrastructure and new technologies.

Smooth seasonal incomes

4

FOOD

Supporting food availability, access, nutrition, and vulnerable populations.

Increased access to diverse, safe, and nutritious diets

5

RESILIENCE

Focusing on long-term development goals.

Improved capacity beyond traditional agriculture

GAFSP THEORY OF CHANGE
5 steps to strengthen agrifood

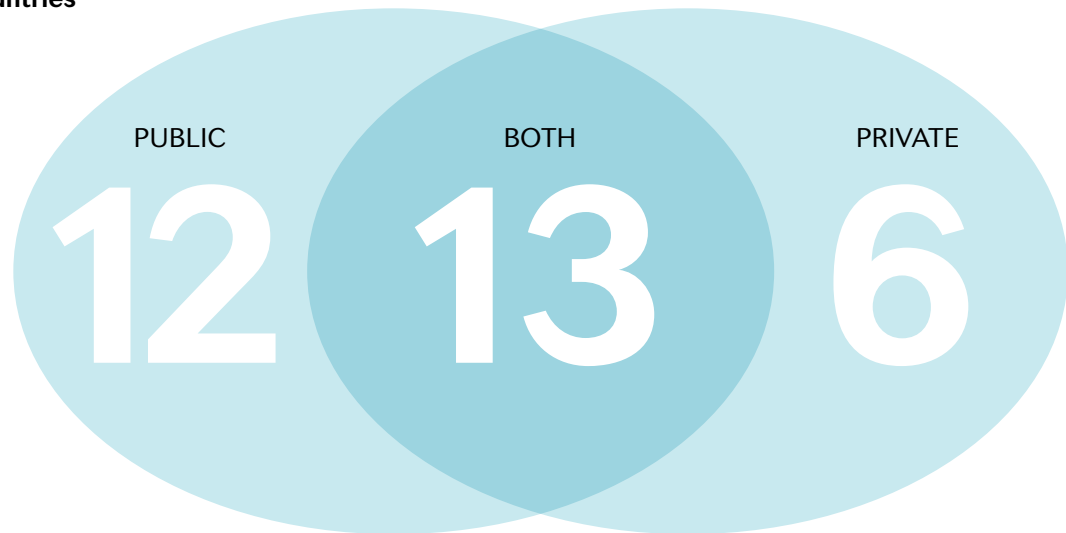
Reach

The Global Agriculture and Food Security Program (GAFSP) supports medium- and long-term interventions needed to ensure strong, stable policies and increased investment in agriculture in many of the world's most disadvantaged countries. The current portfolio of \$912.5 million in public sector investment is on track to reach over 9 million beneficiaries most of whom are smallholder farmers. As of June 2014, GAFSP funding has reached over a million farmers and their families in 25 countries in Africa, Asia, and Latin America, through direct investments to public sector agriculture and food security initiatives.

GAFSP has also provided \$77.6 million (\$72.7 million in investment projects \$4.9 million in advisory services) in funding packages to private agribusiness that allow for the development or expansion of businesses into areas or products that other financiers would have considered too risky to fund without GAFSP concessional funds. The projects have mobilized additional funding three to 53 times above the GAFSP investment from other financing sources. As of June 2014, These investments, including the GAFSP funds and all funding from other sources, have benefited over two million farmers and their families through newly created jobs, as well as new market opportunities for their farm products in some 22 low-income countries.

CURRENT FUNDING

Number of Countries

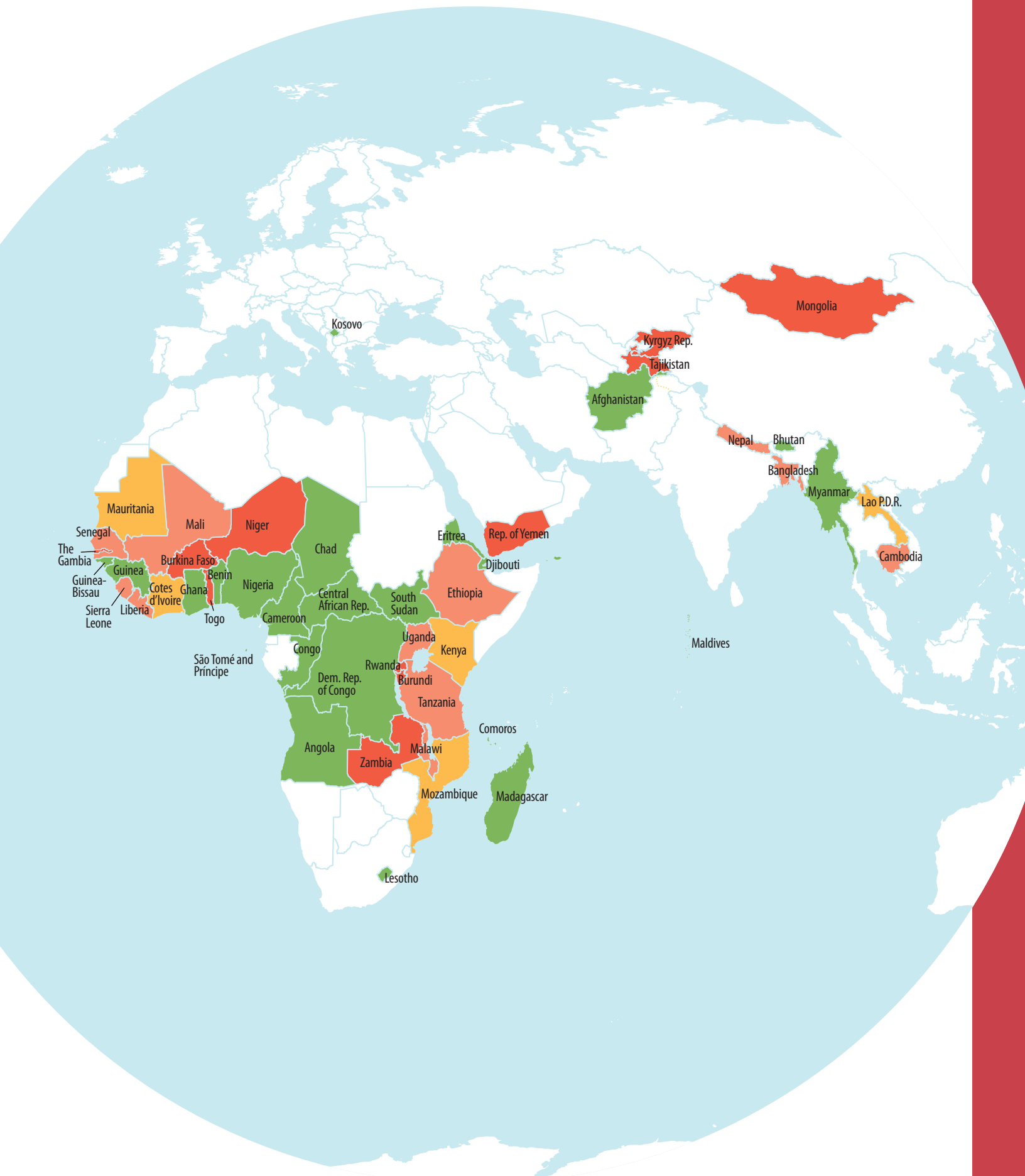




GAFSP: Where We Work

-  Public Sector Window Recipients
-  Public and Private Sector Window Combination Recipients
-  Private Sector Window Recipients
-  Eligible for GAFSP Funding





Impact

GAFSP was launched in April 2010. During these four years, GAFSP has identified and funded 32 projects in 25 low-income countries implemented by national governments, as well as 16 investment projects, one investment program, and 21 advisory projects to private agribusinesses and rural financial intermediaries in 22 low-income countries. Of the 32 government-led projects, 23 are currently under implementation (the rest are being prepared), and initial results are promising. Farmers — women and men — are being organized and empowered, new and more appropriate technologies are being demonstrated and delivered, and as a result, lives are being improved.

GAFSP supports an array of activities along the entire food system from increasing farm production to improving food security depending on what the government or agribusiness needs. Projects support key pieces of the entire value chain filling important gaps such as improved rural infrastructure, technology adoption, and nutrition awareness building. We strengthen the food system in low-income countries with these activities:

Increasing Farm Production

Our projects support farmers to increase their yields, with improved or more appropriate inputs like seeds, fertilizers, tools, training on best practices, and support for climate change adaptation and mitigation.

Adding Value

Our projects support efforts to store and process agricultural products so that post-harvest loss is reduced, food safety is improved, and ultimately, profits are increased.

Getting to Market

Our projects work to help smallholder farmers link to markets, with improved infrastructure (like roads) or access to financing to increase access to inputs and technologies in spite of seasonal incomes.

Improving Food and Nutrition Security

Our projects support all elements of food security, including availability, access, and utilization of healthy, nutritious foods, especially for vulnerable populations.

Resilience

Our projects go beyond traditional agriculture to support long-term development goals and help build capacity and resilience.

Each project is designed and implemented by governments or agribusinesses in partnership with GAFSP Supervising Entities. Projects focus on one or many pieces of this value chain as needed. Throughout this report, we will highlight a few examples of GAFSP projects currently under implementation on the ground.

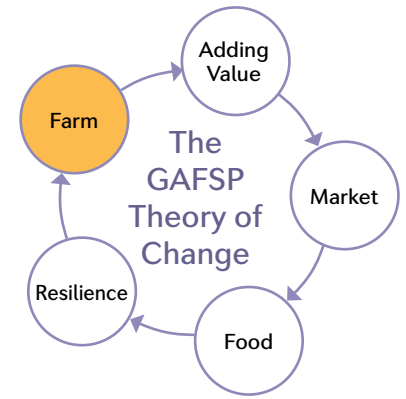
INDICATORS: RESULTS TO DATE

Indicator	Jun-11	Dec-11	Jun-12	Dec-12	Jun-13	Dec-13	Jun-14
Disbursements (\$)		-	-	8.47	30.62	65.78	86.40
Beneficiaries (ppl)					438,073	725,599	805,748
Adoption of New Technology (ha)	-	-	-	1,293	8,264	19,173	30,430
New/Improved Irrigation (ha)	-	-	-	321	4,520	7,790	13,692
New/Strengthened Water User Assoc (#)	-	-	-	-	117	123	151
New/Improved Roads (km)	-	-	-	-	55	191	231
New/Rehabilitated Market Centers (#)	-	-	-	-	52	55	61
People Provided with Improved Nutrition	-	-	-	-	-	379	2,859



INDICATORS: ESTIMATED TARGETS

Indicator (Pro-rated)	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18
Disbursements (\$ mil)	\$59.84	\$156.51	\$298.12	\$436.39	\$529.51	\$567.43	\$580.51
Beneficiaries (ppl)	1,036,423	2,198,810	3,665,001	5,104,650	5,957,678	6,342,423	6,488,881
Adoption of New Technology (ha)	3,999	14,999	34,766	57,733	74,249	80,969	81,489
New/Improved Irrigation (ha)	6,432	20,262	52,198	84,401	114,918	141,378	157,244
Water User Assoc (#)	76	133	212	272	294	310	320
New/Improved Roads (km)	61	306	662	988	1,144	1,188	1,193
New/Rehabilitated Market Centers (#)	140	235	356	439	450	454	454
Nutrition (ppl)	72	11,591	32,355	52,358	73,511	94,607	107,381

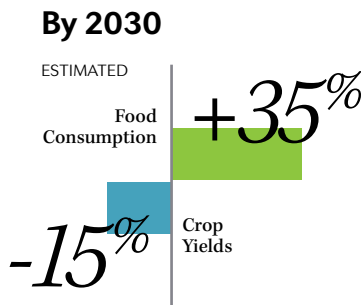


Increasing Farm Production

About three-quarters of the poor live in rural areas; many are subsistence farmers, operating very small farms. Agriculture is the single largest employer, providing livelihood for an estimated 86 percent of the global rural population and jobs for 1.3 billion smallholders and landless workers.² Women waged agricultural workers comprise up to 30 percent of the waged agricultural workforce globally.³

Increasing the incomes of smallholder farmers in developing countries has been particularly effective at reducing global poverty. Estimates show that growth originating in agriculture has been two to four times more effective in reducing poverty than GDP growth originating outside of agriculture.⁴ In addition, gains in agricultural productivity through improved practices and technology have resulted in a long-term decline in real food prices; the real price of cereals fell by roughly 60 percent between 1961 and 2010.⁵ However, recent evidence shows that growth rates of crop yields, land and labor productivity rates, and total factor productivity rates are slowing globally.⁶

By 2030, food consumption is estimated to be 35 percent higher than today,⁷ with higher needs from cities as the world urbanizes. With projected climate change, feeding every person in every country becomes much more challenging. The largest consumption increases are projected for animal protein (meat, fish, and dairy products) in developing countries, which is also associated with higher greenhouse gas (GHG) emissions and in turn increasing climate change.⁸ With 1.5-2oC higher temperatures, median estimates suggest a 15 percent reduction in crop yields. The food system is already facing a higher frequency of extreme weather and fundamental shifts in seasonality, which are expected to worsen in the future.⁹ Rainfed production will need to cope with more variable rainfall patterns, and existing and planned irrigation will be severely constrained by land and water scarcity in some regions.



2 <http://www.fao-ilo.org/ilo-dec-employ/en/>

3 http://www.fao-ilo.org/fileadmin/user_upload/fao_ilo/pdf/engl_agricultureC4163.pdf

4 World Bank (2007). World Development Report 2008. Agriculture for Development. Washington, D.C.

5 Alston, J., and Pardey, P., Agricultural R&D, Food Prices, Poverty and malnutrition Redux. University of Minnesota Department of Applied Economics Staff P14-01, January 2014

6 With the exception of China, which is the largest spender of public sector support for agricultural research and development with a budget of \$5.8 billion per year in 2007-2009, greater than the US at 4.5 billion per year (Alston, J., and Pardey, P. Agriculture in the Global Economy. Journal of Economic Perspectives, 28 (1), Winter 2014, 121–146)

7 Alexandratos, N. and Bruinsma, J. (2012). World Agriculture Towards 2030/2050. ESA Working Paper No. 12-03. FAO. Rome.

8 Hedenus, F. et.al. (2014). The importance of reduced meat and dairy consumption for meeting stringent climate change targets. Climatic Change, May 2014, Volume 124, Issue 1-2, pp 79-91, accessed at: <http://link.springer.com/article/10.1007%2Fs10584-014-1104-5>

9 IPCC (2014). Impacts, Adaptation, and Vulnerability. Working Group II contribution to Fifth Assessment Report.

GAFSP Project Highlights

> In **Bangladesh**, the Integrated Agricultural Productivity Project (IAPP) has benefited over 110,000 farmers since inception, providing five new crop varieties to over 56,000 farmers, providing three new types of aquaculture for fisherfolk, and improving the breeding and husbandry practices of 38,800 livestock keepers. These projects have resulted in a 35 percent increase in the productivity of farmers (from 2,200 to 3,653 Kg/Ha), a 75 percent increase in the productivity of fisherfolk (from 2,700 to 4,734 Kg/Ha of water spread area), and a 75 percent increase in the production of milk from cows (from 1 to 1.75 liters per day per cow).

> Most of **Haiti's** seed quality control infrastructure was destroyed during the 2010 earthquake, and the restoration work has included physical reconstruction of greenhouses, stores, and drying slabs; installation of equipment such as cold storage and dehumidifiers; and training to build up national expertise in seed control. In Haiti, the Small Farmer Agriculture Technology Transfer Program (PTTA) project established 36 laboratories for seed quality control; 100 percent of seed providers have been inspected at least once in the past year to minimize crop losses due to poor seed quality.

> In **Togo**, the Rural Development Support Project (PADAT) and Agriculture Sector Support Project (PASA) have jointly reached 16,800 farmers and nearly 14,000 Ha as part of an intervention promoting strategic food crops, export crops, freshwater fisheries, and the recovery of the livestock industry. Increased access to farm inputs and improved farming practices have led to a 30 percent increase in rice yield in project areas. Freshwater fisheries in Lake Nangbeto are benefiting from a co-management plan that enabled 275 new fishing licenses to be issued, replaced prohibited fishing equipment with subsidized compliant equipment, and resulted in the production and distribution of 55,000 fingerlings and 55.5 tons of fish feed.

Below: Bangladesh; Right: Togo



When farmers adopted alternate wetting and drying system of irrigation, they reduced their water use by up to 30% without compromising yield.

Bangladesh: Testing Demonstration Approaches

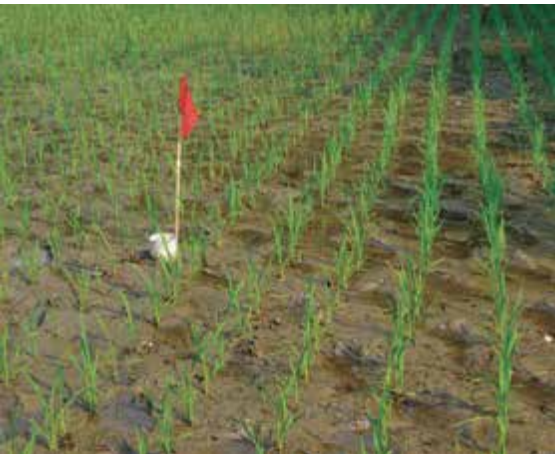
In Bangladesh, GAFSP provides funding for an impact evaluation of the Integrated Agricultural Productivity Project (IAPP) to determine the most effective way to increase the uptake of the new technologies promoted by the project. The promoted approach incorporates the use of optimal and timely use of new seeds, new fertilizer, and a different approach to water management (including the alternate wet and dry irrigation [AWDI], which can save water and offer human disease control, while maintaining rice yields). The project funds “farmer field schools” to demonstrate the project’s benefits to farmers in target villages, who are an extremely risk- and change-averse group.

Standard demonstrations use a large plot hosted by a single farmer, often centrally located in a village and “well-off”, to illustrate the benefits of the new technology being proposed. Other farmers learn from observing the management of this demonstration plot. As part of the IAPP impact evaluation, two alternative models of demonstration were tested against the standard demonstration: the shared demonstration model and the incentives model. In the shared demonstration model, demonstration is carried out by two to four farmers with contiguous plots (each farmer to receive a share of the demonstration material). In the incentives model, any farmer willing to try the new approach receives a small share of materials, along with a financial guarantee if their yields are lower than a reference plot near their farms.

Initial results suggest that the standard demonstration approach does, in fact, show the greatest increase in paddy yields per hectare for the demonstration farmer. While the shared demonstration and the incentives demonstration did not show any statistically significant changes in yield, more farmers learned from the shared demonstration approach than from the standard approach. The standard approach resulted in virtually no improvement in paddy yields from *observing* farmers, while farmers observing the shared demonstration achieved higher yields. In other words, although the demonstration farmer performance was lower, the demonstration effect itself was higher.



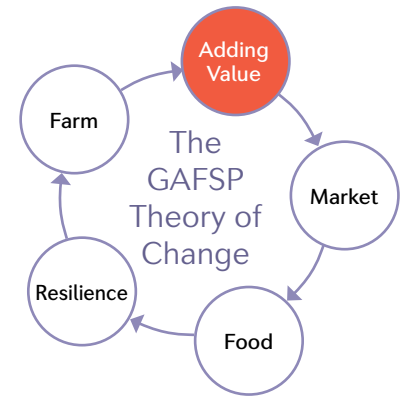
Bangladeshi farmers from IAPP inspect AWD tubes (right) used to help assess water needs of rice crops using the alternate wetting and drying technique (below).



