

AFRICAN DEVELOPMENT BANK
ADB/BD/WP/2021/79/Approved

AFRICAN DEVELOPMENT FUND
ADF/BD/WP/2021/56/Approved

9 June 2021

Prepared by: RDGW/AHAI/COLR/AHFR/PGCL
Original: English

BOARD APPROVAL
Lapse-of-time Procedure

7 June 2021

FOR INFORMATION

MEMORANDUM

TO : THE BOARDS OF DIRECTORS

FROM : Vincent O. NMEHIELLE
Secretary General

SUBJECT : LIBERIA - SMALLHOLDER AGRICULTURE DEVELOPMENT FOR
FOOD AND NUTRITION SECURITY (SADFONS)*

GAFSP GRANT OF USD 8.2 MILLION
ADF GRANT OF UA 0,3 MILLION

The **Grants Proposals** and the draft **Resolutions** relating to the above-mentioned project were submitted for **your consideration on a Lapse-of-time Basis** on 24 May 2021.

Since no objection was recorded by 5:00 p.m. on 7 June, the Proposals are considered **approved** and the Resolutions **adopted**.

AFRICAN DEVELOPMENT BANK GROUP



LIBERIA

**SMALLHOLDER AGRICULTURE DEVELOPMENT FOR FOOD AND
NUTRITION SECURITY (SADFONS)**

RDGW/AHAI/COLR/AHFR/PGCL DEPARTMENTS

June 2021

TABLE OF CONTENTS

	Page
TABLE OF CONTENTS.....	i
Currency Equivalents.....	i
Fiscal Year.....	i
Weights and Measures.....	i
Acronyms and Abbreviations.....	i
Grant Information.....	iii
.....	iii
Project Summary.....	iv
Project Timeframe.....	vii
I STRATEGIC THRUST & RATIONALE.....	1
1.1. Project linkages with country strategy and objectives.....	1
.....	2
1.3. Donors coordination.....	3
II PROJECT DESCRIPTION.....	4
2.1. Project components.....	4
2.2. Technical solutions retained and alternatives explored.....	7
2.3. Project type.....	8
2.4. Project cost and financing arrangements.....	8
.....	9
2.6. Participatory process for project identification, design and implementation.....	10
2.7. Bank Group experience, lessons reflected in project design.....	10
2.8. Key performance indicators.....	11
III PROJECT FEASIBILITY.....	11
3.1. Economic and financial performance.....	11
3.2. Environmental and Social impacts.....	12
IV IMPLEMENTATION.....	15
4.1. Implementation arrangements.....	15
4.2. Monitoring.....	17
4.3. Governance.....	17
4.4. Sustainability.....	17
4.5. Risk management.....	18
4.6. Knowledge building.....	18
V LEGAL INSTRUMENTS AND AUTHORITY.....	19
5.1. Legal instrument.....	19
GAFSP Grant and ADF Grant to the Republic of Liberia.....	19
.....	19
5.3. Compliance with Bank Policies.....	19
VI RECOMMENDATION.....	19

Appendix I. -economic indicators

Appendix III. Map of Liberia

Appendix IV. Progress Toward Achieving the SDGS

Currency Equivalents

As of December 2020

UA	=	LRD 225.285
UA	=	USD 1.43009
US\$	=	LRD 157.532

Fiscal Year

01 July 30 June

Weights and Measures

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

Acronyms and Abbreviations

ADF	African Development Fund
AfDB	African Development Bank
ASRP	Agricultural Sector Rehabilitation Project
ASWG	Agricultural Sector Working Group
BPS	Borrower Procurement System
CARI	Central Agricultural RecM0(e)4(i1S3W* n BT /F1 1E.0000088btype/Footer>> B3dt) 0 g

Project Summary

Project Overview: The proposed Smallholder Agriculture Development for Food and Nutrition Security (SADFONS) project seeks to improve food and nutrition security and reduce poverty of targeted rural populations in Liberia. This will be achieved through (i) increased agricultural productivity and production of smallholder farmers (with a focus on food crops access and income, and (iii) strengthening the capacity of the government institutions, farmers

Project Timeframe

Task Name	2021				2022				2023				2024 - 2025				2026		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
[Redacted Content]																			

1.1.5. The proposed project responds to the issues of food and nutrition security, and persistent poverty emphasized -2023. The Plan prioritizes agriculture as central to economic transformation, supporting the development of priority value chains, including rice, cassava and horticulture, with specific focus on women and youth. This agenda is further elaborated in LASIP II 2018-22 that identifies food and nutrition security;

1.3. Donors coordination

Sector or subsector*	Size



II -

Table 2.2: project alternatives considered and reasons for rejection

Alternative name	Brief description	Reasons for rejection
1.		