New Technology

Many GAFSP projects pilot, demonstrate, and disseminate new technology, new approaches, and new training to improve the yields and incomes of farmers. Some examples include:

- > **Alternative Wet Dry Irrigation (AWDI):** The **Bangladesh IAPP** project promotes AWDI. AWDI was developed by the International Rice Research Institute and is being introduced to farmers across Asia. AWDI makes use of the cycle of draining and re-flooding of rice paddies, keeping an optimum water level at any particular time. It typically takes 2,000 liters of water to produce a kilogram of paddy (unmilled) rice; however, using AWDI can reduce water use by 25 percent. AWDI also helps reduce GHG emissions, specifically methane, by up to 50 percent.
- > **Groundwater mapping technology:** The **Ethiopia Agriculture Growth Program (AGP)** project is planning a groundwater mapping to provide key irrigation information on the depth of the static water table, the amount of shallow groundwater resources available, and the command area, as well as the number of beneficiary households who are within reach. The project is using radar imaging and satellite data to discern the location and availability of groundwater, despite interference of surface features like infrastructure, rocks, or vegetation to create 3D maps of water occurrence probability.
- > **Digital soil map:** The **Ethiopia AGP** project is also creating a digital soil map of the country that will identify soil fertility in different areas. With the new soil map, specialists will have the information needed to create fertilizer blends that target missing nutrients in specific locations and that are best suited for particular crops. This will address Ethiopia's high fertilizer usage rate and improve current practice that is not adequately tailored to soil or crop types.
- > **Renewable energy milk coolers:** In Uganda, up to 30 percent of fresh milk is wasted due to inadequate chilling capacity because of unreliable or non-existent electricity supply. The **Uganda Pearl Dairy** project will invest in innovative milk coolers that rely on renewable energy such as biogas, solar power, thermal batteries, or innovative coolants and insulation. Timely and adequate cooling will result in safer and less contaminated milk, higher prices for farmers who can sell to formal markets, savings on traditional chilling costs, and a reduction in GHG emissions.



Adding Value

Rising incomes, urbanization, greater female participation in the workforce, and a more connected world that showcases a westernized diet: all are driving the demand for higher-value products, semi-processed and processed products, and convenience foods. Global sales of food were estimated at \$4 trillion in 2002, around 80 percent of which were processed food (\$3.2 trillion). Although spending on processed foods is still low in developing countries (in 2002, \$63 per capita in low-income countries), it is growing fastest in these countries, with a 13 increase percent a year in low-income countries.¹⁰ Farmers can improve food security and add value to their products post-harvest by transforming raw agricultural inputs into processed foods that are convenient, tasty, fortified with certain nutrients, or have longer shelf-life.

One of the major factors affecting food availability and hence food prices and their fluctuations is the level of quantitative and qualitative losses that may occur at any phase of post-harvest; a sector that encompasses all activities between harvest and consumption. Specific infrastructure, such as local storage and small-scale processing capacity, can help control losses, improve financial or nutritional value of crops, and ensure food safety.

Global Food Sales

ESTIMATED



¹⁰ WDR 2008



Many countries still lack the necessary surveillance capacity for foodborne disease outbreak detection and response.

Food Safety

The World Health Organization (WHO) estimates that each year over 1.5 million people die from diarrheal diseases, many of which are acquired from eating contaminated food.¹¹ Many countries still lack the necessary surveillance capacity for foodborne disease outbreak detection and response. In addition, many foodborne disease outbreaks go undetected, in part due to lack of communication between the human, veterinary, and food sectors. Due to the globalization of animal and food trade, national food safety issues can have global implications. To improve food safety, either to meet export market requirements or private retailer standards, or to address public health concerns, investments are needed in both the public and private sectors. On the public side, investments are needed in setting up an adequate policy framework, regulatory system and enforcement, information systems, capacity building, infrastructure, and laboratory facilities. Farmers, food processors, food retailers, and consumers also need to invest in necessary equipment and/or infrastructure that will allow them to follow food safety protocols.



¹¹ WHO, 2013. Global Burden of Diseases

GAFSP Project Highlights

- > In **Cote D'Ivoire**, GAFSP is supporting *Société Ivoirienne de Productions Animales (SIPRA)* with Private Sector Advisory Services to implement an environment and social management system as well as food safety standards. A few important outputs will include a wastewater treatment unit, improved working conditions, and compliance to food safety norms, including HACCP (Hazard Analysis and Critical Control Points) and International Organization for Standardization (ISO). These systems will improve the company's performance, and they may help the GAFSP Private Sector Window to proceed with potential investment in SIPRA.
- > In **Gambia**, the technical assistance component of the Food and Agriculture Sector Development Project (FASDEP) project is supporting the government set up and develop the necessary capacity for a Food Safety and Quality Authority (FSQA) which will have two major departments: a scientific research department and a risk analysis and inspection department.



First High-Tech Commercialization of Fruit Production in Malawi

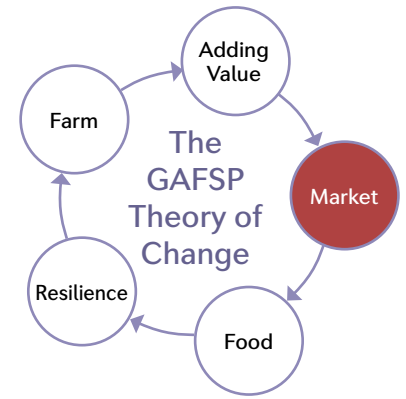
GAFSP and International Finance Corporation (IFC) each invested \$5 million in Malawi Mangoes to help the company develop a plantation to demonstrate the viability of banana and mango commercial-scale production. In spite of having some of the best agronomic conditions in the world for growing tropical fruits, this will be the first commercial fruit farming enterprise and fruit processing company

in Malawi. Malawi faces steep challenges that hamper the development of fresh fruit production, including a Fragile and Conflict Affected Situation, low technology, and limited infrastructure.

From the start, the company has been committed to building a world class facility, establishing the first organic banana plantation in Africa, successfully growing

international mango varieties in ultra-high density orchards, and adopting water-efficient drip irrigation. In addition, Malawi Mangoes will be the only farm in Africa with Rainforest Alliance certified mangoes and bananas. It has built a state-of-the-art processing facility that will meet/exceed the expectations of multinational off-takers.

Malawi Mangoes aims to deliver transformative and sustainable benefits to the livelihoods of local communities. The company expects to reach 6,000 small-scale mango farmers by 2018, an increase from the current 4,000 farmers, and will provide training sessions to local farmers, such as grafting of existing mango trees, pruning, spraying, and other services as needed.



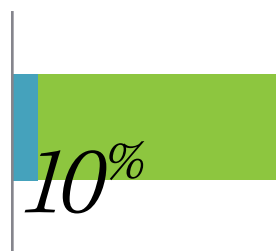
Getting to Market

Most smallholder farmers either practice subsistence farming or operate largely in local markets due to lack of connectivity to more lucrative markets at provincial, national, or global levels. As a result, incentives to invest in inputs that could potentially raise productivity significantly remain low, and keep smallholder farmers in a poverty trap. Making the jump from subsistence agriculture to commercial agriculture is incredibly challenging — for example, in Zambia, a recent study identified two broad agricultural pathways out of poverty: a two-generation transition via low value but with well-structured markets (such as cotton) or a steeper ascent, enabling prosperity within a single generation, with crops like horticulture that involve higher levels of financing, management, and risk (Chapoto et al, 2013).¹²

Smallholder farmers face serious obstacles in transitioning from subsistence farming to commercial farming. Two major barriers to entry for smallholder farmers are insufficient access to financing, inputs, and improved technologies to generate marketable surplus, and high cost to reach markets due to poor infrastructure. Barrett (2008) showed that across multiple countries, crops, and years, sellers consistently represent a minority of farmers.¹³ In 2012, a study by Dalberg found that only 10 percent of the world’s smallholder farmers participate in markets. It noted that most of the world’s 450 smallholders face poor market linkages and many barriers to markets including infrastructure, resources for optimal inputs, and credit.

Market Participation

SMALLHOLDER FARMERS



¹² Chapoto, A., Haggblade, S., Hichaambwa, M., Kabwe, S., Longabaugh, S., Sitko, N., and Tschirley, D. 2013. Institutional models for accelerating agricultural commercialization: Evidence from maize, cotton and horticulture. Food Security Collaborative Policy Briefs, No. 154940. East Lansing, Mich.: Michigan State University, Department of Agricultural, Food and Resource Economics. http://ageconsearch.umn.edu/bitstream/154940/2/ps_60_rev.pdf
¹³ Barrett, C.B. 2008. Smallholder market participation: concepts and evidence from eastern and southern Africa. Food Policy, 33, 4, 299-317.



In the poorest countries, many rural roads are not accessible during certain parts of the year

Roads

Roads are critical to ensuring that farmers can sell their products at a market. In the poorest countries, many rural roads are not accessible during certain parts of the year, and transport costs are often 50 to 60 percent of total marketing costs, reducing the share of retail market prices that farmers receive. To alleviate this constraint, many GAFSP projects support the construction, upgrading, or rehabilitation of rural roads; nine are now underway (in Cambodia, Ethiopia, Gambia, Liberia, Malawi, Niger, Senegal, Togo, and Zambia) and more are currently under preparation. These nine projects target a total of 2,759 km of road construction and rehabilitation, and about eight percent of the target, or 750 km (in Cambodia and Ethiopia), has been achieved to date.

- > In **Cambodia's** Emergency Food Assistance Project (EFAP), rural populations benefit from roads in more ways than one. The project not only connects farmers with markets, but also provides temporary employment to poor households totaling 745,554 labor days. Since inception, the project has rehabilitated 185 km of rural road, and provided over 19,200 households (including 5,850 women-headed households) with wage income. Contracts to rehabilitate a further 105 km have been awarded.¹⁴
- > In **Ethiopia**, a specific component for small-scale market infrastructure development has focused on rural roads. In 83 *woredas*, or districts, 494 km of rural feeder road subprojects have been completed, and construction is expected to accelerate in the coming months. Small footbridges are also under construction as part of the project, with 55 complete, and 65 others in various stages of construction.

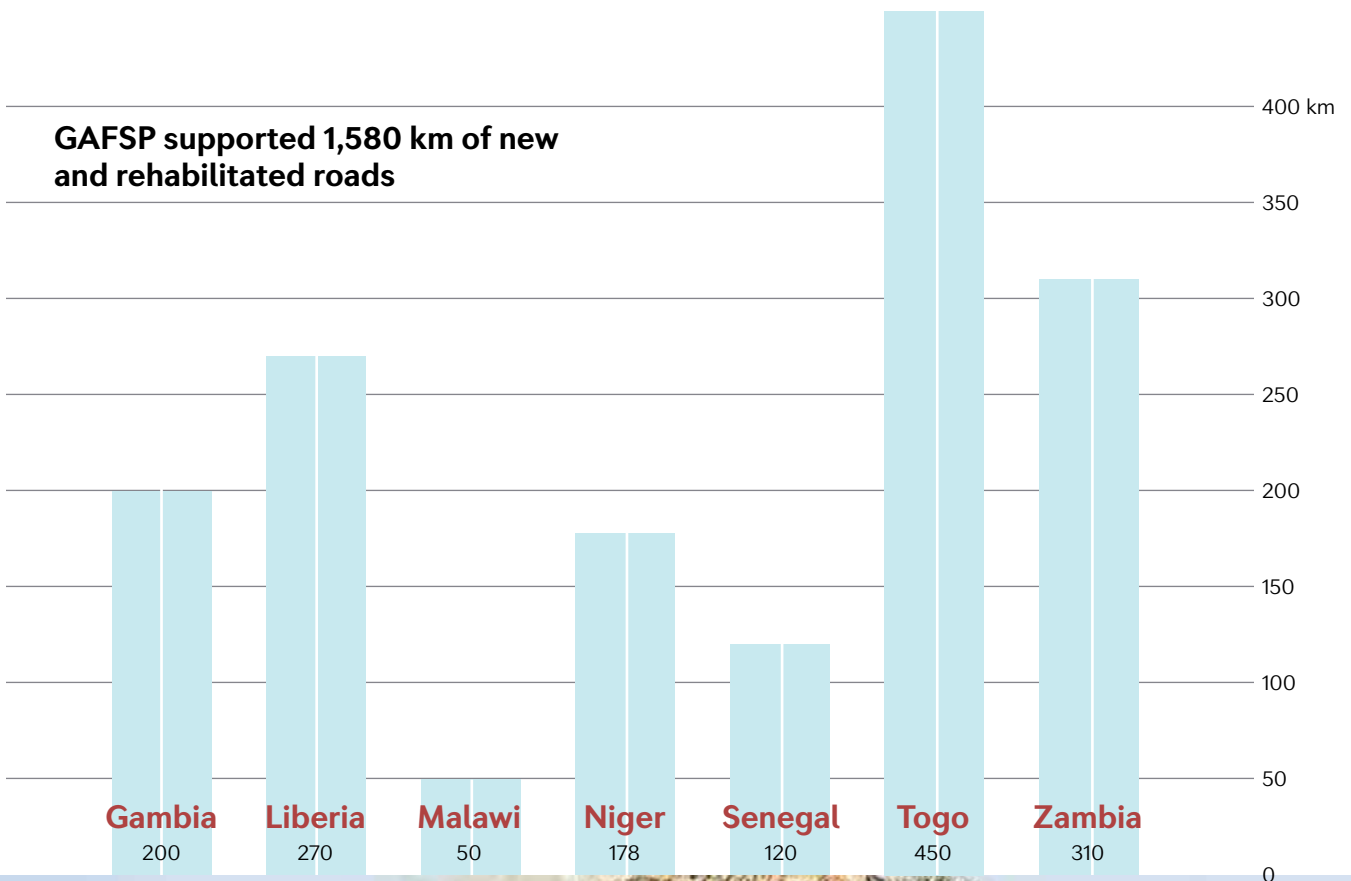
Additional road construction and rehabilitation activities are programmed in several other GAFSP supported projects, totaling some 1,580 km of new and rehabilitated roads:

- > In **Gambia**, the FASDEP project will rehabilitate some 200 km of access roads.
- > In **Liberia's** Smallholder Agricultural Productivity Enhancement and Commercialization (SAPEC) project will rehabilitate 270 km of feeder roads in six project counties to upgrade them to all-weather roads.
- > In **Malawi**, the Smallholder Irrigation and Value Addition Project (SIVAP) will rehabilitate 50 km of access roads.
- > In **Niger**, the Water Mobilisation Project to Enhance Food Security in Maradi, Tahou, and Ziner (PMERSA-MTZ) is supporting the construction of 178 km of farm-to-market roads.
- > In **Senegal**, the Food Security Support Project in the Louga, Matam, and Kaffrine (PASA Lou/Ma/Kaf) is constructing 120 km of rural roads, half to support crop-to-market access, and half to support livestock-to-market access.
- > In **Togo**, the Rural Development Support Project (PADAT) will finance the construction and rehabilitation of 450 km of feeder roads and 160 small bridges.
- > In **Zambia**, the Agriculture Productivity and Market Enhancement Project (APAMEP) will rehabilitate 310 km of rural feeder roads.



14 World Bank. *Transport in Cambodia*. <http://go.worldbank.org/XUTCC2MWU0>

GAFSP supported 1,580 km of new and rehabilitated roads



Access to Finance

Financial institutions face challenges in providing financial services to the agricultural sector

Financing allows farmers to invest in new technologies and access better inputs, thus increasing yields significantly, contributing to food security and better incomes, and moving from the subsistence/semi-commercial level to becoming commercial farmers. However, financial institutions face challenges in providing financial services to the agricultural sector, especially to small farmers because most of them have undocumented credit histories, unstable incomes, and little collateral, and their business always cope with extreme uncertainties in weather, production, and markets. In addition, unlike typical short-term loan schemes, agricultural loan products have to reflect the unique characteristics of agricultural production; therefore, products must cater to seasonal production with long and diverse periods. For example, the GAFSP Private Sector Window supports the Global Warehouse Finance Program (GWFP), which assists banks to increase access to finance to small and medium enterprises (SMEs) and small holders in agribusiness in emerging countries by providing them with a specific instrument of inventory financing called “warehouse financing.”

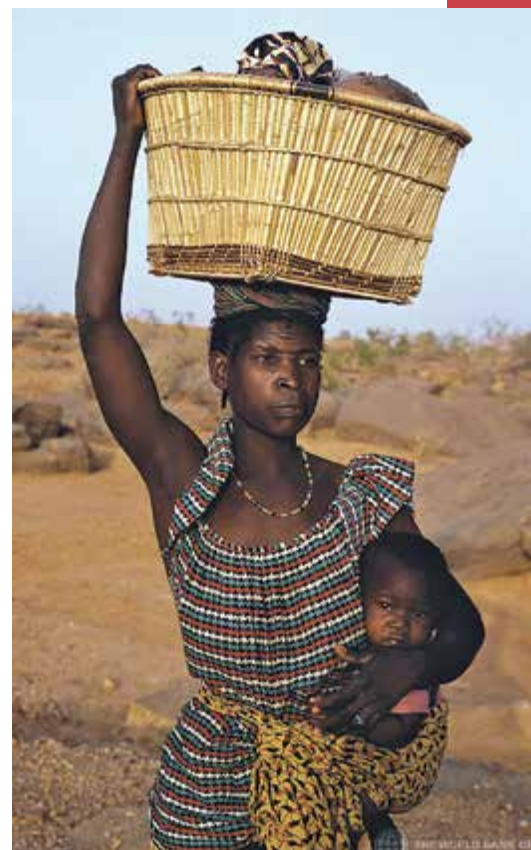
Warehouse financing is a lending technique that allows farmers access to finance secured by their harvested commodities deposited in warehouses, and allows banks to reach small-scale farmers that otherwise would be difficult to support. Legal ownership documentation for agricultural inventory and clarified accountability for the covered commodities allow farmers the potential to access working capital, in order to better manage the sale of their crops, which allows them to maximize their profits and better manage price volatility, especially when food prices are high.



GAFSP Project Highlights

In the past year, the GAFSP Private Sector Window initiated several new warehouse receipt projects under the GWFP:

- > **Nedbank (Africa):** With 14 years of experience in commodity finance business, Nedbank is currently active in South Africa, Tanzania, Malawi, and Mozambique, but plans to expand its operations in new markets, especially in West Africa. The first loss guarantee from GAFSP supports Nedbank's expansion of commodity finance operations to new markets such as Senegal, Burkina Faso, Cameroon, and Nigeria.
- > **CMDT (Mali):** *Compagnie Malienne pour le Développement du Textile* (CMDT) is a state-owned company and a sole cotton exporter in Mali. GAFSP provides 50 percent loss guarantee to IFC investment, which finances the repayment of pre-harvest loans received from local banks in Mali, to purchase seed cotton from farmers and to meet other working capital needs related to the cotton campaign. This project is expected to reach approximately 103,600 farmers.
- > **CRDB Bank (Tanzania):** CRDB Bank has 14 years of warehouse financing operations experience using warehouse receipts or Collateral Management Agreement as collateral, and maintains the largest warehouse financing portfolio in Tanzania in the coffee, cashew nuts, and cotton sector. With GAFSP support, CRDB Bank can extend loans to local exporters, as well as farmer cooperatives, which typically have fewer financing options than global traders. This project is expected to reach approximately 5,640 farmers.



Providing Long-Term Financing to Coffee Farmers in Nicaragua

A typical coffee tree does not yield substantial amounts of coffee until its third year of gestation, but farmers in general are unable to obtain the medium- and long-term financing in the market to meet their needs for renovation. The project aims to help farmers secure much-needed long-term financing not available commercially, which will allow them to undertake replanting, pruning, and fertilization to renovate their plantations, therefore improving productivity and rural incomes.

Since 2012, the outbreak of a severe Coffee Rust disease (or “La Roya”) has overwhelmed coffee growers in Central America, with 25 to 40 percent of coffee plantations in Honduras and Nicaragua having been affected by the disease.¹⁵ **Roya Renovation** is a long-term farmer financing program that supports Exportadora Atlantic Ltds to on-lend to farmers for the renovation of coffee

¹⁵ La Roya, a damaging fungus that attacks coffee leaves, can cause leaves to yellow and drop prematurely and reduce the plant's photosynthetic capacity and yield.

plantations affected by La Roya. The program brings together a group of development financial institutions and private sector players into a collaboration model; through an innovative risk sharing structure, the farmer risk is spread among IFC, the Inter-American Development Bank (IDB), a coffee roaster/retailer (Starbucks), and a coffee trader (Exportadora Atlantic Ltds). IDB and IFC provide the bulk of the financing (80 percent combined) and benefit from a first loss guaran-

tee from GAFSP, which significantly mitigates the risk profile of the project and reduces the interest rate to the farmer. The program introduces best management practices and plantations of coffee varieties (*marsellesa* and *catimor*) that are not only resistant to rust but also more resilient to less than ideal management and the absence of shade.



Smallholder Financing Market

ESTIMATED

\$450
billion

The Missing Middle

Developing countries have a large number of microenterprises and some large firms, but far fewer small and medium enterprises (SMEs). In high-income countries, SMEs are responsible for over 50 percent of GDP and over 60 percent of employment, but in low-income countries, they are only 30 percent of employment and 17 percent of GDP. Dalberg noted that the needs of the smallholder financing market –that it estimates at \$450 billion — are largely unmet as the market is undeveloped, fragmented, and undercapitalized (2012).

GAFSP is currently exploring innovative ways to address the financial needs of the missing middle. It has engaged with stakeholders to design a sustainable operational model in the GAFSP continuum for using public funds to leverage private capital that would reduce risk and transaction costs. A consultancy has been commissioned to determine if and how GAFSP could better reach its goals by directly stimulating investments of smallholder farmers and smallholder farmer organizations. The consultant will provide recommendations by the end of 2014, with GAFSP working to implement the recommendations the following year.

Testing Financial Options in Rwanda

In Rwanda, the two main cropping seasons nearly overlap; very often, the harvest from the summer season is still being processed when the planting for the winter season begins. Thus, farmers are not likely to have sold their summer harvest by the time they need to buy inputs for the winter planting season, requiring them to borrow at often high interest rates. Establishing a savings scheme at harvest time is crucial to preventing a cycle of indebtedness and poverty. With GAFSP support, an impact evaluation was

carried out in the context of the Rwanda Land Husbandry, Water Harvesting, and Hillside Irrigation (LWH) project to test what kind of savings accounts are most appealing and have the highest impact on household income.

All participating farmers were offered help in agricultural financial planning and given an introduction to the benefits of establishing a savings account. One group of participants opened a standard savings account with no agriculture-specific targets; a second

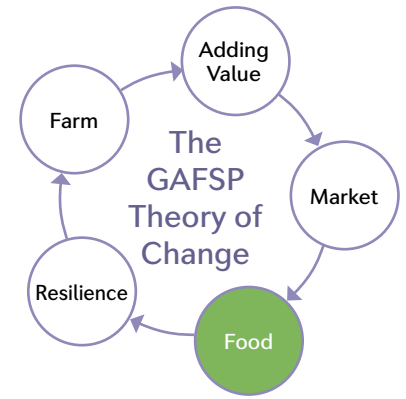
group opened a “targeted savings account” (limited to withdrawals for purchasing only agricultural inputs, but no restrictions when funds can be withdrawn); and a third a “commitment savings account” (the same as a targeted savings account, but withdrawals are restricted to times when agricultural inputs should be deployed; withdrawals at other times would incur a penalty fee).

The experiment showed significant impacts on agricultural productivity. All savings account holders

were able to spend more on agricultural inputs compared to those without accounts; those with targeted or commitment savings accounts spent about 50 percent more on agricultural inputs for the winter planting season compared to those with the standard accounts. In result, the total value of their harvests was about 63 percent higher, and the total value of agricultural sales about 82 percent higher than those with standard accounts.







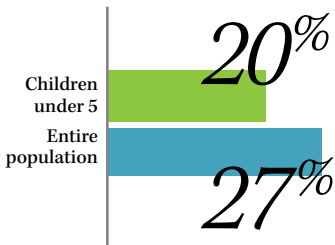
Improving Food Security and Nutrition

The quantity and quality of food we eat greatly affect our nutrition and health status. The world faces a situation in which about half the global population is inadequately nourished, either in the form of hunger, micronutrient deficiency, and/or obesity. In the countries where GAFSP works, on average 27 percent of the population is undernourished and 20 percent of children under five are moderately or severely undernourished. The good news is that the prevalence of hunger (or undernourishment) has declined by 37 percent around the world since 1990, due to higher food availability and lower real food prices.¹⁶ However, over the past 20 years, a global overweight/obesity epidemic has emerged to the extent that the number of overweight people now exceeds the number of underweight people worldwide. Obesity accounts for a growing level and share of worldwide diabetes, heart disease, and certain cancers that many developing countries are not equipped to handle.

In terms of the quality of food, over two billion people suffer from “hidden hunger” or micronutrient deficiency due to consuming monotonous cereal-based diets and/or unhealthy processed foods. Driven primarily by increasing production of processed, affordable, and effectively marketed food¹⁷, the global food system is falling short on — and arguably actively driving — malnutrition, rising obesity, and the related poor health outcomes.

Undernourished Population

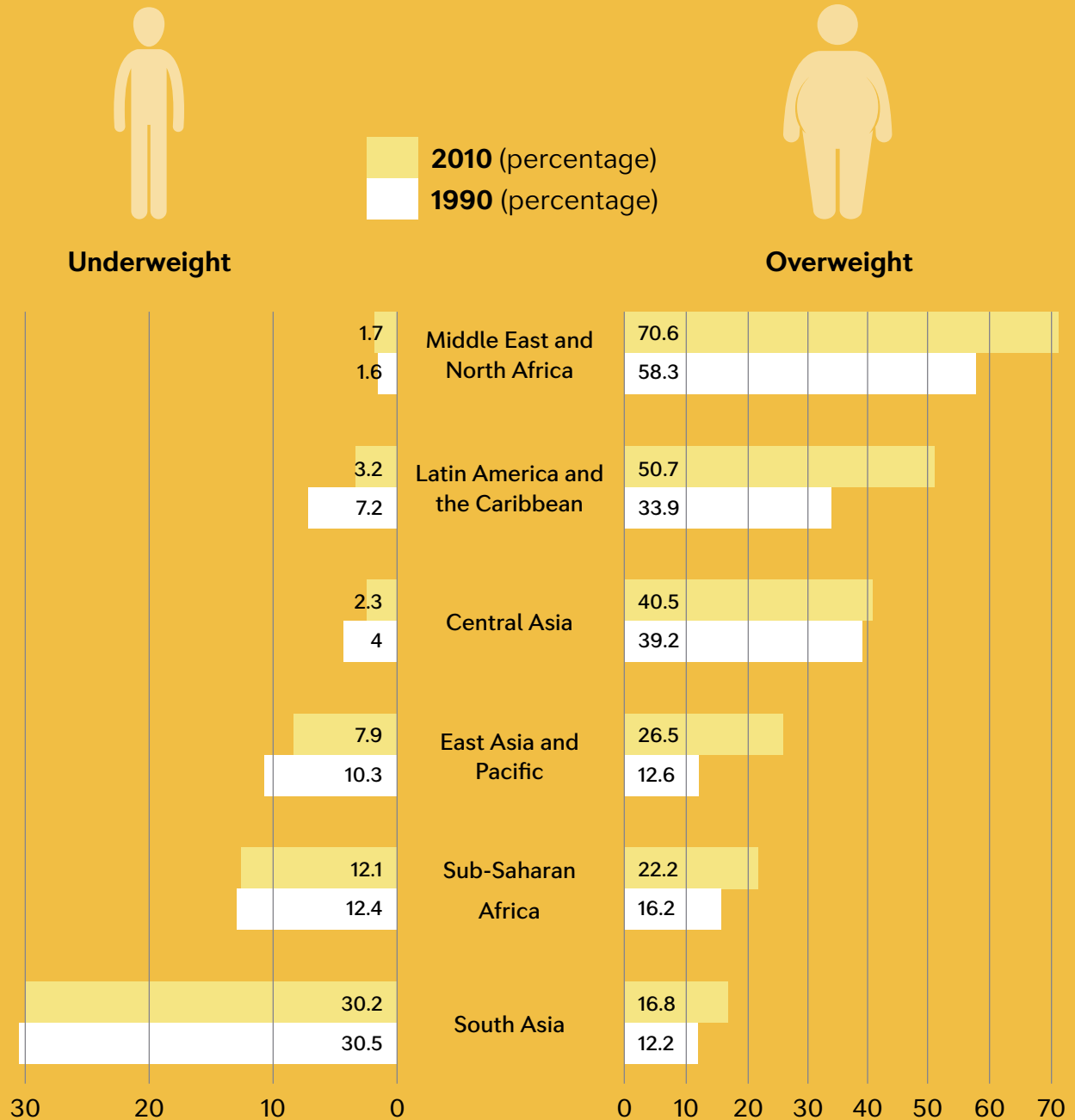
AVERAGE IN COUNTRIES WHERE GAFSP WORKS



¹⁶ FAO 2013, State of Food Insecurity in the World 2013

¹⁷ Swinburn, B.A. et al. The global obesity pandemic: shaped by global drivers and local environments. The Lancet, August 2011.

New dynamics in global obesity facing low- and middle-income countries



Shifts in underweight and overweight across the low- and middle-income world, 1990–2010.

Data are weighted by each country's population and based on nationally representative surveys of women aged 19–49 (n = 815,609).

Body mass index (BMI) 18.5 < is underweight. BMI > 25 is overweight. Data come from the year closest to 1990 and 2010 for each country.

GAFSP Project Highlights



- > In **Cambodia**, the EFAP project aims to increase availability and awareness of nutritious food and hygiene among food insecure households. The objective of the training was to disseminate the basic concept of food security and nutrition and promote its integration in national/provincial plans. A total of 630 officials (159 of whom were women) participated in these trainings. In addition, the EFAP project partnered with Plan International, Cambodia (PLAN) as the umbrella nongovernmental organization (NGO) for delivery of health, nutrition, livelihood, and sanitation interventions. PLAN worked with local NGOs to carry out workshops in all 10 target provinces to assess beneficiary needs and priority to improve health, nutrition, and sanitation.
- > In **Rwanda**, the LWH project supports kitchen gardens to increase the availability of nutritious foods for self-consumption; production of fruits and vegetables; seed multiplication for iron-enriched beans; and training about growing and consuming nutritious foods, especially by children. To date, 84 percent of households have an acceptable diversity of food consumption, and over 12,000 kitchen gardens have been constructed.

Harnessing agriculture to improve nutrition in Nepal

Through the Agriculture and Food Security Project (AFSP), the government of Nepal has committed to enhance agriculture, food security, and nutrition outcomes in the country's poorest and most food-insecure Mid and Far West regions. The project supports a variety of nutrition-related activities, such as technology development and adaptation of nutritionally-dense crops like lentils, local beans, and selected vegetables; technology dissemination and adoption of crops for kitchen/household

gardens; nutrition education and behavior change communication on home preparation, preservation, and processing of nutritious foods; development of recipes utilizing nutritious foods; improved child feeding and caring practices; strengthened government food lab capacity to facilitate the nutritional analysis of locally available foods; and study of food safety situation analysis. It expects to reach over 112,000 beneficiaries (70 percent women).

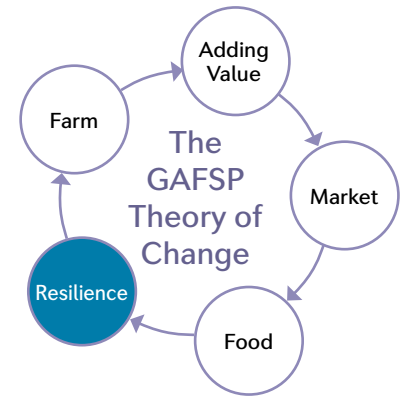


To date, over 4,000 farmers have adopted the technologies being promoted by the project. Outputs include the completion of 169 field trials of improved technologies, including those for nutritionally-dense crops; four on-farm validations for improved technologies for goats, and three for poultry; the launch of farmer field schools in 34 Village Development Councils; the establishment of a Nutrition Task Force to

coordinate inter-agency inputs to the behavior change communication and nutrition education curricula; the completion of a nutrition analysis of locally available foods; and the completion of the procurement of strengthening government food laboratories.







Resilience

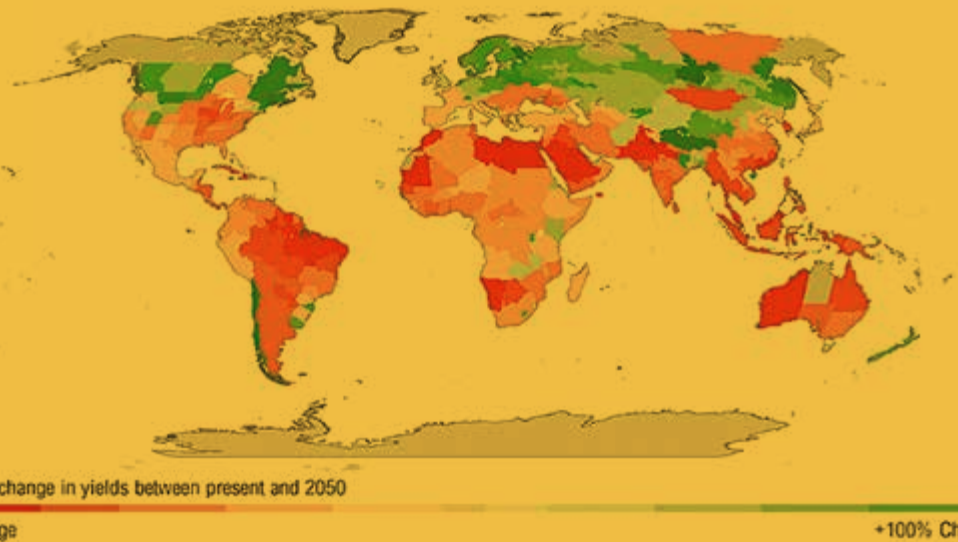
GAFSP projects often pilot new approaches that, if proven successful, can be replicated and scaled up elsewhere.

GAFSP encourages innovative and transformational policy making in low-income countries to improve agriculture and food security. GAFSP projects often pilot new approaches that, if proven successful, can be replicated and scaled up elsewhere. Adopting climate smart agriculture, empowering female farmers and improving nutrition of rural households are all fundamental to ending hunger, poverty, and malnutrition. Traditionally agriculture projects do not take these “newer” priorities into account, opting instead to focus on raising production and productivity of basic cereals and strategic export crops. However, the GAFSP portfolio has a very high level of integration of these key issues into the mainstream of projects.

Climate Smart Agriculture

There is a strong link between agriculture and climate change. Climate change directly impacts agricultural practices, and agriculture also accounts for up to one quarter of GHG emissions globally. Climate change could reduce yields by 30 percent by 2050 (without effective adaptation)¹⁸. However, if done right, agriculture can also reduce emissions associated with farming, be a steward of natural resources, and actually increase carbon storage. Climate smart agriculture (CSA) comprises activities that increase farmer adaptation to climate change and/or activities that mitigate GHG emissions along with activities that simultaneously increase agricultural productivity, and thus constitutes a “triple win.”

Climate change is projected to reduce crop yields in regions where food demand is projected to increase most



SOURCE: WORLD RESOURCES INSTITUTE

18 World Bank (2012). Turn Down the Heat: Why a 4oC Warmer World Must be Avoided. Washington D.C.



What GAFSP is Doing

GAFSP projects in 20 countries are committed to generating climate adaptation and/or mitigation benefits through various CSA activities. While most focus on adaptation, some projects such as the Haiti PTTA project, Liberia SAPEC project, and Sierra Leone Smallholder Commercialization Program (SCP) project, address both adaptation and mitigation. CSA involves the adoption of proven technical practices such as agroforestry, mulching, water management, intercropping, and silvo-pastoralism, as well as of technologies for climate risk management, such as weather forecasts, improved food crop varieties, and risk insurance.



- > In **Bangladesh**, the IAPP project contributes to improving climate resilience for crops, fisheries, and livestock production through the introduction of new technologies, agronomic practices, and farm-level investments. These include the development and introduction of improved varieties and disseminating techniques, training of water user groups in on-farm water management, irrigation system operation and maintenance, pump mechanics, and rain-water harvesting.
- > In **Haiti**, the PTTA project promotes the adoption of agricultural technologies and practices aimed at reducing land degradation, encouraging resilient agriculture, and allowing for farmers' adaptation to future changes in weather and precipitation patterns. The project also finances tools that can be used to better manage agro-climatic risks to enhance agricultural production systems.
- > There are over 20,000 coffee farmers in **Laos**, with an average land holding of four to five hectares. GAFSP is supporting Green Hills Bolaven (GHB) through an advisory program so that the firm can assist farmers in producing higher quality, climate change adapted, and fully traceable coffee that could capture premiums on the international market.



➤ As a Sahel country, **Niger** experiences a highly variable climate situation, which often results in severe droughts. Farmers are thus forced to cultivate marginal lands that are particularly sensitive to erosion, and herders to engage in overgrazing, especially around water points and livestock concentration areas. The PMER-SA-MTZ project supports the construction of dams and a water storage system to help manage changes in the water cycle due to

climate vulnerability. The highly labor intensive construction is carried out in partnership with the World Food Programme (WFP)'s cash-for-work model and will create 4,090 temporary jobs (25 percent of which are held by women).

➤ In **Sierra Leone**, the impacts of climate change affect local stakeholders in the form of unusual weather patterns, and more intense rainfall resulting in severe floods and landslides that

affect cropping patterns and water availability. The SCP project supports the use of inland valley swamps in order to restore soil fertility, and promote sustainable rice intensification approaches that also reduce carbon emissions. The project also explores the opportunity for testing climate-resilient rice varieties through a Climate Field School for Farmers.

Empowering Female Farmers

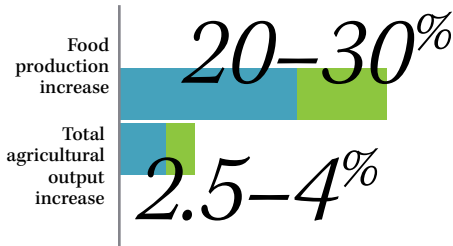
In many countries, female farmers have been discriminated against, either legally or through traditional customs, and have reduced access to productive resources and services, such as secure land tenure, livestock ownership, extension services, financial services, and new technology.¹⁹ According to the Food and Agriculture Organization (FAO), if women had the same access to productive resources as men, they would produce 20 to 30 percent more food, and total agricultural output in developing countries could rise by 2.5 to 4 percent. There are production, social, and economic gains for the agriculture sector and for society to be achieved if the gender gap is closed. In fact, when women have more discretionary income, there are often positive outcomes for the family, especially for children, as women tend to spend more of their discretionary income on health and education needs.

What GAFSP is Doing

Interventions in the agricultural sector can be made more gender-sensitive by taking into account the particular needs of men and women. All GAFSP Public Sector Window projects address at least one element of good gender mainstreaming for public investment projects (gender analysis during preparation, inclusion of gender-informed actions, and gender-disaggregated monitoring and evaluation [M&E]), and 70 percent address all three of these elements. Gender mainstreaming is actively being pursued for private investments, as well as with the goal to operationalize and support more gender-informed activities with clients. IFC is developing a diagnostic tool on gender in supply chains, practical tools, and training modules to be used by clients looking to increase the number and impact of women within their value chains.

If Women Had the Same Access to Productive Resources As Men

ESTIMATED



- > **In Burkina Faso**, where many women lack rights over the land they farm, their incentive and willingness to invest in measures that could significantly boost the productivity of their crops are greatly diminished. GAFSP provides additional funding to an ongoing government project, Agriculture Productivity and Food Security Project (PAPSA), which is strengthening land access rights especially for women. For irrigation infrastructures, the selection of beneficiaries will be based on a newly passed law of 2012 that specifies allocation quotas for women, youth, and other disadvantaged groups.
- > **In Cambodia**, the Rice Sector Development Program (SDP) project includes policy/tranche conditions to ensure that gender issues are mainstreamed into the Agricultural Land Policy and the Law on Management and Use of Agricultural Land. The project also monitors a number of gender-disaggregated indicators, such as the percentage of women in management positions of farmer water user communities to be established in each irrigation scheme; percentage of women in construction subcommittee membership; and percentage of female unskilled laborers employed in the rehabilitation of irrigation structures.

¹⁹ <http://www.fao.org/docrep/meeting/022/mb054e.pdf>



Supporting female poultry farmers in Nepal

The phrase “feminization of agriculture” is commonly used to describe the situation in the agriculture sector in Nepal. Poverty and war have resulted in large-scale male emigration, which has shifted the burden of agriculture to women.