Table 2: Summary of Program Cost by Category of Expenditure

	(LRD, million)	(US\$)
Expenditure Category		

lead times; (ii) Limited capacity to process Bank related documents at different levels of Government; (iii) excessive delay by contractors and consultants to deliver on the contracts; and (iv) sometimes, delay by the Bank to provide prompt feedback to requests submitted by the projects.

2.7.3 The lessons learnt from th

for implementation efficiency and sustainability. The proposed operation takes into account the identified key lessons learned. These include: (i) the importance of quality at entry - as lack of detailed designs at project start-up results in implementation delay; (ii) ensuring adequate national stakeholders consultation to enhance project ownership and sustainability; and (iii) institutional capacity and implementation there were challenges in the implementation of SAPEC due to inadequate staff capacity at the Project Implementing Unit.

2.8. Key performance indicators

2.8.1

Results-Based Logical

Framework. Regular implementation progress will be measured through bi-annual Bank supervision missions, quarterly project progress report and annual technical and financial audit reports. The Project Implementation Unit will collect and analyse data to monitor progress and submit to the Bank on agreed timeframes.

2.8.2

Sector Indicators and GAFSP core development indicators, were developed together with the Government of Liberia technical team and validated during project preparation. Impact indicators include: (i) Proportion of households who are categorized as food insecure [Food Insecurity Experience Scale (FIES)] and (ii) Household income. Outcome indicators include: (i) % increase in yield of cassava and rice and (ii) Stunting amongst children under five. Gender dis-aggregated indicators will inform decision-makers to guide project mid-term review and to facilitate project management outcomes after completion. The Liberia Country Office of the Bank and FAO will play an active role in coordination, capacity support, sector dialogue, project supervision and monitoring.

III – PROJECT FEASIBILITY

3.1. Economic and financial performance

3.1.1 Based on the objective and component structure, the Project is expected to generate benefits of different nature. Such benefits include: (i) increased yields; (ii) increased resilience to weather

under the project interventions and assuming different adoption rates, extracted from the costing exercise. Economic benefits from enterprise models have been aggregated using an expected number of small enterprises to be supported by the project and for the agricultural models for the number of hectares. Benefits are phased-in progressively for all types of interventions.

3.1.4 Economic costs associated with improving productivity and agri-

3.2.2 Climate Change

and Banks PMP) being used for specific transactions or groups of similar transactions under the project. The appropriate risks mitigation measures have been factored in the entire procurement arrangements of the project.