GAFSP Private Sector Window Advisory Services are working to support the IFC Poultry Project. An initial gender assessment of the

project, which provides fee-based training on topics such as farm management and bio security issues, highlighted that while 80 percent of the broiler growers are female, only 20 percent of the participants in the project training courses were female. GAFSP funding is being used to implement gender-sensitive training to an additional 1,000 female farmers by providing women-specific courses

that address their specific constraints/needs.

The project strengthened the technical skills of over 4,000 poultry farmers, 42 percent of whom were women. Ninety percent of farmers paid fees for the training, and 98 percent of farmers said they were satisfied with the training. Targets for reducing the amount of feed per chicken and for increased survival of

young chickens have been met, leading to a seven percent drop in the cost of production. This has led to higher profit margins for farmers and reduced costs to consumers.



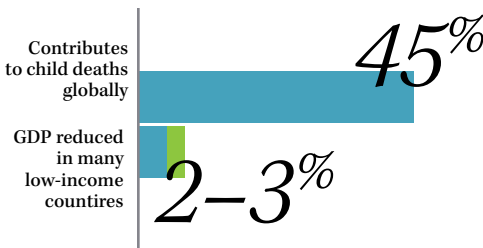
Improving Nutritional Outcomes Through Agriculture

Globally, an estimated 805 million people are undernourished, and two billion people suffer from deficiencies in micronutrients such as iron, zinc, and Vitamin A. Deficiencies in micro-nutrients have serious implications for the health, survival, and optimal cognitive development of vulnerable populations such as pregnant women and children in the first 1,000 days of life. Undernutrition contributes to at least 45 percent of child deaths globally, and costs an estimated two to three percent of GDP in many low-income countries. It also diminishes an adult worker's productivity by exacerbating disease or through chronic fatigue and reduced work capacity such as in the case of iron deficiency anemia.

Agriculture supplies the nutritious foods necessary for healthy and active lives. On the other hand, agriculture, if not managed well, can have inadvertently negative consequences on nutrition, such as water contamination, disease occurrence, food safety, and women's time use (which, in turn, affects child care practices) — each of which is important for nutrition. Agriculture, when done right, can maximize the impact of nutrition outcomes for the poor, while minimizing the unintended negative nutritional consequences of agricultural interventions and policies on the poor, especially women and young children.

Undernutrition

ESTIMATED



What GAFSP is Doing

In 15 of the 28 GAFSP countries, around \$118 million (or 13 percent of the \$912 million Public Sector Window portfolio) is targeted toward nutrition-related activities — both nutrition-sensitive agricultural activities and direct non-agricultural nutrition activities. About 70 percent of the \$118 million is for nutrition-sensitive agriculture activities, and the remainder is for nutrition-specific non-agricultural activities, including launching behavioral change communication campaigns, and improving home conditions among others.

The impact of nutrition-sensitive approaches is harder to measure than for direct nutrition-specific interventions. GAFSP projects use various indicators to capture the impact of nutrition-related activities. Indicators include:

- > **Number and proportion of malnourished, as defined by underweight, stunting, wasting, and micronutrient deficiency, disaggregated by gender (Bangladesh)**
- > **Chronic malnutrition rate in children under five (Burundi, Mali, and Zambia)**
- > **Delivery of nutrition, health awareness, and access to micronutrient foods to pregnant and nursing women (Cambodia, Nicaragua, and Nepal)**
- > **Improved food security and nutritional status of vulnerable groups and households measured by wasting prevalence (the Gambia)**
- > **Food Consumption Score (the Kyrgyz Republic and Mongolia)**
- > **Dietary Diversity Score (Honduras, Nicaragua, Rwanda, Uganda, and Yemen).**

> In **Gambia**, technical assistance activities under the FASDEP project aim to increase knowledge, skills, and practices of key stakeholders, especially mothers, in good nutritional and educational practices to improve levels of food and nutrition security, particularly of children under five years old. It has designed and trained trainers in community-based nutritional education and conducted an assessment of the knowledge, attitude, and practices of teachers and community members, and nutrition status of children, the data of which will form the basis of nutritional targets and indicators. At project completion, 38,400 children and 19,200 women are expected to have received improved nutrition services.

> In **Bangladesh**, the internal mid-term review of the IAPP project found that relevant nutrition-sensitive extension messages are being disseminated by 472 field workers (nine percent of whom were women). The project is also working with the Bangladesh Technical Education Board to develop an improved curriculum on nutrition to be included in the diploma requirements of future extension workers trained at Agricultural Technical Institutes.



> In **Nepal**, GAFSP supports the forward integration of Probiotech Industries Private Limited (PBIL), a major poultry feed manufacturer in Nepal, into the production of value-added soya flour and nuggets, and refined, edible soya oil using existing by-products. Poultry is the largest source of protein in Nepal, and is particularly relevant for the lower-income population. Since feed represents over 80 percent of live broiler production costs, improvement in feed quality and feed mill production efficiencies will result in the reduction of broiler production costs. Introduction of affordable, high quality, nutritious soy-based protein “nuggets” (texturized refined soy cake) will improve access to protein for the vegetarian population.



Annex 1: Governance

GAFSP GOVERNANCE STRUCTURE

STEERING COMMITTEE MEMBERSHIP (AS OF JUNE 30, 2014)		
CHAIR		
United States		Mr. Dan Peters
REPRESENTATIVE	ORGANIZATION	NAME
I. VOTING MEMBERS		
i. Donors		
Australia	Department of Foreign Affairs and Trade	Mr. Matthew Williams
	Department of Foreign Affairs and Trade	Mr. David Lowe
Bill & Melinda Gates Foundation		Mr. Joshua Lozman
		Mr. Neil Watkins
Canada	Department of Foreign Affairs, Trade and Development (DFATD)	Ms. Diane Jacovella
	Department of Foreign Affairs, Trade and Development (DFATD)	Mr. Andrew Spezowka
Spain	Ministry of Economy and Finance	Mr. Rafael Domínguez Pabón
	Ministry of Foreign Affairs and Cooperation	Ms. Carolina Mayeur
Republic of Korea	Ministry of Strategy and Finance	Mr. Hohyun Jang
	Ministry of Strategy and Finance	Mr. Jangro lee
United Kingdom	Department for International Development (DfID)	Ms. Diana Dalton
	World Bank Executive Director's Office	Mr. Simon Bor
United States	US Treasury	Ms. Marisa Lago
	US Treasury	Ms. Shannon Ding
II. NON-VOTING MEMBERS		
Ireland	Irish Aid	Ms. Cáit Moran
	World Bank Executive Director's Office	Mr. Niall Cassidy
Japan	Ministry of Finance	Mr. Hideaki Hamada
	Ministry of Finance	Mr. Takehito Sato
The Netherlands	Ministry of Foreign Affairs	Mr. Marcel Beukeboom
	Ministry of Foreign Affairs	Mr. Peter LePoole
United Nations	UN Secretary General's Special Representative on Food Security and Nutrition	Mr. David Nabarro
Supervising Entities	Asian Development Bank (ADB)	Dr. Lourdes S. Adriano
Supervising Entities	Asian Development Bank (ADB)	Mr. Samuel Tumiwa
Supervising Entities	African Development Bank (AfDB)	Mr. Abrirahman Beileh
Supervising Entities	African Development Bank (AfDB)	Mr. Dougou Keita

Supervising Entities	Food and Agriculture Organization (FAO)	Mr. Gustavo Merino
Supervising Entities	Food and Agriculture Organization (FAO)	Mr. Guy Evers
Supervising Entities	Inter-American Development Bank (IDB)	Mr. Hector Malarin
Supervising Entities	Inter-American Development Bank (IDB)	Ms. Ginya Truitt Nakata
Supervising Entities	International Fund for Agricultural Development (IFAD)	Mr. John McIntire
Supervising Entities	International Fund for Agricultural Development (IFAD)	Mr. Willem Bettink
Supervising Entities	World Food Programme (WFP)	Mr. Jon Brause
Supervising Entities	World Food Programme (WFP)	Mr. Giammichele DeMaio
Supervising Entities	World Bank	Mr. Juergen Voegele
Northern CSOs	ActionAid	Ms. Marie Brill
	ActionAid	Ms. Katie Campbell
Southern CSOs (Africa)	ROPPA	Mr. Djibo Bagna
	ROPPA	Mr. Kalilou Sylla
Southern CSOs (Asia)	Farmer and Nature Net, Cambodia	Mr. Sophal Uon
	PAKISAMA	Mr. Raul Socrates Banzuela

PRIVATE SECTOR WINDOW DONOR COMMITTEE MEMBERSHIP (AS OF JUNE 30, 2014)

COUNTRY	REPRESENTATIVE	TITLE
Canada	Ms. Diane Jacovella	Vice President, Multilateral Global Programs, Department of Foreign Affairs, Trade, and Development (DFATD)
Japan	Mr. Hideaki Hamada	Deputy Director, Development Institutions Division International Bureau, Ministry of Finance
The Netherlands	Mr. Marcel Beukeboom Serving as Chair	Head, Food Security and Financial Sector Division, Department for Sustainable Economic Development, Ministry of Foreign Affairs
United Kingdom	Ms. Diana Dalton	Deputy Head, Department of Growth and Resilience Department, and Team Leader, Food and Nutrition Security, Department for International Development (DfID)
United States	Ms. Marisa Lago	Asst. Secretary for Markets and International Development, U.S. Treasury
	Ms. Shannon Ding	International Economist, Debt and Development Office, U.S. Treasury

PROGRAM MANAGER: Ms. Geeta Sethi (World Bank)

PRIVATE SECTOR WINDOW SECRETARIAT HEAD: Ms. Laura Mecagni (International Finance Corporation)

Annex 2: Contributions to GAFSP

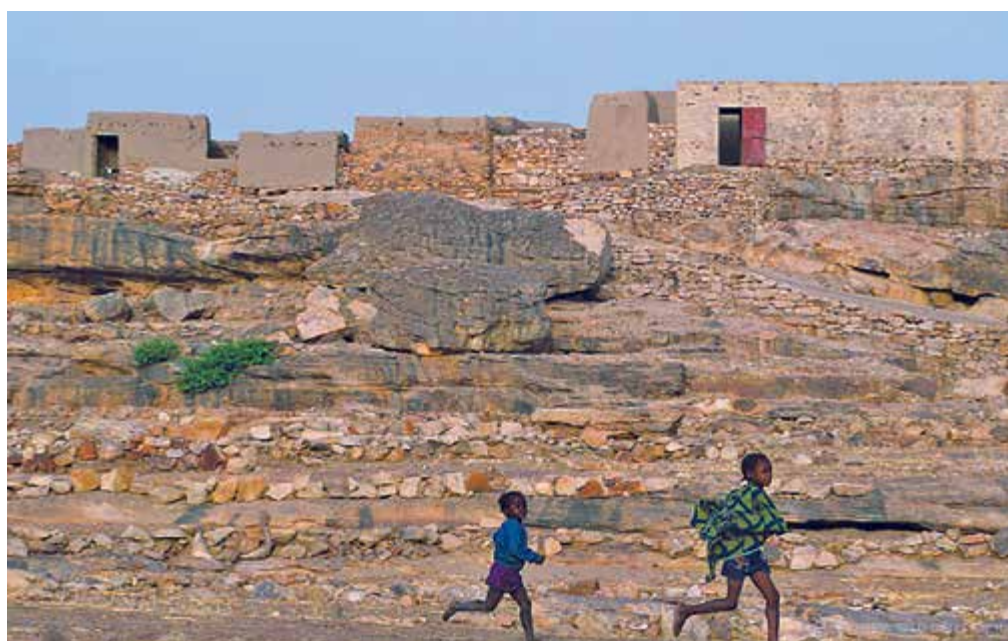
COMMITTED AMOUNT (US\$ eq. in millions)							RECEIPTS (US\$ eq. in millions)					
	FY10	FY11	FY12	FY13	FY14	Total	FY10	FY11	FY12	FY13	FY14	Total
Public Sector												
Australia	8.4	40.8	49.1			98.3	8.4	51.5	10.2	28.2		98.3
Gates Foundation	30.0			30.0		60.0	10.0	20.0		30.0		60.0
Canada	177.1			24.4		201.5	177.1			24.4		201.5
Ireland	0.6				1.4	2.0		0.6			1.4	2.0
Korea		53.9			30.0	83.9		2.9	25.9	25.0	5.0	58.8
Spain		94.2				94.2		94.2				94.2
United Kingdom				20.1		20.1				20.1		20.1
United States	66.6	99.8	135.0	142.8		444.2	66.6	99.8	135.0	142.8		444.2
SUBTOTAL	282.7	288.7	184.1	217.3	31.4	1004.2	262.1	269.0	171.1	270.5	6.4	979.1
Private Sector												
Canada		51.5				51.5		50.0	1.5			51.5
Japan				30.0		30.0					10.0	10.0
Netherlands			142.9			142.9				76.3	26.2	102.5
United Kingdom			-	59.3		59.3				28.9	30.4	59.3
United States			25.0			25.0				25.0		25.0
SUBTOTAL		51.5	167.9	89.3		308.7		50.0	1.5	130.2	66.6	248.3
GRAND TOTAL	282.7	340.2	352.0	306.6	31.4	1312.9	262.1	319.0	172.6	400.7	73.0	1227.4



Annex 3: Project Profiles

COUNTRY	NAME	PUBLIC SECTOR WINDOW GRANT	PRIVATE SECTOR WINDOW INVESTMENT	PRIVATE SECTOR WINDOW ADVISORY SERVICES
Global	Root Capital GWFP Malawi and Mozambique GWFP Nedbank WEFA Irrigation Diagnostic		5 7.5	0.100 0.382
Bangladesh	Integrated Agricultural Productivity Project (IAPP) The PRAN Group	50	5	
Burkina Faso	Sustainable Water Management and Food Security Project (PAMESAD)	37.1		
Burundi	Platform for Food Security and Rural Development Program in Imbo and Moso (PNSADR-IM)	30		
Cambodia	Cambodia Emergency Food Assistance Project (EFAP) Climate Resilient Rice Commercialization Sector Development Program (Rice-SDP) GWFP Training	24.5 14.6		0.0765
Cote D'Ivoire	Société Ivoirienne de Banque (SIB) Risk Sharing Facility Société Ivoirienne de Productions Animales (SIPRA)		1.5	0.112
Ethiopia	AfricaJUICE Agricultural Growth Project (AGP)	51.5	3	0.06
The Gambia	Food and Agriculture Development Project (FASDEP)	28		
Haiti	Small Farmer Agriculture Technology Transfer Project (PTTA) Strengthening of Agricultural Public Services Project II (RESEPEG II)	25 10		
Honduras	Corredor Seco Food Security Project Banhcafe	30		0.0121
Kenya	ECOM FTC Kenya GWFP Kenya Co-op Bank			0.617 0.020
Kyrgyz Republic	Agriculture Productivity and Nutrition Improvement Project (APNIP)	38		
Laos	Green Hills Coffee			0.030
Liberia	Smallholder Agricultural Productivity Enhancement and Commercialization Program (SAPEC) Roundtable on Sustainable Palm Oil (RSPO)	46.5		0.560
Malawi	Malawi Mangoes Smallholder Irrigation and Value Addition Project (SIVAP)	39.6	5	
Mali	Food and Nutrition Security Enhancement Project (PReSAN-KL) GWFP HSBC	37.2	4.6	
Mauritania	Tiviski Dairy		4.8	
Mongolia	Livestock and Agricultural Marketing Project (LAMP)	12.5		
Nepal	Agriculture and Food Security Project (AFSP) Nepal Poultry Sector Support Probiotech	46.5	1.9	0.07

COUNTRY	NAME	PUBLIC SECTOR WINDOW GRANT	PRIVATE SECTOR WINDOW INVESTMENT	PRIVATE SECTOR WINDOW ADVISORY SERVICES
Nicaragua	Caribbean Coast Food Security Project (acronym) Comercial Internacional Exportadora S.A. (CISA) Fondo Desarrollo Local (FDL) Roya Renovation	33.9	3 2 6	0.692
Niger	Water Mobilisation Project to Enhance Food Security in Maradi, Tahoua, and Zinder Regions (PMERSA-MTZ)	33		
Pakistan	Pakistan Dairy			0.8
Rwanda	Land Husbandry, Water Harvesting and Hillside Irrigation Program (LWH)	50		
Senegal	Food Security Support Project in the Louga, Matam, and Kaffrine (PASA Lou/Ma/Kaf) GWFP Banque Internationale pour le Commerce et l'Industrie du Sénégal (BICIS)	40	6	0.02
Sierra Leone	Smallholder Commercialization Programme (SCP) Roundtable on Sustainable Palm Oil (RSPO)	50		0.536
Tajikistan	Second Public Employment for Sustainable Agriculture and Water Resources Management Project (PAMP II)	27.9		
Tanzania	Expanding Rice Production Project (acronym) GWFP CRDB Bank	22.9		
Togo	Agriculture Sector Support Project (PASA) Rural Development Support Project (PADAT)	19 20		
Uganda	Mutisectoral Food Security and Nutrition Project (acronym) Pearl Dairy	27.6	4	
Vanuatu	Coconut Oil Processing Santo Limited (COPSL)		1	
Yemen	Smallholder Agricultural Productivity Enhancement Program (SAPEP)	36		
Zambia	Agriculture Productivity and Market Enhancement Project (GAFSP-APMEP)	31.1		



Global

Global Warehouse Finance Program — Malawi and Mozambique

GAFSP Amount: \$100,000
Supervising Entity: IFC (Advisory Services)
GAFSP Funding Approved: September 2013
Project Status: On going

Objective: The overall program is expected to reach farmers in countries like Mozambique, Malawi and other potential client countries in Sub Saharan Africa with new access to credit opportunities as well as sustainable access to market opportunities. The objective of the pre-implementation phase work is to identify where IFC investment climate advisory support can enable the development of a warehouse receipt financing framework.

Global Warehouse Finance Program — Nedbank

GAFSP Amount: \$7.5 million
Supervising Entity: IFC
GAFSP Package Committed: December 2012
Status: Under preparation

Project Description: GWFP lends or provides risk mitigation solutions to banks in low income countries which in turn provide lending to small farmers and small businesses. These loans are backed by the harvested goods farmers deposit in warehouses. This technique allows banks to reach small farmers who would otherwise be difficult to support.

With 14 years' experience in commodity finance business, Nedbank is currently active in South Africa, Tanzania, Malawi, and Mozambique, but plans to expand its operations in new markets especially in West Africa. The project involves an unfunded IFC risk sharing facility of up to \$50 million, with 15% first loss guarantee from GAFSP (US\$7.5 million), to support Nedbank's expansion of commodity finance operations to new markets such as Senegal, Burkina Faso, Cameroun, Nigeria, etc.

Results to date: Implementation is still in start-up phase.

ROOT Capital

Amount: \$5 million
Type of Engagement: Senior Loan Package
Supervising Entity: IFC
GAFSP Package Committed: December 2012
Status: Under Implementation
For more information: <http://www.gafspfund.org/content/root-capital-multiple-countries>

Project Description: IFC, with GAFSP support, has provided a \$10 million senior loan package to Root Capital (\$5 million from GAFSP and \$5 million from IFC). Founded in 1999, Root Capital is a nonprofit development financier that provides loans and financial training to farmer aggregators, cooperatives, and agricultural SMEs in Africa and Latin America.

Root Capital operates in more than 30 countries, including Kenya, Tanzania, Uganda, Rwanda, Zambia, Liberia, Mali, Burkina Faso, Benin, Cameroon, Ghana, Senegal, Togo, and Sierra Leone. Headquartered in Cambridge, Massachusetts, the company also has two regional hubs in Costa Rica and Kenya and six associated locations in Guatemala, Mexico, Nicaragua, Peru, Senegal, and Uganda.

The financing package will help Root Capital scale its Sustainable Trade Fund operations, its core lending arm, to become a financially sustainable business. It will also address the funding needs of the "missing middle," rural businesses that are too large to access credit from microfinance institutions but considered too remote to secure financing from commercial banks.

Root Capital is currently registered as a 501(c)(3) non-profit organization and therefore, does not have any shareholders. The company is capitalized with philanthropic contributions and borrowings from financial institutions, foundations, individual investors, and corporations. Notable contributors and lenders include, among others, Bill & Melinda Gates Foundation, Skoll Foundation, Overseas Private Investment Corporation, Inter-American Development Bank, and Starbucks Corporation. The interest rate for a GAFSP loan is below commercial market levels to create a blended interest rate that is affordable to Root Capital during its transformation toward a commercial entity.

Root Capital is expected to reach approximately 2 million farmers during the next five years. This funding significantly enhances Root Capital's lending volume targets as stipulated in its five-year business plan.

Results to date: Root Capital has been identified as the first client to conduct poverty scorecards with GAFSP to measure the poverty rate of some of its clients in Africa.

Bangladesh

Integrated Agricultural Productivity Project (IAPP)

GAFSP Amount: \$50 million grant
Supervising Entity: World Bank (\$46.31 million) and FAO (\$3.69 million)
GAFSP Grant Awarded: June 2010
Status: Under implementation
For more information:
www.gafspfund.org/gafsp/content/bangladesh
<http://www.iapp.gov.bd/>
<http://iappta.fao.org>

Project description: The IAPP aims to increase the agricultural productivity of selected crops, livestock, and fisheries in selected agro-ecologically constrained and economically depressed areas (Rangpur, Kurigram, Nilfamari, and Lalmonirhat districts in the north and Barisal, Patuakhali, Barguna and Jhalokathi districts in the south). It will also promote sustainable conservation and utilization of surface water to increase average yield and enhance water efficiency while strengthening the capacity of government officials and service providers related to agriculture and food and nutrition security programs, including civil society organizations (CSOs), nongovernmental organizations (NGOs), private sector companies, farmers' organizations, and consultants. Overall, the project is expected to benefit 295,000 households, of which an estimated 20 percent are women farmers (175,000 crop farmers, 60,000 livestock farmers, and 60,000 fish farmers).

Results to date: 110,050 farmers have already adopted various agricultural technologies being promoted by IAPP. 11,790 ha of land with irrigation and drainage systems has been rehabilitated, rice production yield has gone up to 2,684 kg/ha, from a baseline figure of 2,200

kg/ha. Fish production has increased more than 30 percent, already exceeding the end of project target of 26 percent. Milk production has also increased by 0.75 liters per cow per day. IAPP has also carried out capacity building activities including workshops to strengthen the technical skills of more than 470 field workers in nutrition sensitive extension messages.

The PRAN Group

GAFSP Amount: \$5 million
Type of Engagement: Senior Loan Package
Supervising Entity: IFC
GAFSP Grant Awarded: April 2012
Project Status: Fully disbursed
For more information: <http://www.gafspfund.org/content/pran-group-bangladesh>

Project description: This project was the first investment supported by the Private Sector Window of GAFSP. The project is in response to continued growth in domestic demand as well as increased export market demand in India, Africa, and the Middle East for packaged food products. The project contributes to enhanced food security by increasing the production and availability of affordable, quality food products for the local population. Additionally, the project promotes inclusive economic development by linking farmers to commercial channels, creating jobs, and establishing linkages with micro, small, and medium enterprises. The GAFSP funding leverages up to eight times the private sector investment in this project.

The project expects to have a strong development impact, including:

- Creating an additional 1,200 direct jobs, mostly in rural areas
- Impacting the livelihood of approximately 600 additional farmers, with a total of 1,800 farmers reached, and their communities by ensuring consistent demand and fair pricing for their produce
- Providing affordable and high-quality food and food-related products to consumers at the base of the pyramid
- Encouraging private sector involvement in income-generating agricultural activities, and the subsequent integration of small farmers into formal supply chain linkages

Burkina Faso

Agricultural Productivity and Food Security Project (PAPSA)

GAFSP Amount: \$37.1 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: September 2013

Status: Under implementation

For more information:

<http://www.gafspfund.org/content/burkina-faso>

Project description: GAFSP financing will scale up the impact and development effectiveness of the on-going Agricultural Productivity and Food Security Project (PAPSA). The objective of the project is to improve the capacity of poor producers to increase food production and to ensure improved availability of food products in rural markets. This will be achieved by activities including (i) crop production infrastructure through an additional 3,000 ha of lowland development, 2,000 ha of small scale irrigation, an additional 5,000 ha of soil conservation and water harvesting measures, and 3,000 compost pits for soil restoration; (ii) animal production through the construction of 5,000 fattening units for cattle and sheep fattening, 800 km of corridors to facilitate animal access to water resources, local poultry development through improved dissemination of adapted habitat, vaccination and genetic improvement, cattle artificial insemination, and milk collection and processing; (iii) post-harvest management and the marketing of food products through an additional construction of 50 community warehouses to support the “Warrantage” warehouse receipt system for 500 farmers’ organizations. With the additional GAFSP support, the project expects to reach a total of 750,000 beneficiaries.

Results to date: Implementation is still in start-up phase.

Burundi

Platform for Food Security and Rural Development of the Imbo/Moso (PNSADR-IM)

GAFSP Amount: \$30 million grant

Supervising Entity: International Fund for Agriculture Development

GAFSP Grant Awarded: May 2012

Project Status: Under implementation

For more information:

<http://www.gafspfund.org/content/burundi>

Project description: The project aims to enhance food security and rural development in five provinces in the Moso and Imbo regions (Ruyigi and Rutana in Moso, and Cibitoke, Bubanza and Bujumbura in Imbo). It will contribute to (i) strengthen the hydro-agricultural infrastructure in marshes and plains, and to open up production areas; (ii) develop and structure the sectors of rice and milk; (iii) support the diversification of production and improve nutrition; (iv) strengthen the institutional capacity of stakeholders in agricultural development in relation to the targeted sectors. The project will directly benefit at least 225,000 people of which 30 percent will be youth or war-orphan youths. Expected project outcomes include: increase the share of farmers using improving technology including the Sustainable Rice Intensification (SRI) to 50 percent, rehabilitate or construct at least 1,470 ha of irrigation, develop or rehabilitate at least 1,000 ha of marsh area, increase milk production to 2 million liters per year.

Results to date: Implementation is still in start-up phase.

Cambodia

Emergency Food Assistance Project (EFAP)

GAFSP Amount: \$24.5 million

Supervising Entity: Asian Development Bank

GAFSP Grant Awarded: June 2011

Status: Under implementation

For more information:

www.gafspfund.org/content/cambodia

<http://efap.org.kh/include/index.php>

Project description: The EFAP project aims to reduce vulnerability of food-insecure households in the target provinces. This will be achieved through activities including the production of quality seeds at Toul Samroang Rice Seed Farm and Kbal Koh Vegetable Research Stations and its promotion, introduction of livestock and aquaculture to diversify production and consumption base; and development of disaster preparedness e.g., crop contingency planning). The project is anticipated to impact more than 40,000 households, of which 20,000 beneficiaries are women.

Results to date: To date, 289 Cash-for-Work sub-projects have engaged 19,209 beneficiary households (hhs, including 5,857 women headed hhs). These sub-projects have rehabilitated 185 km of rural road and 21 km of tertiary canal; and generated 745,554 labor days. Each participating beneficiary hhs earned around \$122 through their engagement. The project has completed identification and distribution of subsidized seed (two types of rice variety seed (IR 66 and Chulsa, which are photo-insensitive and short in duration) and 8 types of vegetables and other crop seeds (Amaranthus, Pumpkin, String Bean, Tomato, Egg Plant, Cucumber, Sweet Corn and Glutinous Corn) and fertilizer to target beneficiary households for the 2013 wet and dry seasons and the 2014 wet season. 1,328 tons of quality rice seeds and 30 tons of vegetable and other crops seeds were produced through the engagement of 6 Farmers Associations, 6 Farmers Groups and two Research Stations. It has also conducted training to over 5,000 trainers (of which over 3,000 were women) on improved technologies for rice and vegetable crop production and harvesting, and liquid compost making in all the target provinces.

Plan International, Cambodia (PLAN) has been contracted as the umbrella NGO for delivery of the health, nutrition, livelihood and sanitation interventions for

EFAP. PLAN has recruited eight local NGOs as its partner for the implementation of these interventions. The implementation of these activities is expected to begin soon. Overall, EFAP has already reached 185,794 beneficiaries of which 17.5 percent are women

Climate Resilient Rice Commercialization Sector Development Program (Rice-SDP)

GAFSP Amount: \$14.6 million

Supervising Entity: Asian Development Bank

GAFSP Grant Awarded: June 2011

Status: Under implementation

For more information:

www.gafspfund.org/content/cambodia

Project description: Rice-SDP will help transform the predominantly subsistence rice subsector into a commercially oriented sub-sector by: (i) removing legal and regulatory constraints inhibiting rice commercialization, (ii) improving productivity of paddy crops and consistency in quality of milled rice, (iii) enhancing rice value chain support services, and (iv) addressing risks associated with climate change through mitigation and adaptation. It will tackle these areas by expanding capacity for drying paddy in target provinces by 2,000 tons per day by 2018 (thereby improving quality and quantity of domestically milled rice), increasing the capacity for paddy storage in target provinces by 40,000 tons by 2018, and facilitating millers' access to finance through diversified collateral arrangements to increase in-country milling and storage. The project is expected to benefit 30,000 households, 40 percent of which will be women beneficiaries.

Results to date: Implementation is still in start-up phase.

Cambodia GWFP Training

GAFSP Amount: \$76,500

Supervising Entity: IFC (Advisory Services)

GAFSP Package Committed: December 2012

Project Description: This program has been designed to complement and support IFC's Global Warehouse Finance Program (GWFP) investment initiative by providing warehouse finance training for bankers in Cambodia. The global agrifinance program's expert guidebook "Warehouse Finance and Warehouse Receipt Systems: A Guide for Financial Institutions in Emerging Economies" was developed in 2012 and provides the basis for

A2F's Warehouse (WH) Finance advisory services for banks, which take two general forms:

- Training courses offered for a group of bankers from multiple institutions to educate them on general warehouse finance principles and teach business development and credit skills specific to loans secured by agricultural commodities stored in warehouses;
- In-depth advisory services projects for individual financial institutions to improve their strategy, operations, credit policies, and risk management processes in the area of warehouse finance.

Expected Results: Two training courses will be offered over the next twelve months. Each training course will consist of approximately 25 bankers, thus a total of 50 bankers will be trained under the proposed program.

Cote d'Ivoire

Société Ivoirienne de Banque (SIB) Risk Sharing Facility

GAFSP Amount: \$1.5 million

Supervising Entities: IFC

GAFSP Package Committed: November 2013

For more information:

<http://www.gafspfund.org/content/sib>

Project Description: IFC is guaranteeing up to \$40 million of loans made by Societe Ivoirienne de Banque (SIB), which will support overall new lending of about \$80 million to small- and medium-sized enterprises, focusing on women and agribusiness. This project provides incentives for SIB to grow its agricultural SMEs portfolio and targeting new customers with little access to finance, such as women-owned businesses and re-activated businesses and agribusinesses.

GAFSP will cover up to 25 percent of the first loss on the agribusiness portion of the risk-sharing facility. Without IFC and GAFSP guarantees, the higher perceived risks of these enterprises would likely result in market-based pricing that would be too expensive for SIB and their agri- SME clients.

This enhanced access to financing, particularly in the case of women-owned SMEs, will increase women's

economic power and contribute to poverty reduction, improved nutrition, and availability of school tuition. In the case of family-owned or cooperative-managed farms, financing will allow farmers to expand existing operations through equipment lending and/or farm extension.

Expected Results: The project is expected to support economic recovery and development of Côte d'Ivoire through private lending to SMEs, enhance access to finance for women-owned SMEs which create jobs that are more likely to employ other women and enhance access to finance for agricultural SMEs. The risk-sharing facility will also allow SIB to target under-banked agricultural SMEs like family-owned or cooperative-managed farms in need of equipment lending and/or farm extension to improve an already-existing farming operation.

Société Ivoirienne de Productions Animales (SIPRA)

GAFSP Amount: \$112,200

Supervising Entities: IFC (Advisory Services)

GAFSP Funding Committed: July 2012

Project Description: Société Ivoirienne de Productions Animales (SIPRA) is the largest poultry operator in Cote d'Ivoire. It is a vertically integrated operation comprising of a day-old-chick incubator, feed production, broilers and egg layers growing, slaughtering/processing, and retailing with poultry, egg, feed, and day-old-chick outlets. IFC has agreed to support SIPRA on implementing the Environmental and Social Action Plan (ESAP) to address the gaps against IFC's Performance Standards requirements

Expected Results: The project is expected to help SIPRA established an environmental and social management system (ESMS) to enable it to comply with Ivorian laws and regulations, IFC Performance Standards and applicable World Bank Group environmental, health and safety guidelines. It will develop corporate human resource policy and labor contracting specifications in particular with reference to freedom of association and collection, prohibition of child and forced labor and grievance mechanisms. And, SIPRA will put in place vehicle operator safety training program for its drivers and development of a community engagement strategy.

Ethiopia

AfricaJUICE

GAFSP Amount: \$3 million preferred shares and Advisory Services Project (\$60,000)

Supervising Entities: IFC

GAFSP Financing Committed: June 2013

Status: Under implementation

For more information:

<http://www.gafspfund.org/content/africajuice>

Project description: AfricaJuice Tibila Share Company is the first Fairtrade tropical juice producer in Sub-Saharan Africa and is an IFC/GAFSP investment client (\$6 million). The company has a total of 1600 ha of farm land available for fruit production but a key element of the africaJUICE project is the development of local smallholder farmers to grow fruit to supply to africaJUICE. The current outgrower development program aims to develop 1,700 ha of small holder farmers who will grow passion fruit on part of their land (equivalent to 1,000 ha of passion fruit). Additionally, africaJUICE seeks to develop a further 3,000 ha of mixed fruit growers (acerola and pomegranate).

The proposed project will support africaJUICE to set up a strategic initiative to help farmers address these challenges that are also critical to africaJUICE's growth strategy. One of the proposed key interventions is to make extension services, available to farmers. In Ethiopia, field-level extension service has a strong foundation in field training centres (FTCs) and development agents (DAs) but severely constrained by lack of basic infrastructure and resources at the FTC and woreda (district) level. The vast majority of FTCs and kebeles (wards) do not have operating equipment or inputs to pursue typical extension activities. There are major 'soft' skill gaps for DAs and subject matter specialists (SMSs) in the FTCs and woredas, and their ability to serve farmers is limited given a lack of practical skills. The overall field-level system is often limited in its ability to meet farmer needs and demands (IFPR 2010).

Expected Results: This project is expected to support africaJUICE to improve the performance of smallholder farmers through the provision of training on agronomical aspects of fruit farming, business and financial management. It will also strengthen the performance and governance of the cooperatives in line with internation-

al best practice by building the management capacity of the co-operatives and the capacity of africaJUICE to deliver support services to the co-operatives.

Results to date: Pre-implementation.

Agricultural Growth Project (AGP)

GAFSP Amount: \$51.5 million grant

Supervising Entities: World Bank (50 million) and FAO (\$1.5 million)

GAFSP Grant Awarded: November 2010

Status: Under implementation

For more information:

<http://www.gafspfund.org/content/ethiopia>

<http://ethioagp.org/>

Project description: The AGP aims to increase agricultural productivity and market access for key crop and livestock products in 96 higher potential districts (woredas) with increased participation of women and youth. The project supports agriculture production and commercialization by: strengthening key public advisory services; establishing and strengthening farmer organizations; scaling up best practice in agricultural production; market and agri-business development; small-scale infrastructure development and management. GAFSP financing is expected to benefit 2.1 million people out of the total 9.8 million target project beneficiaries by project completion.

Results to date: To date, 30,000 farmers have already adopted the technologies being promoted. The construction of 1,563 ha of new irrigation and drainage services and the improvement and rehabilitation of 784 ha of existing ones have met the irrigation water needs of more than 6,000 people. With GAFSP support, AGP has constructed 565 km roads to improve farmers' mobility and built 11 new rural market centers. Various members of the agricultural value chain, including farmers, scientists, agro-dealers, have attended a cumulative amount of 19,000 client days of agricultural productivity trainings organized by the project. Overall, AGP has reached 264,464 of its target direct beneficiaries. Through AGP's Technical Assistance component, forage production technology has been adopted by 400 of the 1,720 target farmers, and 1,347 farmers and 319 experts have received training on the new technologies being promoted. In the last six months, 3 draft manuals and guidelines, and 25 fact sheets have been completed and disseminated.

The Gambia

Food and Agriculture Sector Development Project (FASDEP)

GAFSP Amount: \$28 million grant

Supervising Entities: African Development Bank (\$26.6 million) and FAO (\$1.4 million)

GAFSP Grant Awarded: May 2012

Status: Under Implementation

For more information:

<http://www.gafspfund.org/content/gambia>

Project description: FASDEP aims to reduce rural household poverty, food insecurity, and malnutrition through increased agricultural production/productivity and commercialization. The main outputs of the project include increased agricultural productivity and production through: (i) enhanced management of 3,000 ha and the development of an additional 200 ha under tidal irrigation; (ii) 155 ha of improved horticultural schemes and 60 ha of school gardens established; (iii) 200 fish ponds, 25 small ruminants, and 20 poultry schemes established; (iv) 120 agro-business enterprises established and supported, of which 60 percent will be owned by women; (v) 200 km of access roads rehabilitated; and (vi) 20 municipal market structures rehabilitated/constructed. The total number of beneficiaries of FASDEP is 240,000 people in the targeted regions, comprised of 150,000 women, 60,000 youths, and 30,000 men. In addition, FASDEP supports the School Feeding Program in 101 pre- and elementary schools for an estimated total of 35,000 pupils, and the development of four regional cereal banks that will be stocked with cereals during emergencies as a strategic approach to national food and nutrition security.

To support the investment interventions, \$1.4 million has been allocated for TA activities developed and managed by the FAO. Specifically, the TA aims to increase nutritional levels, food security, and incomes of vulnerable populations in the three GAFSP target regions through strengthening technical and organizational capacities of targeted stakeholders. Much of the TA capacity development activities will be based on farm-

er-field school and farmer-business school approaches, working particularly in support of members of small-holder farmer-based organizations. The TA will also support reducing risk and vulnerability to disasters on a sustainable basis (such as drought and floods), through improving community resilience and household coping strategies, as well as supporting efforts in establishing a national social protection policy. Technical assistance under the TA will provide advice and support to the National Nutritional Agency (NaNA) in the adaptation of the national nutritional primary level and early child development curricula; combined with this, the TA will support the design and implementation of a training programme for teachers and school managers for classroom and practical trainings on school farms and gardens. TA will also support implementation of a training program (TOT) in community-based nutritional programs to strengthen knowledge, skills and approaches to nutrition and food security at local levels. The TA is estimated to directly benefit slightly more than 47,000 people living or working in the three target regions and 38,400 children of primary school and early childhood education ages. It is estimated that at least half of all beneficiaries of the TA will be women and youth.

Results to date: FASDEP was launched officially in September 2013 and implementation of key activities, including the procurement of goods and services was launched shortly thereafter, field and feasibility studies, and design and construction supervision of civil works. Numerous TA activities are on-going such as an assessment of the Knowledge, Attitude and Practices (KAP) of teachers and communities on nutrition issues. This activity includes a nutrition status assessment of children, which will form the bases of nutritional targets and indicators and will be used in future to gauge the impact of the project. Also, a training and planning workshop on disaster risk management was held in June 2014 in partnership with the National Disaster Management Agency (NDMA) to identify hazards in the three target of the project to make plans for the development of contingency plans.

Haiti

Small Farmer Agriculture Technology Transfer Project (PTTA)

Amount: \$25 million grant

Supervising Entity: Inter-American Development Bank

GAFSP Grant Awarded: June 2010

Status: Under implementation

For more information:

www.gafspfund.org/gafsp/content/haiti

Project description: GAFSP support for the PTTA, co-financed and supervised by the Inter-American Development Bank, will contribute to sustainably improving small farmers' agriculture income and food security in the north and northeast department of Haiti. The PTTA will provide increased farmer access to improved agriculture inputs and technologies while supporting the development of a private agriculture service and input provider network. Approximately 30,000 farmers will be given access to improved agricultural services and investment. The project will also help the Ministry of Agriculture, Natural Resources, and Rural Development to build capacity for control and regulation of seeds sector.