V – LEGAL INSTRUMENTS AND AUTHORITY

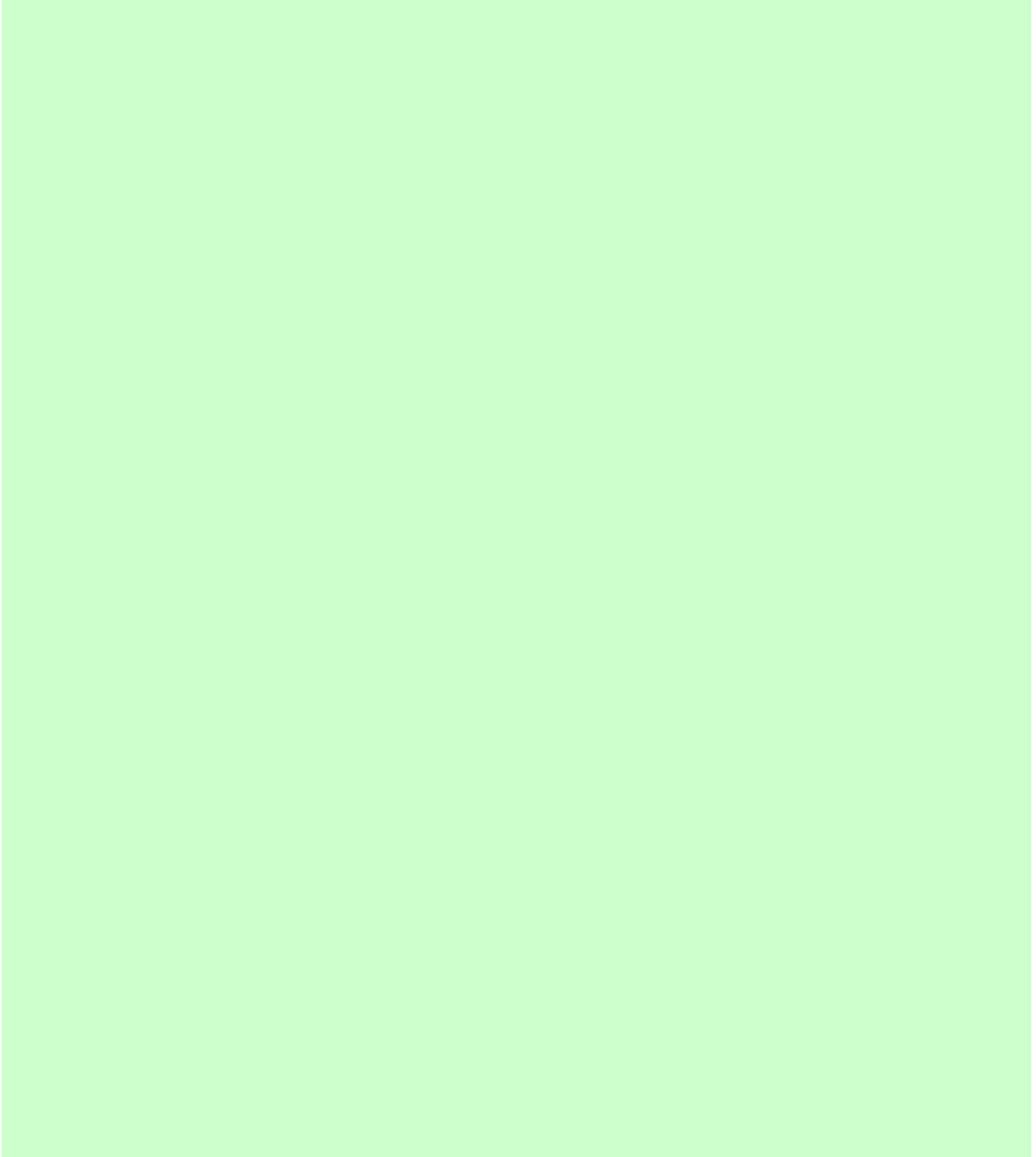
5.1. Legal instrument

GAFSP Grant and ADF Grant to the Republic of Liberia.

5.

- **Conditions Precedent to Entry into Force:** The Protocol of Agreement for the ADF Grant and the Grant Agreement for the GAFSP Grant shall enter into force on the date of signature by the Recipient, the Fund and the Bank respectively.
- **Conditions Precedent to First Disbursement:** The obligation of the respectively

Appendix I. Liberia's comparative socio-economic indicators



Appendix III. Map of Liberia



Appendix IV. Progress Toward Achieving the SDGS

ENVIRONMENTAL AND SOCIAL COMPLIANCE
(ESCON)

AFRICAN DEVELOPMENT BANK GROUP

A. Basic Information¹

Project Title: Smallholder Agriculture Development for Food and Nutrition Security | Project "SAP code": P-LR-AA0-010
Country: Liberia | Lending Instrument²: DI FI CL BS GU RPA EF



AFRICAN DEVELOPMENT BANK

BOARD OF DIRECTORS

Resolution N° : B/LR/2021/14

Adopted by the Board of Directors on a lapse-of-time basis, on 7 June 2021

Grant to the Republic of Liberia from the approved resources of the Global Agriculture and Food Security Program (GAFSP) Trust Fund to finance part of the costs of the Smallholder Agriculture Development for Food and Nutrition Security (SADFONS) Project

THE BOARD OF DIRECTORS,

HAVING REGARD TO: (i) Articles 1, 2, 10, 12, 13, 17, 32 and 37 of the Agreement Establishing the African eement under the Global Agriculture and Food Security Program (GAFSP) Trust Fund between the Bank and the International Bank for Reconstruction and Development and (iii) the Appraisal Report contained in document ADB/BD/WP/2021/79/Approval-ADF/BD/WP/2021/56/Approval (the

RECALLING THAT:

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

HAVING CONSIDERED:

- (i) That on 12 December 2019, the GAFSP Steering Committee approved a grant of an amount not exceeding Eight Million, Two Hundred Thousand United States Dollars (USD 8,200,000) out of the resources of the GAFSP Trust Fund, to the Republic of Liberia to finance part of the costs of the Smallholder Agriculture Development for Food and Nutrition Security (SADFONS) Project ; and
- (ii) The letter of commitment issued by IBRD as Trustee of the GAFSP Trust Fund on 14 May 2021, for an amount not exceeding Eight Million, Two Hundred Thousand United States Dollars (USD 8,200,000) in favor of the Bank for the implementation of the Project;

DECIDES as follows:

1. To award to the from the approved resources of the GAFSP Trust Fund, a grant of an amount not exceeding Eight Million, Two Hundred Thousand United States Dollars (USD 8,200,000) to finance part of the costs of the Project;
2. To authorize the President to conclude a grant agreement between the 2 Tf 1 0 0 7(nt)7()-62(a)-4F0(e)-3(t)-2