Results to date: The project has successfully recruited operators, identified agriculture technologies after discussions of farmers, and registered farmers and goods and services suppliers. Through the end of June 2014, the project has achieved the following:

- Around 22,300 farmers registered in the National Farmers Registry in 9 municipalities of the Nord and North-East departments. This represents around 18% of the total number of farms counted in the last Agricultural Census in the same region.
- 252 agricultural goods and services suppliers registered in the same areas. These suppliers have different profiles, from large fertilizer importers, medium agro-shops, cooperatives to small plowmen (owners of whether animal-drawn sledges or rototillers).
- 5,422 farmers have received vouchers to purchase agricultural goods and services to adopt new techniques in rice, cocoa, coffee and agroforestry crop systems.
- An evaluation of the role of the public sector in the supply of agricultural goods and services have been carried out, on the basis of which policy dialogue events have been organized.
- A mechanism is being developed in the field to strengthen the control and supervision of the quality of agricultural goods and services (strengthening

local officers, elaboration of a quality seed control manual, etc.)

- The evaluation methodology using an experimental approach (randomization) has been designed and the baseline has been carried out, in partnership with DIME and Paris School of Economics. First results are expected to be issued at the beginning of 2015.

Relaunching Agriculture: Strengthening Agriculture Public Services Project II (RESEPAG II)

GAFSP Amount: \$10 million grant (plus \$40 million IDA grant)

Supervising Entity: World Bank

GAFSP Grant Awarded: June 2010

Status: Under implementation

For more information:

<http://www.gafspfund.org/content/haiti>

Project description: RESEPAG II, supervised by the World Bank, will support the Ministry of Agriculture, Natural Resources, and Rural Development's capacity to increase access to agriculture extension services for smallholder farmers, to provide training on animal and plant health in priority regions, and to provide financial assistance in the case of an agriculture sector emergency. Furthermore, GAFSP financing will allow an increase in the capacity of the public sector to conduct bio-safety analyses in country. These analyses will be possible by investing in necessary equipment and through technical assistance to certify that the national laboratory meets adequate bio-safety levels. RESEPAG II is also expected to provide access to improved agriculture information, technologies, inputs, material, and services to 50,000 farmers, and increase the extension services provided to farmers and community members by 62,000 client days.

Results to date: RESEPAG II has been underway since April 2012. Activities to strengthen the role of the Ministry of Agriculture in providing agricultural support services have been initiated and include the creation of the extension strategy committee, the elaboration of studies for the renovation of agricultural middle schools, and the creation or strengthening of various technical units including environment, nutrition and gender. Progress has also been made on providing support for local agricultural extension and innovation services, where an operator has been contracted and the first call for proposals in the north and northeast has been undertaken, showing high demand from producer organizations.

Honduras

Corredor Seco Food Security Project

GAFSP Amount: \$30 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: September 2013

Status: Under preparation

For more information:

<http://www.gafspfund.org/content/honduras>

Project description: This program will enhance food and nutritional security of vulnerable households in selected geographical locations of the Corredor Seco (in the western and southern areas of the country where rural poverty is concentrated; “dry corridor” in Spanish). The Project will assist approximately 12,000 households in 25 municipalities of three departments (Francisco Morazán, Choluteca and El Paraíso). The Project will increase household availability of quality food and revenues of poor and extremely poor rural residents as a basis for improving nutrition and in the long-term reducing child stunting. The Project will carry out subprojects and technical assistance, training and extension services based on simple technically and financially viable business plans and/or incremental food security plans, to increase food and agriculture production and the introduction of high value crops, increase market links, and expand non-farm revenue generation. In addition, the project will build on existing, evidence-based interventions in community child health and nutrition. It will focus on access to diverse and quality foods, improved nutrition related behavior, child growth monitoring, and improved hygiene at the household level.

Results to date: The project is still under preparation.

Banhcafe

GAFSP Amount: \$12,100

Supervising Entity: IFC (Advisory Services)

GAFSP Funding Committed: February 2014

Status: Under preparation

Project Description: Banhcafe is a small locally owned bank serving small and middle size companies in Honduras, with a strong track record in coffee sector financing. Banhcafe was established in 1972 as a joint initiative between the Honduran coffee regulator and local coffee growers, exporters, and roasters. In 2004, the bank became a fully privately owned bank as a result of regulatory environment requirement changes. Coffee still accounts for 12% of the bank’s total portfolio, and the largest sector within agribusiness (3,213 loans related to coffee production; total coffee portfolio of US\$12.6 mm of US\$98.4mm total loan portfolio.)

The Coffee Rust “la roya” epidemic is significantly affecting coffee farmers in Honduras, thus threatening macroeconomic stability and the socio-economic well-being of thousands of families employed by the sector. Banhcafe has developed “roya combat” investments as part of their product offering, which is a rare offering in the local market given most commercial banks specialize in only short-term financing of coffee exports.

Expected Results: Working with the company, IFC will conduct a diagnostic to structure a detailed intervention with the bank to (i) help improve the bank’s practices related to agrifinancing, (ii) support longer term sustainability while mitigating the future impact of the coffee sector’s volatility in Honduras, (iii) increase financing to farmers, and (iv) help reduce crop losses and loss of income to farmers.

Kenya

GWFP Kenya Co-op Bank

GAFSP Amount: \$20,000

Supervising Entity: IFC (Advisory Services)

GAFSP Funding Committed: September 2013

Status: Under preparation

Project Description: Co-op Bank of Kenya has deep roots with agricultural cooperatives that uniquely position it to support smallholder farmers growing tea, coffee, and horticultural crops which generate over US\$2 billion in export earnings while employing over 2 million people. The project will evaluate the warehouse finance operations of Co-op Bank Kenya to review the current state of Co-op Bank of Kenya operations, identify gaps relative to acceptable standards, and outline the areas for improvement. A subsequent funding proposal may be submitted upon completing the diagnostic to implement and changes and focus on building capacity for warehouse financing.

Expected Results: This project is expected to develop a diagnostic of warehouse finance operations of Co-op Bank Kenya as well as a detailed project component and budget over a 2-year period. This Advisory Services program is being designed as part of IFC's broader client engagement strategy which aims to strengthen the bank's product offering in especially in SME banking and commodity finance.

ECOM FTC Kenya

GAFSP Amount: \$617,270

Supervising Entity: IFC (Advisory Services)

GAFSP Funding Approved: January 2013

Status: Under implementation

For more information: Project Description: With GAFSP funds, IFC now supports capacity building of farmers in the coffee sector in Kenya by offering training on practices to improve productivity, aligning practices to meet international coffee standards, and supporting farmer cooperatives to become "bankable," thereby financing their farmers. Ultimately this will increase incomes of coffee farmers.

Expected Results: The project is expected to reach 9,000 farmers and raise their yield per bush to 4–5 kilograms of cherry, resulting in an additional 120 kilograms

of beans and an increase in gross income from less than \$200 to \$475 for a typical grower. The project also supports growers' compliance with recognized industry standards as a means to increase income by 5–25 percent, while strengthening the coffee cooperatives' capacity to access finance from financial institutions.

Kyrgyz Republic

Agricultural Productivity and Nutrition Improvement Project (APNIP)

GAFSP Amount: \$38 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: May 2012 (for \$16.5 million) and Sept. 2013 (for \$21.5 million)

Status: Under preparation

For more information:

<http://www.gafspfund.org/content/kyrgyz-republic>

Project description: APNIP aims to increase the agricultural productivity and food security of rural households in selected areas nationwide through: (i) rehabilitation of irrigation and drainage (I&D) infrastructure, (ii) improvements to irrigation service delivery at on-farm level, (iii) improved water management by water users associations (WUAs) and farmers, (iv) provision of agricultural advisory services and training, and (v) the scaling up of key nutrition interventions. It is expected that around 22,000 ha of on-farm I&D systems will be rehabilitated and managed in an efficient manner by 16 WUAs. This represents about 16,000 smallholder farms and farming families, comprising approximately 72,000 people. More than half of these farms irrigate less than 1 ha of land, and 20 percent are female-headed households. About 50 percent of these smallholder farmers and farming families, including women, will benefit from advisory services and training. These farming families will also receive agricultural extension services for improved crop production. Nutrition interventions will benefit about 130,000 people in the villages where the WUAs are located. Families, particularly women and children, will benefit from nutrition interventions, which will include community-level nutrition awareness programs and improved domestic gardening on household plots to increase dietary diversification.

Results to date: The project is still under preparation.

Laos

Green Hills Coffee

GAFSP Amount: \$30,000

Supervising Entity: IFC (Advisory Services)

GAFSP Funding Committed: January 2014

Status: Under preparation

Project description: Green Hills Bolaven (GHB) was founded a few years ago as a coffee plantation and trading company based in Pakse, Lao. The company currently trades around \$3m of coffee annually, with ambitious plans to grow to \$15-20m around 2018. Its CEO is professionalizing the company, turning it from a family business into a modern corporate structure while maintaining its focus on premium coffee.

GHB gets its coffee from plantations, contracts with 9 cooperatives, and a buying station where farmers can deliver coffee (cherry or parchment) and gets paid in cash. GHB wants to grow its coffee volume significantly over the next 5 years, from some 1,500 mt now to 6,000 mt in 2018. This growth will come almost entirely from its purchases from cooperatives and smallholders. This supply chain growth needs to be managed, in particular in terms of quality and traceability. This project aims to assist the company in managing this growth, ensuring premiums for an increasing number of smallholder coffee farmers in Lao.

Expected Results: The pre-implementation work will result in the design of an advisory program to support GHB to assist farmers in producing more, higher quality and fully traceable coffee that can capture premiums on the international market.

Liberia

Smallholder Agricultural Productivity Enhancement and Commercialization Project (SAPEC)

GAFSP Amount: \$46.5 million grant

Supervising Entity: African Development Bank

GAFSP Grant Awarded: May 2012

Status: Under implementation

For more information:

www.gafspfund.org/gafsp/content/liberia

Project description: The SAPEC aims to hasten the transformation of Liberia's agriculture sector, which is dominated by traditional subsistence farming systems characterized by labor-intensive shifting cultivation and low technologies that result in low productivity. Its main target population is smallholder farmers and rural entrepreneurs, particularly women, youth, and the physically challenged. In particular, the project will support the improvement of technologies for rice, cassava, and vegetables; develop new irrigation and drainage systems; rehabilitate feeder roads, storage facilities, and agro-processing equipment. The project aims to increase the productivity of 4,000 ha and 1,000 ha of uplands dedicated to cassava and rice cultivation, respectively, rehabilitate 1,000 ha of community-owned lowland in the four rice-producing counties, rehabilitate 270 km of all-weather feeder roads and 12 market centers, construct nine agribusiness centers, and refurbish three technology transfer centers. The project will also address the acute shortage of skilled manpower for planning and supervision of sector development activities.

Results to date: Implementation is still in start-up phase.

Roundtable on Sustainable Palm Oil (RSPO) Liberia

Amount: \$560,000

Supervising Entity: IFC

GAFSP Funding Committed: April 2013

GAFSP supports the RSPO Liberia project to make palm oil production in Liberia more sustainable and efficient. This will be achieved through the following three

project activities: (1) multi-stakeholder national interpretation of the RSPO's principals and criteria, (2) development and dissemination of guidance tools for smallholders, and (3) value-chain analysis of palm oil sector. IFC is reviewing several palm oil companies working in Liberia as potential GAFSP investment clients.

Expected Development impact:

- The National Interpretation for RSPO Liberia will be endorsed by RSPO headquarters.
- Relevant stakeholders, such as members of the oil palm industry, NGOs, and government, will be made aware of the RSPO and the National Interpretation.
- Support will be provided to smallholders to apply the RSPO's requirements.

Malawi

Malawi Mangoes

GAFSP Amount: \$5 million secured C loan

Supervising Entity: IFC

GAFSP Grant Awarded: June 2014

Project Status: Pending disbursement

For more information: <http://www.gafspfund.org/content/malawi-mangoes>

Project description: The proposed investment consists of a senior secured \$10 million loan in Malawi Mangoes (Mauritius) Limited (Malawi Mangoes). Malawi Mangoes was established in 2009 in the Salima District of Malawi. The company has built a multi-fruit processing facility, which was commissioned in December 2013, with commercial trials beginning in April 2014. Malawi Mangoes produces and markets mango and banana not from concentrate (NFC) fruit puree and fresh fruits primarily for export markets in Africa, the Middle East and Europe via its wholly-owned Malawian subsidiary, MM Operations Limited.

Malawi Mangoes presently owns two farms with total land at 426 hectares as well as the processing facility with currently installed capacity of 31 metric tons of NFC production per day. Malawi Mangoes is seeking to transition into its next stage of growth by adding production capacity. The plan is focused on realizing the potential of its existing mango and banana farms and its 4,000 outgrowers and expanding its primary production at the proposed Nyu Nyu Farm and its processing capacity.

Expected Development Impact:

- Expected to reach at least an incremental 2,000 small scale mango farmers over the next five years, thereby improving sustainable income streams along these value chains.
- Penetration of modern farming practices and sustainable land use in farming communities in Malawi.
- Development of improved natural resource management techniques, especially water resource efficiency through promotion of drip irrigation.
- Contribution to wider regional development in terms of jobs, infrastructure, education, health and other socio-economic parameters.

Smallholder Irrigation and Value Addition Project (SIVAP)

GAFSP Amount: \$39.6 million grant

Supervising Entity: African Development Bank

GAFSP Grant Awarded: May 2012

Project Status: Under Implementation

For more information: www.gafspfund.org/gafsp/content/malawi

Project description: The project objectives are to increase agricultural production and productivity through intensification of irrigation, crop diversification, value addition and capacity building through sustainable land and water management, and crop diversification and value chain development. In particular, the project will provide 2,050 ha of irrigation, rehabilitate 1,295 ha of irrigation, which will lead to increased water-use efficiency and expansion of land under irrigation for cultivation of both food and cash crops. It will also help to mitigate the negative climate change effects in the targeted districts of Karonga and Salima. The project will also support the implementation of programs to address institutional and capacity constraints by providing capacity building of locally based farmer organizations, WUAs, and farmer cooperatives, production technologies, nutrition, agribusiness, and environmental management. The farmers, 50 percent of whom are female, will be given appropriate training on the best farming practices, including timing and planting/harvesting techniques, to maximize crop potential. The project is expected to directly benefit 70,100 farm families (420,000 people), of whom 50 percent are women. Results to date: Implementation is still in start-up phase.

Mali

Food and Nutrition Security Enhancement Project (PReSAN-KL)

GAFSP Amount: \$37.2 million grant
Supervising Entity: African Development Bank
GAFSP Grant Awarded: September 2013
Project Status: Under preparation
For more information:
<http://www.gafspfund.org/content/mali>

Project description: The goal of the project is to sustainably increase the production and productivity of the rice and vegetable crop sectors as well as the income of target communities through water management and agricultural product development. The project will focus on increasing agricultural output (10,600 tons of rice and 20,300 additional tons of vegetable produce). In addition, social infrastructure (drinking water, health, education) will be developed in the target areas. Private cooperatives and operators will be provided with efficient equipment and material for production, post-harvest, and through an agricultural material and equipment leasing mechanism as well as an adapted financing system to facilitate beneficiaries' access to funds and ensure financial sustainability. A nutrition component will be dedicated to the prevention of malnutrition, supplement flour or food supplement made from local products, construction / rehabilitation and equipping of health centers. The project will also focus on building capacity of local communities and authorities, professional organizations, and technical service providers. These trainings will contribute to increased participation by women and youth in particular, and strengthen their level of organization.

Results to date: The project is expected to be approved in September 2014.

GWFP HSBC

GAFSP Amount: \$4.6 million guarantee
Supervising Entity: IFC
Project Status: Under preparation

Under the Global Warehouse Finance Project (GWFP), IFC participated in a one year facility extended to Compagnie Malienne pour le Development du Textile (CMDT), a state owned company and a sole cotton exporter in Mali, financed alongside other international commercial banks. The facility which is secured by warehoused cotton outside of Mali, in Senegal and Cote d'Ivoire, will be used to: i) finance the repayment of pre-harvest loans received from a pool of local banks in Mali; ii) purchase seed cotton from farmers; and ii) meet other working capital needs related to the cotton campaign. GWFP's investment is in the amount of EUR6 million and it will be 50% counter guaranteed by GAFSP with the secondary position to receive the recovery proceeds at the time of commodity liquidation. Alongside this investment, CMDT will benefit from IFC's advisory solutions in the areas of productivity improvement through the expansion of the Better Cotton Initiative and weather insurance solutions through IFC's Global Insurance Index Facility (GIIF) which will be both funded by GAFSP.

Mauritania

Tiviski Dairy

GAFSP Amount: \$4.8 million loan
Supervising Entity: IFC
GAFSP Grant Awarded: August 2014
Project Status: Under preparation
For more information: <http://ifcextapps.ifc.org/ifcext/spiwebsite1.nsf/651aeb16abd09c1f8525797d-006976ba/da7a03b26fb84e5485257cda004f-b9eb?opendocument>

Before Tiviski started operating, fresh milk was practically not marketed at all in Mauritania, except for a few thousand liters sold raw by herders who lived near the cities direct to consumers or to small-scale milk

retailers. Most fresh milk was consumed by families who owned animals. Currently milk production and related enterprises are significant economic drivers in the supplying regions. The value chain extends upwards to animal feed suppliers, and downward to collectors, processing plants, retailers, and consumers.

The Company is partnering with the Africa Development Foundation and has been selected by FAO and UNDP for a local brand success story. The FAO case study documents the pioneering nature of the business set up by the founder, the challenges faced by the Company, and its impact on the economy of Mauritania.

The Company is seeking to improve the efficiency and production capacity of its existing dairy business as well as to grow its business through diversification. Tiviski's investment plans consist of two phases. Phase one focuses on: (i) renovating the 25-year-old pasteurized milk plant and de-bottlenecking existing operations; and (ii) setting up two additional milk collection centers to double milk collection capacity; and (iii) modernizing the cheese production line. Phase two focuses on: establishing juice production (from concentrate), a mineral water plant and a camel milk powder production line.

As the largest employer in the dairy sector in Mauritania, with currently 160 staff (all locals), it has directly created 3,000 jobs for livestock owners, their employees, milk transporters, and fodder suppliers. The Project is expected to (i) provide support to over 2,000 livestock herders; (ii) generate 200 additional jobs; (iii) encourage gender promotion as 15% of milk suppliers are female; (iv) promote and preserve pastoralism thereby alleviating rural to urban migration and serve to mitigate poverty; (v) ensure food safety through provision of pasteurized milk, since the raw milk customarily consumed in Mauritania is a public health concern.

Mongolia

Livestock and Agricultural Marketing Project (LAMP)

GAFSP Amount: \$12.5 million grant

Supervising Entity: World Bank (\$11 million) and FAO (\$1.5 million)

GAFSP Grant Awarded: November 2010

Project Status: Under implementation

For more information:

www.gafspfund.org/gafsp/content/mongolia

Project description: The goal of the project is to improve rural livelihoods and food security in selected aimags and soums (districts) through investments in enhancing productivity, market access and diversification in livestock-based production systems. This will be achieved through removing a set of closely linked constraints in market access, price-quality relationships and livestock production (animal health, animal breeding, genetics and nutrition) and technical assistance to develop the human and organizational capacity in animal health control, breed improvement, feeding and nutrition, value-adding to livestock products (meat, fiber, dairy), and horticulture production. Among other outcomes, the project aims to (i) increase output of livestock products such as meat, milk, wool, cashmere by 20 percent; (ii) increase farm productivity under improved post-harvest management by 20 percent; (iii) link 15 herder cooperatives to markets; (iv) train 8,000 herders in improved animal husbandry technologies; (v) increase household income by 20 percent. The project expects to reach 29,185 beneficiaries.

Results to date: The Project Steering Committee (PSC) approved the Project Implementation Manual in June 2014, and relevant technical guidelines have been drafted in readiness for the start of the investment activities. Implementation of the investment activities is still in start-up phase. The pilot soums have been selected and agreed by the PSC and the Ministry of Economic Development.

Nepal

Agriculture and Food Security Project (AFSP)

GAFSP Amount: \$46.5 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: June 2011

Project Status: Under implementation

For more information:

www.gafspfund.org/gafsp/content/nepal

Project description: The project aims to enhance food and nutritional security of vulnerable communities in selected locations of Nepal. Food security will be realized through increased food availability, made possible by increasing productivity of agriculture, both crop and livestock. Nutrition security will be realized through improved feeding practices, made possible by promotion of diversified diets and improved feeding and caring practices for pregnant and nursing women and children up to two years of age. The project will support nutrition-sensitive agricultural activities. These activities include the generation and adaptation of technology that will increase yields and production intensities of nutritious crops and fish for project farmers. The project also aims to enable farmers to sustainably improve agricultural production and management practices. Also, specific nutrition activities will be supported to promote behavior change through community-based nutrition programs, improve dietary intake by promoting diversified diets, and improve feeding and caring practices for pregnant and nursing women and children. The project is expected to reach 112,000 beneficiaries, 70 percent of which are women.

Results to date: Since implementation start in April 2013, 169 field trials of improved technologies have been conducted, comprising of 59 varietal trials on major cereal crops, 75 participatory varietal selection and mini-kit trials, and 35 trials of Integrated Crop Management and Integrated Pest Management. 54 tons of foundation seeds and 2 tons have been produced. Farmer field schools in 34 Village Development Councils have started the dissemination and adoption of new technology and refresher trainings have been conducted for technicians and farmers. Under the Goat Productivity Program, 24 existing farming groups have been mobilized, and 33 new ones formed and distributed forage seeds and fodder saplings. Similarly, various

groups have been formed under the goat breeding, rural poultry, and dairy productions programs. A Nutrition Task Force has been formed to coordinate inputs from various agencies and to develop an activity schedule for nutrition intervention projects. Food recipe development is underway after the completion of the nutrition analysis of locally available food was completed.

Nepal Poultry Sector Support

GAFSP Amount: \$70,000

Supervising Entity: IFC (Advisory Services)

Project Status: Approved in March 2013

Project Description: The poultry sector in Nepal is worth \$240 million and employs an estimated 70,000 people. An IFC review of the sector highlighted that the current inefficiency in the industry is calculated to be \$32 million if Nepal's performance is compared to an achievable international benchmark performance on broiler livability and feed conversion ratio (FCR). Most inefficiencies in the industry exist in the broiler outgrower sector, which is dominated by small and medium enterprises (500–3,000 birds) that do not have any formal training on farm management and cannot sustain profitably. Broiler farmers rely heavily on the quality and cost of day old chicks and feed, which represent 90 percent of their costs. The quality and cost of these two inputs are critical prerequisites of any engagement with broiler growers. Bio-security and disease management throughout the industry is also critical to its sustainability. Currently, government-provided veterinarians have no role in the sector, and while some large hatcheries and feed suppliers have technical teams to provide services, there are not enough adequately trained technical teams.

In 2010, IFC initiated a project to assist three poultry companies and 3,000 poultry farmers to improve feed, day old chick quality, and grower performance to reduce mortality and subsequently increase farmers' income. GAFSP support was requested to extend the project and to train an additional 1,000 female farmers using a gender-sensitive training methodology. Expected Development Outcomes: (1) provide fee-based training to 3,000 poultry growers on farm management and bio-security, (2) facilitate productivity improvement by reducing FCR by 0.2 (baseline 2.2), (3) increase broiler livability by 3 percent (baseline 90 percent), and (4) increase broiler sales revenue of small and medium enterprise poultry farms by 15 percent.

ProBiotech

GAFSP Amount: \$1.9 million

Supervising Entity: IFC

GAFSP Funding Committed: April 2014

For more information:

<http://www.gafspfund.org/content/probiotech>

Project description: Probiotech Industries Private Limited is one of the first organized sector poultry feed manufacturers in Nepal, having set up the first pellet feed mill in the country. The project will support the company's forward integration into the production of value-added soya flour and nuggets, and refined, edible soya oil using existing by-products. In addition, it will help improve the corporate governance, environmental, and social standards of the company.

Expected Results: The project is expected to have a significant impact on smallholder farmers and food security in Nepal. Since feed represents over 80% of live broiler production costs, improvement in feed quality and feed mill production efficiencies as envisaged by the project would help in reducing cost of broiler production. Introduction of affordable, good quality soy-based protein "nuggets" (texturized refined soy cake) will improve access to protein for the vegetarian population. The project will create additional direct jobs at the factory and a large number of indirect jobs through forward and backward linkages with farmers and small/medium size businesses.

Nicaragua

Caribbean Coast Food Security Project (CCFSP)

GAFSP Amount: \$33.9 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: September 2013

Project Status: Under preparation

For more information:

<http://www.gafspfund.org/content/nicaragua>

Project description: The project aims to enhance food and nutritional security in select communities of the Caribbean Coast of Nicaragua. The project will target approximately 246 indigenous and mestizo communities in the Caribbean Coast region in the municipalities of Puerto Cabezas, Bonanza, Rosita, Waspam, Siuna,

Prinzapolka, Waslala, and Mulukuku, Bocana de Paiwas, Bluefields, Kukra Hill, El Tortuguero, La Desembocadura de Rio Grande, Laguna de Perlas, and La Cruz de Rio Grande. Project stakeholders include: male and female small- and medium-size landholders, male and female rural laborers, existing producers organizations, youth, and fishers with no or limited assets and equipment. It is estimated that the project will support approximately 14,000 families, of which approximately 4,800 are afro-descendent and indigenous communities and approximately 9,000 are mestizos.

CCFSP is aligned with the Sector-wide Rural Development Program (PRORURAL-I) which focuses on poor undercapitalized smallholders as active participants in their own sustainable human development to achieve food security and foster agricultural exports. The project aims to promote increased and environmentally sustainable agricultural productivity in the Nicaraguan Caribbean Coast through agricultural technology trainings and technical assistance for organized Caribbean Coast producers; promotion of income-producing economic alternatives, such as the creation of family-community microenterprises (e.g. agricultural services, light manufacturing like cabinetmaking and fruit production, sustainable tourism) in support of women, youth and the disabled. The project also aims to support nutrition education and behavior change communications to raise awareness and knowledge about nutrition and the role of agriculture in improving nutrition outcomes. It will support improved feeding and handling practices, with specific emphasis on the vulnerable populations (pregnant and lactating women and children).

Results to date: The project is still under preparation.

Comercial Internacional Exportadora S.A. (CISA)

GAFSP Amount: \$3 million loan

Supervising Entity: IFC

GAFSP Funding Committed: October 2013

Project Status: Under preparation

For more information: <http://www.gafspfund.org/content/cisa>

Project Description: The proposed project consists of an A-loan package of \$10 million to Comercial Internacional Exportadora S.A. (CISA), a coffee exporter in Nicaragua, and Comercial Internacional de Granos de Honduras, S.A. de C.V., a coffee exporter in Honduras (CIGRAH). The financing package aims at supporting (i) the de-hulling and sorting capacity in CISA's San

Carlos mill; (ii) investments in coffee mill machinery to improve productivity in CISA's San Carlos mill; (iii) the drying capacity of the Companies; (iv) the expansion of storage facilities of the Companies; and (v) the implementation of a long-term financing program to farmers in Nicaragua.

The project is expected to generate employment in rural coffee growing areas as milling capacity increases; with increased milling capacity, the current 8,000 farmer suppliers will increase. Furthermore, the onlending program will provide essential financing to approximately 400 farmers, supporting productivity increase via plantation renovations/improvements, and investments in infrastructure and equipment; and CISA and CIGRAH plan to expand their network of upstream collectors, logistic operators and other service providers.

Fondo de Desarrollo Local (FDL)

GAFSP Amount: \$2 million loan

Supervising Entity: IFC

GAFSP Grant Awarded: December 2013

Project Status: Under implementation

For more information:

<http://www.gafspfund.org/content/fdl>

Nicaragua's banking sector is one of the smallest in Central America. Most bank lending is concentrated in the commercial sector with very limited reach in rural areas and among agricultural smallholders. This is despite the fact that agriculture accounts for 17% of the country's gross domestic product and is the country's largest source of jobs (40% of all employment). Microfinance is one of the few sources of available funding for agriculture SMEs in the country, particularly in rural areas, and plays a key role in the development of rural economies in the country. The project consists of a financing package of \$7 million to Fondo de Desarrollo Local (FDL), the largest microfinance institution in Nicaragua. FDL was founded in 1992 by the Compañía de Jesús (a Jesuits organization) and was originally part of the Institute for Development and Research (NITLA-PAN) of the Central American University (UCA).

The proposed project aims at supporting FDL's expansion plan, allowing it to expand lending in the rural agribusiness sector and micro-entrepreneurs in Nicaragua through its network of rural branches. FDL plays a key

role in reaching small and medium producers as well as the most vulnerable and poor regions of Nicaragua. The Project will increase the availability of financing to the underserved rural and agribusiness sectors, primarily small producers. Approximately 24,000 loans will be provided to farmers by end of 2018. The Project will also contribute to the generation of new direct and indirect jobs through the scaling up of producers. IFC's re-engagement with the sector together with the successful allocation of funding to rural agri producers is expected to motivate others to reactivate their support to the microfinance sector in Nicaragua, and increase/venture into the agribusiness sector.

Roya Renovation

GAFSP Amount: \$6 million guarantee and \$692,016 in advisory services (\$597,418 for Implementation and \$94,598 for Design)

Supervising Entity: IFC

GAFSP Funding Committed: May 2014

Project Status: Pre-implementation

Since 2012, the outbreak of a severe Coffee Rust disease (or La Roya) has overwhelmed Central America. La Roya, a damaging fungus that attacks coffee leaves, can cause leaves to yellow and drop prematurely and reduce the plant's photosynthetic capacity and yield. Its ongoing economic and social impact for thousands of farmers and workers is substantial. This project is a long-term farmer financing program in Nicaragua in which Exportadora Atlantic Ltda, a subsidiary in Nicaragua of ECOM Agroindustrial Corp Ltd, will act as agent and lender of record to on-lend to farmers for the renovation of coffee plantations affected by La Roya. The total portfolio size is up to \$30 million with IFC and IDB each providing up to \$12 million, Atlantic providing up to \$3 million, Starbucks providing up to \$3 million, and GAFSP providing a first loss guarantee of up to 25% of the IFC and IDB portion.

Expected Results: The project expects to reach 500 farmers and renovate 1,900 hectares of land. After three years, it expects to increase yields by 40% per hectare.

Niger

Water Mobilisation Project to Enhance Food in Maradi, Tahoua and Ziner Regions (PMERZA-MTZ)

GAFSP Amount: \$33 million grant
Supervising Entity: African Development Bank
GAFSP Grant Awarded: November 2010
Project Status: Under implementation
For more information:
<http://www.gafspfund.org/content/niger>

Project description: The objective of PMERZA-MTZ is to raise and safeguard agricultural output by creating agricultural, silvicultural and pastoral development centers located in surface water collection sites. This involves the (i) construction and rehabilitation of water-spreading bunds, mini dams and irrigation areas, in an area approximately 17,600 ha; (ii) land tenure security for the developed sites; and (iii) construction of village wells, rural roads and storage infrastructures. These outcomes will increase the irrigated surface area, reduce post-harvest losses, increase agricultural output and improve living standards for more than 200,000 persons.

Results to date: To date, the project has finished the construction/rehabilitation of 44 village wells, 9 weirs and 1 mini-dam, 900 concrete agricultural wells et small forages with 375 motor-pumps, 2 digging ponds (End of Project targets: 74 village wells, 45 weirs, 9 small dams, 1 690 concretes agricultural Wells, 850 motor-pumps, 178 Km Rural Road, 6 digging ponds). The rehabilitation of 3 seed centers has been completed and are now operational. In the other side, 17 Km of rural roads and 74 storage infrastructures have been finished. Other side, 812 ha of degraded land have been recovered, including 158 ha of dunes. In addition, 419 ha of grazing areas have been treated against the proliferation of unpalatable plants by planting 114,927 seedlings and planting grass on 300 ha. Although not operational yet, the project has completed the acquisition and installation of processing / preservation and transport equipment of agricultural products (120 sewing machines, 60 oil press, 60 peanut shellers, 60 mills, 40 grain husker and 40 roaster grinders, 600 donkey carts) for 60 women's groups. Eleven field schools have been completed, with 17 more under development.

Pakistan

Dairy Sector Support to Reach Traditional and Smallhold Dairy Farmers

Amount: \$800,900
Supervising Entity: IFC (Advisory Services)
Project Status: Approved in April 2013

Project Description: GAFSP supports the Pakistan Dairy Advisory Project to increase the quantity and quality of milk supply. This will be achieved in partnership with large dairy processors in Pakistan through improving farmers' access to knowledge, providing technical support for implementing recommended practices, increasing access to finance, and enhancing sustainability practices. The project will establish a dairy farm commercialization facility (DFCF) comprising a pool of expertise that will focus on supporting the upgrading of existing traditional and small dairy farms to become commercial farms.

Expected Development Outcome: (1) reach 800 traditional, small, and medium dairy farmers; (2) provide technical support to 280 traditional, small and medium dairy farmers on best practices in animal husbandry, hygiene, and technical dairy farming; (3) help the selected farms gain access to finance for scaling up and expanding operations, resulting in a total increase of milk supply by 15 million liters and an increase in farmers' overall income by \$6.7 million; and (4) support the expansion and development of existing dairy farms by facilitating up to \$14 million in loans to be disbursed to the dairy farms.

Rwanda

Land Husbandry, Water Harvesting, and Hillside Irrigation Project (LWH)

GAFSP Amount: \$50 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: June 2010

Project Status: Under implementation

For more information:

<http://www.gafspfund.org/content/rwanda>

<http://lwh-rssp.minagri.gov.rw/home/>

Project description: The objective of the LWH is to increase the productivity and commercialization of hillside agriculture in target areas. LWH is a flagship program in the Government of Rwanda's overall poverty reduction and agricultural strategies and is designed to address key constraints to agricultural growth in Rwanda: the need for larger scale, watershed and community-based infrastructure approaches; and, the need for strong farmer mobilization: through strong farmer institutions building, extension education, rural finance and marketing support alongside these physical investments. LWH uses a modified watershed approach to introduce sustainable land husbandry measures for hillside agriculture on selected sites, as well as developing hillside irrigation for sub-sections of some site.

Results to date: As of June 2014, some 10,000 ha of land was protected against erosion using various types of land husbandry practices (terraces, soil bunds, nutrient management, grass strips, and tree planting). The improvement in land productivity increased the income of 26,792 beneficiary households by 5 times. Irrigation and drainage service development was completed in 475 ha. The project also facilitated improvement of soil fertility enabling farmers to increase yields by 3 times for soybeans and maize, 4 times for beans and 10 times for Irish potatoes. Over 85 percent of project beneficiaries accessed financial services which facilitated 90 percent of them to purchase inputs. The project also launched a nutrition-awareness campaign in collaboration with the Ministry of Health that trained 678 lead farmers in nutrition and educated them on how to improve their diets in order to reduce or prevent malnutrition. LWH also promotes kitchen gardens through demonstration plots and trained communities in the construction and management

of kitchen gardens that are improving access to nutrition-rich vegetables. Over 1,786 ha of bio-fortified beans were planted, benefiting about 5,866 households. The project has already reached 124,494 beneficiaries (61,144 women), surpassing the end of project goal of 120,000.

Senegal

Food Security Support Project in the Louga, Matam, and Kaffrine (PASA Lou/Ma/Kaf)

GAFSP Amount: \$40 million grant

Supervising Entity: African Development Bank

GAFSP Grant Awarded: May 2012

Project Status: Under implementation

For more information:

<http://www.gafspfund.org/content/senegal>

www.pasaloumakaf.sn

Project description: The project seeks to improve food security as well as rural incomes by targeting three weather hazard-prone regions of Senegal. It will ease access by small producers, women and their organizations to a wide range of agricultural and livestock infrastructure, particularly in terms of water control, storage and access to remote areas, as well as suitable technologies, services and training. The key expected outcomes are: (i) support for the development of 2,110 hectares of land through water control (1,600 hectares of lowland, 450 hectares of irrigation areas, and 60 hectares of gardens); (ii) establishment of 25 pastoral units around eight new and ten rehabilitated boreholes; (iii) construction of various kinds of buildings (18 farm buildings, 30 inoculation centers, 25 fodder storage sheds, 120 goat/sheep barns, and 60 poultry houses); (iv) construction of 120 km of rural roads; and (v) training and organization of more than 30,000 producers. The project will be implemented using a participatory approach and cover 390,000 people (60 percent of them women). It will pay particular attention to youth employment (2,900 direct jobs) and build resilience to climate change. It will generate crop and livestock production estimated at more than 22,000 tonnes and 5,000 tonnes respectively, and incomes exceeding CFAF 3 million/year per farm.

Results to date: Implementation is still in start-up phase.

GWFP Banque Internationale pour le Commerce et l'Industrie du Senegal (BICIS)

GAFSP Amount: \$ 6.02 million

Supervising Entity: IFC

GAFSP Grant Awarded: June 2013

Project Description: BICIS, Senegal's fourth largest bank, is the first project under the Global Warehouse Financing Program (GWFP) to receive investment and AS support from GAFSP Private Sector Window funding. It will benefit importers of food crops with positive impact on food availability and exporters of cash crops, which will support the livelihood of many small farmers who produce these crops.

The project will promote commodity-backed lending among local banks and will finance more working capital to farmers, input suppliers, processors, traders, and other participants along commodity supply chains. Since the agriculture sector is an important driving force of Senegal's economy, improved availability of credit to the agriculture sector will support growth, promote employment, and generate higher incomes in this sector.

In addition, through this project, IFC will have the opportunity to disseminate best practices in commodity financing to a relatively small bank in Sub-Saharan Africa and potentially to other similar banks, which will launch similar products in the future. IFC and GAFSP will assume up to 50 percent of the risk of BICIS' commodity-backed finance portfolio and will include mutually pre-selected agribusiness companies in Senegal.

GAFSP supports an advisory services (AS) project with BICIS that focuses on building the bank's capacity for warehouse finance operations. GAFSP has funded the initial diagnostic to determine the final AS activities.

IC GWFP Senegal

GAFSP Amount: \$0.250 million

Supervising Entity: IFC (Advisory Services)

GAFSP Funding Committed: April 2014

Project Description: The objective of the warehouse receipt project is to support increased access to finance to value chain actors in the agricultural sector of Senegal, by establishing a warehouse receipt system, favoring the development of better storage facilities and building capacities of private and public stakeholders, using the rice sector in Senegal River Valley as a pilot

intervention. IFC and GAFSP have invested in BICIS, one of the largest commercial banks in Senegal, through IFC's Global Warehouse Finance Program (GWFP). This project will help to establish a regulated warehouse receipts system, which has been a major challenge in significantly scaling up financing. The introduction of warehouse receipts in Senegal and the framework to back the system will further encourage BICIS and other banks in Senegal to increase their portfolio in financing the agricultural sector using warehouse receipts as collaterals instead of asking clients for fixed assets.

Expected results: The project is expected to provide support to the Government of Senegal for the enactment and implementation of good practice Warehouse Receipts legislation and regulations by December 2015. It also expects to provide post-enactment implementation support through technical advice, training and peer learning, leading to an increase of farmers and traders accessing the warehouse receipts system to store goods and access credit from a baseline of 0 in 2014 to 2,500 two years following project completion. Finally, it will provide post enactment implementation support through technical advice and training leading to an increase of annual credit released to the agriculture sector from \$0 in 2014 to \$2.5 million within 3 years of post-completion period.

Sierra Leone

Smallholder Commercialization Program (SCP)

Amount: \$50 million grant

Supervising Entity: International Fund for Agricultural Development (IFAD)

GAFSP Grant Awarded: June 2010

Project Status: Under implementation

For more information:

<http://www.gafspfund.org/content/sierra-leone>

Project description: The government developed the SCP as part of the National Sustainable Agriculture Development Plan (NSADP). The SCP is a flagship sector program aimed at empowering the rural poor to increase their food security and incomes on a sustainable basis in order to lead to long-term economic development and poverty reduction. SCP focuses on the intensification, diversification, and commercialization of smallholder agriculture through improving value-ad-

dition and access to marketing. The program aims to reduce the gap between national rice production and demand (representing 70,000 tons) and increase farm incomes by 10 percent for 100,000 farm households.

Results to date: As of June 2014, the project has reached 27 percent of its 136,070 end of project target. The project supported production intensification by supporting the development of 281 Farmer field schools (FFS) and 190 Farmer-based Organizations (FBO). These FBOs were formally registered, and underwent training in production practices and are receiving production inputs. Out of the 193 Agricultural Business Centers (ABC), 50 have been identified for full transformation and will be provided support and technical assistance according to their own business plans. Through a special refinancing facility, linkages between ABCs and Community Banks are being strengthened, enabling ABCs to have more access to financial opportunities. 1,300 ha of inland valley swamps (IVS) have been constructed or rehabilitated.

Roundtable on Sustainable Palm Oil (RSPO) Sierra Leone

Amount: \$536,000

Supervising Entity: IFC (Advisory Services)

Project Status: Approved in April 2013

Project Description: GAFSP supports the RSPO Sierra Leone project to make palm oil production in Liberia more sustainable and efficient. This will be achieved through the following three project activities: (1) multi-stakeholder national interpretation of the RSPO Principals and Criteria, (2) development and dissemination of guidance tools for smallholders, and (3) value-chain analysis of the palm oil sector. IFC is reviewing several palm oil companies working in Sierra Leone as potential GAFSP investment clients.

Expected Development Outcomes:

- The National Interpretation for RSPO Sierra Leone will be endorsed by RSPO headquarters.
- Relevant stakeholders, such as members of the oil palm industry, NGOs, and government officials, will be informed about the RSPO and the National Interpretation.
- Support will be provided to smallholders to apply RSPO requirements.

Tajikistan

Public Employment for Sustainable Agriculture and Water Resources Management II (PAMPPII)

Amount: \$27.9 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: June 2011

Project Status: Under implementation

For more information:

<http://www.gafspfund.org/content/tajikistan>

Project description: The project development objectives are to: (i) provide employment to food-insecure people through the rehabilitation of irrigation and drainage infrastructure, (ii) increase crop production in response to improved irrigation and infrastructure, and (iii) support the development of improved policies and institutions for water resource management, as a means to improve food availability and food access for low-income people in poor rural areas supported by the project. The public works program will directly benefit an estimated 22,000 low-income people through the provision of at least 880,000 person-days of temporary work. A rigorous selection procedure will ensure that these beneficiaries are drawn from the most food-insecure elements of the rural population – with at least 20 percent being women. The rehabilitation of irrigation and drainage infrastructure will improve access to irrigation for an estimated 190,000 ha, to the benefit of 750,000 rural population and 20,000 individual and family-based dehqan farms. A 10 percent increase in crop yields is expected on this rehabilitated irrigated land. In addition, emergency flood control works along a high-risk section of the Tebalai River in Kulyab city will reduce the risk of flooding for approximately 400 urban households as well as agriculture land and irrigation systems supported through the project down in Vose district. To support institutional development for water resource, the project will establish approximately 20 new Water User Associations (WUAs) and provide capacity building support to these new WUAs and the 33 existing WUAs.

Results to date: As of June 2014, 1,211 km of canals have been cleaned on the territory of 25 water user associations (WUA) in Jomi, Rumi and Jilikul districts of Khatlon. This improved the quality of water in the canals

that are being used for household purposes and improved access to irrigation on neighboring farm lands. The implementation of mechanized work on December 2013 has achieved the following: (i) mechanical cleaning of 223 km of collector and drainage; (ii) rehabilitation of 16 km of irrigation canals and 3 flood channels; (iii) repair of 590 outlet gates and 197 observation wells. A Memorandum of Understanding was signed in April 2014 between the World Bank and USAID on the joint collaboration in the implementation of the PAMP-II and the USAID-funded Family Farm Program (FFP). Both programs will provide coordinated and complementary support to strengthening existing and establishing new WUAs in the Khatlon region. To date, PAMP II has reached 4,229 of the 22,000 targeted project beneficiaries.

Tanzania

Expanding Rice Production Project

Amount: \$22.9 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: May 2012

Project Status: Under preparation

For more information:

<http://www.gafspfund.org/content/tanzania>

Project description: The project aims to increase rice produced and marketed in the Morogoro Region of the mainland and in Zanzibar, leading to improved rural incomes and food security. This will be achieved through activities related to: (i) sustainable seed systems, (ii) improving crop productivity through better irrigation and crop management, (iii) innovative marketing strategies, and (iv) project management, monitoring, and evaluation. The project supports the government's "Big Results Now" commitment for the Tanzania mainland to expand rice production through support for irrigation schemes. This will include efforts to manage the irrigation scheme as a block, facilitate bulk purchase of inputs, and coordinate crop sales through a warehousing program. The project is expected to reach 160,000 beneficiaries.

Results to date: The project is still under preparation.

GWFP CRDB Bank

Amount: \$ 10 million

Supervising Entity: IFC

GAFSP Awarded: April 2014

Project Status: Under preparation

For more information:

<http://ifcext.ifc.org/ifcext/spiwebsite1.nsf/651ae-b16abd09c1f8525797d006976ba/eeeac382e-3321a5185257c840067c1c0?OpenDocument>

Tanzania, the largest country in the East African Community with a population of close to 48 million, is dependent on agriculture, which contributes about 30% to GDP and employs approximately 80% of the working population. The Project involves a debt and guarantee facility to develop a strategic relationship with CRDB geared towards improving banking penetration in Tanzania, and more specifically on SMEs and commodity/agri-businesses as a way of reaching more Tanzania's under-served communities. The Bank aims to grow its business and improve its competitiveness as part of its 5-year strategic plan by expanding its lending capacity and delivery channels, broadening its product offering and extending its branch and agency network.

With the support from GAFSP, CRDB can extend loans to medium-sized domestic agribusiness traders and cooperatives, which typically have less financing options than global agro-exporters. Domestic agribusiness traders and cooperatives are located in frontier rural regions, being anchors of development of surrounding communities. The Project will inject liquidity in the food supply chain and allow domestic traders and cooperatives, as well as its farmer clients and members, to better market their products, taking advantage of seasonal demand/supply conditions, thus maximizing sales prices. This project is expected to reach approximately 5,640 farmers through domestic traders and cooperatives, which typically are not served by the largest agro-exporters. Finally, by increasing access to finance in the agribusiness sector, the Project will help integrate Tanzanian small farmers into the global food supply chain, leveraging Tanzania's existing trade channels in key export cash crops such as coffee and cashew.

Togo

Agriculture Sector Support Project (PASA)

Amount: \$19 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: June 2010

Project Status: Under implementation

For more information:

<http://www.gafspfund.org/content/togo>

Project Description: PASA aims to rehabilitate and reinforce productive capacities across selected value chains and to foster an enabling institutional environment for the development of the agriculture sector. These will be achieved through the promotion of strategic food crop, export crop, and freshwater fish production; and providing support for capacity building and sector coordination to enable the institutional set up to implement sound agricultural investments through the PNIASA (National Agriculture and Food Security Investment Program).

Results to date: As of June 2014, 11 out of 20 planned ESOP (Business Services & Producer Organizations) have been set up successfully. Farmer associations have purchased 1,517 tons of rice and 281 tons of soybeans for processing. As a result of better access to farm inputs and improved farming practices under the project, rice yields have increased by 30 percent for farmers involved in the ESOP model. Three pilot warrantage (inventory credit system) have been launched in 3 out of 10 target regions. The rehabilitation of 3 seed and plantlets production centers has provided 123,995 coffee plantlets and 16,000 cocoa seedpods to various producers, resulting in the rehabilitation of 5,780 ha and 2,346 ha of coffee and cocoa plantations respectively. 56 tons of fish feed and about 55,000 fingerlings were distributed along with relevant training to fish farmers to help increase fish production. The implementation of the co-management plan for Lake Nangbeto covering 18,000 ha has resulted in the following: (i) control on fishing licenses granted to reduce pressure on aquatic resources (275 licenses granted out of 500 applications); (ii) 331 prohibited and banned fishing devices collected from about 100 fishermen; (iii) authorized and compliant fishing devices procured and supplied to 275

fishermen at a subsidized rate; and (iv) acquisition of 5 motorized boats to better enforce management rules for the lake through frequent patrols. PASA has reached approximately 31 percent of its 75,100 beneficiary target.

Rural Development Support Project (PADAT)

Amount: \$20 million grant

Supervising Entity: International Fund for Agricultural Development (IFAD)

GAFSP Grant Awarded: June 2010

Project Status: Under implementation

For more information:

<http://www.gafspfund.org/content/togo>

Project Description: The development objective of PADAT is to contribute to improving food security and incomes of smallholders' farms as well as the development of the rice, maize and cassava value chains. This objective will be attained through increased production and productivity of rice, maize, and cassava as well as improved processing and marketing of rice, cassava and maize. A third component has been adapted with Global Environment Facility funding aimed at mainstreaming climate change adaptation into PADAT interventions.

Results to date: To date, PADAT has reached 53,500 direct beneficiaries, more than the 50,000 target set at project start. A mid-term review was carried out in April 2014, and implementation is being adjusted based on its findings. During the past year, the project has contributed to the following outputs:

- 308 farmers organizations upgraded to cooperative status according to local business law
- 115 farmers organizations unions trained in farming business plans
- 272 farmers organizations and 50 farmers organizations unions trained in leadership and organizational management
- 83 farmers organizations provided with processing equipment
- 460 maize processing equipment distributed to farmer organizations members
- 125 young men and women trained in farm management and entrepreneurship

Uganda

Mutisectoral Nutrition Project

Amount: \$27.6 million grant

Supervising Entity: World Bank

GAFSP Grant Awarded: September 2013

Project Status: Under preparation

For more information:

<http://www.gafspfund.org/content/uganda>

Project Description: The project aims to increase production and consumption of micronutrient-rich foods and utilization of community-based nutrition services in smallholder households in project areas. The project focus is on promoting short-term changes in high-impact nutrition behaviors and practices that are known to contribute to medium- and long-term stunting reduction.

The project will improve smallholder farmer access to start-up materials to increase household production of nutritious foods, while implementing targeted nutrition and health education through schools and community-based agriculture extension and health services. It will also support community-led school demonstration gardens, education for women's groups, and scaling-up micronutrient supplementation. The project will target smallholder households around participating public primary schools in selected districts: The primary beneficiaries will be on the identified vulnerable populations of pregnant and lactating women and under-2 children, as well as primary school children, parent groups, and lead farmers.

Results to date: The project is still under preparation.

Pearl Dairy

Amount: \$ 4 million loan

Supervising Entity: IFC

GAFSP Grant Awarded: November 2013

Project Status: Under implementation

For more information:

<http://www.gafspfund.org/content/pearl-dairy>

The investment comprises of an A-loan package of \$8 million to Pearl Dairy Farms Limited, a milk processor in Uganda, to support the operations of its milk processing plant and the establishment of milk collection centers. Pearl Dairy has set up the second largest milk processing plant in Uganda with a capacity of 240,000 liters of milk per day and is producing mainly milk pow-

der and butter oil. The plant started trials in April 2013 and commercial production in June 2013. Pearl Dairy is also building up milk collection centers along with cold chain infrastructure in order to facilitate milk collection from remote smallholder farms.

As a result, the Project will create 150 direct jobs, improve the livelihoods of more than 10,000 farmers in remote rural areas by providing market access and technical support, and increase the nutritional intake of local residents through consumption of milk and other dairy products.

GAFSP funding plays a catalytic role to create opportunities to support innovative private sector investments and deliver a level of additionality and development impact beyond what is possible through IFC's regular operations.

Vanuatu

Coconut Oil Processing Santo Limited (COPSL): Supporting Primary Production and an Inclusive Business Model

Amount: \$1 million loan

Supervising Entity: IFC

GAFSP Awarded: June 2013

Project Status: Under preparation

For more information:

<http://www.gafspfund.org/content/copsl>

COPSL is a coconut oil processing mill located in Luganville on the island of Espiritu Santo, Vanuatu. COPSL plans to diversify its product range by adding value to its existing products (crude coconut oil and copra meal), including biodiesel, refined bleached deodorized oil, organic coconut oil, organic copra meal, and pelletized copra meal. In order to execute this plan, COPSL requires funding for capital expenditure and working capital.

GAFSP's support to the company will be a \$1.5 million subordinated loan. An additional \$1.5 million will be mobilized from IFC, and \$1.5 million will be secured from the national pension fund. This project supports the largest private sector coconut oil processor and copra buyer in Vanuatu. The copra sector will impact about 40 percent, or about 100,000, of the country's population, 76 percent of whom live in rural areas. The project will improve the long-term sustainability of copra supply, reduce reliance on imported diesel, and increase access to food, household supplies, and fuel in the outer island.

Yemen

Smallholder Agricultural Productivity Enhancement Project (SAPEP)

Amount: \$36 million grant
Supervising Entity: World Bank
GAFSP Grant Awarded: September 2013
Project Status: Under preparation
For more information:
<http://www.gafspfund.org/content/yemen>

Project Description: The project aims to increase the adoption and use of productivity-enhancing crop and livestock practices by smallholders in targeted project areas. This will be carried out through community sub-projects and investments that will protect land and water assets, thus contributing to crop and livestock productivity. Subprojects and investments will be undertaken in: (i) community land and water management such as terraces, the construction of water-harvesting structures, and small-scale spate irrigation sub-projects, (ii) livestock production improvements such as expansion of the availability and reach of community animal health workers, improving livestock feeding through livestock extension and services, and supporting community-based activities such as bee-keeping, (iii) Community-based research and extension to introduce or expand improved rainfed staple and higher nutrition content and higher value crops. Investments under this activity would support village seed banks, demonstration plots, and production of agricultural inputs such as locally adapted seeds for higher-productivity cereals cultivation, building on the successful model of farmer-based seed improvement and management, (iv) value addition to support community cooperatives and associations engaged in business development, horticulture marketing, selling improved livestock products, and other activities that improve the value of agricultural products.

Results to date: The project is still under preparation.

Zambia

Agriculture Productivity and Market Enhancement Project (APMEP)

Amount: 31.1 million grant
Supervising Entity: African Development Bank (AfDB)
GAFSP Grant Awarded: September 2013
Project Status: Under implementation
For more information:
<http://www.gafspfund.org/content/zambia>

Project Description: The project aims to contribute to economic growth and poverty reduction by enhancing food, income and nutrition security, among participating households. This will be achieved through development of irrigation, aquaculture and livestock production support, crop diversification and intensification, as well as value chain development to promote agro-processing, and agriculture service centers. APMEP will develop 10 small-scale irrigation schemes covering about 2,032 ha benefitting 4,115 rural farmers and 56 community-level mini-scale irrigation schemes (less than 20ha each) covering 895 ha and benefitting 8,400 farmers. Aquaculture activities will involve installing 280 fish pens and 340 fish cages benefitting 16,000 people. For livestock, a livestock (goats/sheep) pass-on scheme will be developed for 180 women groups (3,600 women) and 30 youth groups (600 youths), poultry (village/local chickens) management will be improved benefitting 3,000 women and 200 youth poultry keepers, and a thermal stable Newcastle vaccine will be promoted through a vaccination campaign. Under value chain development, four small-scale maize, cassava and feed mills will be developed; community-level value addition equipment will be made available (40 honey presses and 70 solar dryers for rural women and youth groups); six small-scale agriculture service (agro-market) centres (ASC) will be established; 12 roadside markets will be constructed; 50km rural feeder roads will be rehabilitated; and a mobile phone based agriculture market information system will be established. APMEP is expected to directly benefit about 75,000 people including 33,750 women (45 percent) and 2,000 youths (2.7 percent).

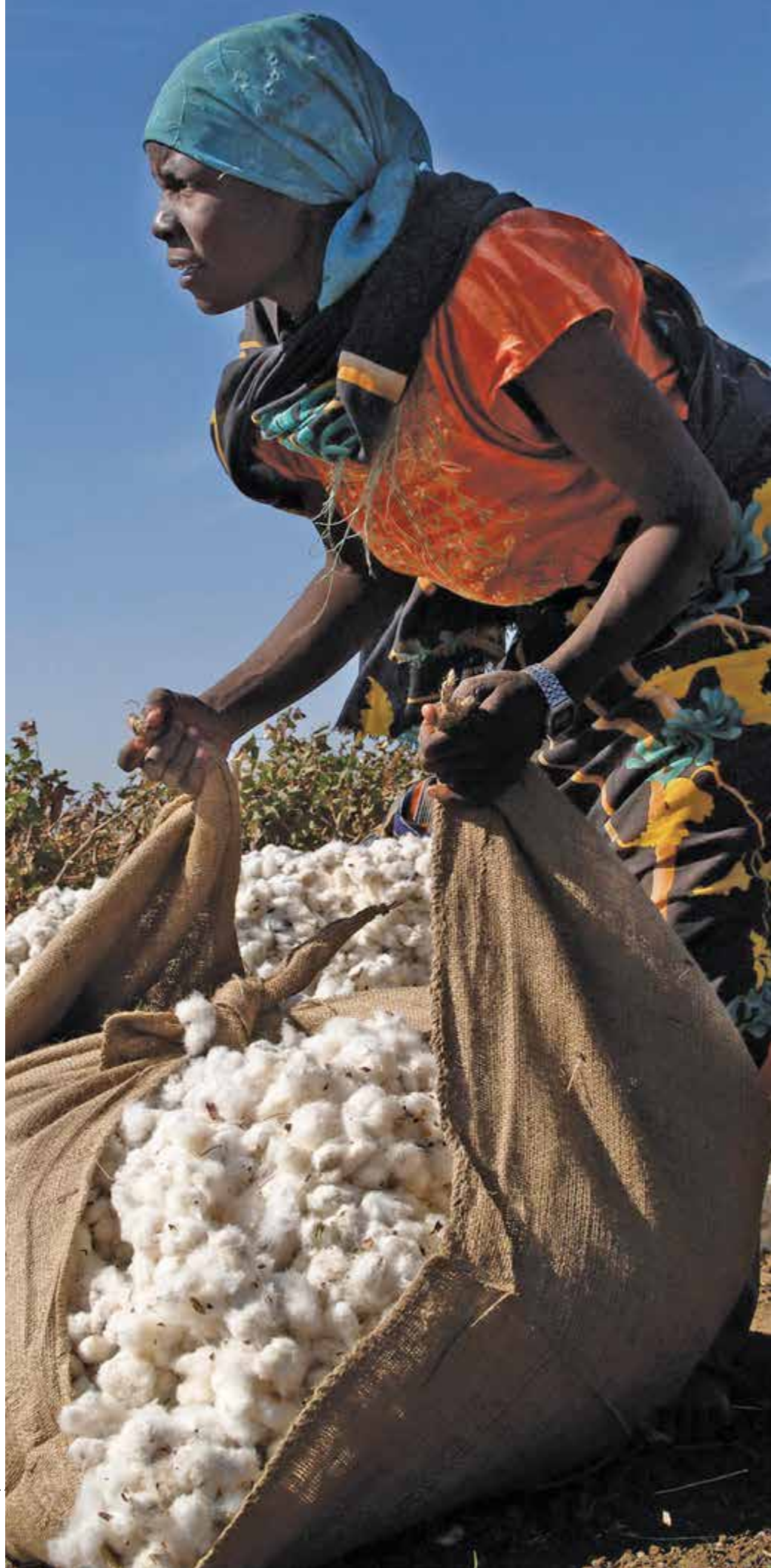
Results to date: Implementation is still in start-up phase.

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