



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 02-Mar-2023 | Report No: PIDC35743



BASIC INFORMATION

A. Basic Project Data

Country Eastern and Southern Africa	Project ID P177816	Parent Project ID (if any)	Project Name Eastern and Southern Africa Food Systems Resilience Program (Phase 3) (P177816)
Region EASTERN AND SOUTHERN AFRICA	Estimated Appraisal Date Mar 20, 2023	Estimated Board Date May 17, 2023	Practice Area (Lead) Agriculture and Food
Financing Instrument Investment Project Financing	Borrower(s) Republic of Mozambique, The Republic of Kenya, The Federal Republic of Somalia, The Republic of Malawi, The Union of Comoros	Implementing Agency Ministry of Agriculture and Irrigation (MoAI), Somalia, Ministry of Agriculture, AGCOM, Malawi, Minsitry of Agriculture & Livestock Development (MoALD), Kenya, Integrated Development and Competitiveness Project (PIDC), Comoros, National Agriculture Research Institute of Mozambique (IIAM), Mozambique, ProAzul Blue Economy Development Fund, Mozambique	

Proposed Development Objective(s)

To increase the resilience of food systems and preparedness for food insecurity in Project areas

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	678.00
Total Financing	678.00
of which IBRD/IDA	678.00



Financing Gap	0.00
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DETAILS

World Bank Group Financing

International Development Association (IDA)	678.00
IDA Credit	170.00
IDA Grant	508.00

Environmental and Social Risk Classification

High

Concept Review Decision

Track II-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. This Project Information Document (PID) covers Phase 3 of the Food Systems Resilience Program (FSRP) covering Eastern and Southern Africa (AFE) using a multi-phase programmatic approach (MPA), hereafter referred to in this document as “the Program,” or “the MPA.” Phase 3 is proposed to cover the Union of the Comoros, the Republic of Malawi, the Republic of Kenya, the Republic of Mozambique, the Federal Republic of Somalia, and the African Union Commission (AUC) with a joint envelope of US\$678 million.
2. This proposed Phase 3, follow on the experience gathered under previous Phase 1 and 2, which were as follows:
 - (a) **Phase 1 (IPF - P178566)** was approved on June 21, 2022, for an amount of US\$ 788.1 million, with the objective of “*increasing the resilience of food systems and preparedness for food insecurity in Project areas*”. It covered the countries of Ethiopia and Madagascar, plus the Intergovernmental Authority on Development (IGAD), and the Centre for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA); and
 - (b) **Phase 2 (PforR – P179818)** is being proposed to be approved on May 17, 2023 for an amount of US\$200 million, with the objective of “*supporting food system resilience by strengthening agricultural service delivery, the adoption of climate resilient technologies and fiscal performance in the agricultural sector*”. It includes only the country of Tanzania.
3. The FSRP provides a comprehensive framework for intervening at both the national and regional levels. It aims to tackle both the underlying structural challenges of food insecurity and reduce beneficiaries’ sensitivity to unpredictable climate, crisis, and conflict events. It aims to achieve this by building resilient food production capacity, promoting the sustainable use of natural resources, enhancing food marketing, fostering resilience-focused public policies, and improving



regional coordination.

4. The food systems of the AFE region are some of the most vulnerable in the world. AFE is home to over 656 million people, many of whom are extremely poor and face significant challenges accessing adequate, safe, and nutritious food. The region's food systems are generally beset by low levels of agricultural productivity, a severely degraded and stressed natural resource base, pronounced gender inequities in food and resource access, and relatively low levels of food trade and regional market integration. AFE is also among the region's most affected by fragility, conflict, and violence (FCV) as well as the effects of climate change. Food system shocks, including the ones precipitated by extreme weather, pest and disease outbreaks, political and market instability, and conflict, are generally becoming more frequent and severe, putting more people at risk of being affected by both chronic and acute forms of food insecurity.

5. A major long-term contributor to food insecurity in AFE is the changing climate. Climate change has already increased the frequency and severity of extreme weather events across Sub-Saharan Africa (SSA) and accelerated the cycle of food production shocks. Agriculture in AFE is particularly vulnerable to drought considering that about 90 percent of crop production is rainfed. Climate change also affects pest and disease vectors with the potential to harm crops and animals, and major locust outbreaks have plagued the Horn of Africa (HoA) in recent years. The increased frequency of weather-induced shocks such as these is making it even more challenging to sustain adequate long-term growth in per capita food production.

6. In this context, high returns are expected on investments in climate adaptation. Across SSA, spending of US\$15 billion on agricultural and food system adaptation could save an estimated US\$201 billion annually.¹ Meanwhile, the latest projections indicate that the world is not on track to meet the Paris Climate Agreement target of limiting warming to 1.5 degrees over preindustrial temperatures. A 3-degree trajectory could catastrophically disrupt African food systems within the next 30 years, greatly narrowing the potential for adaptation.

7. Violent conflict has surged since 2010, food and water insecurity being both a consequence and a cause of conflict. AFE harbors some of Africa's most protracted conflicts and these have left several countries in a fragile state. Increased internal competition for land and water, particularly between pastoralists and crop producers, is a significant source of conflict. In turn, physical insecurity dissuades investment and disrupts the distribution systems that move food from surplus to deficit areas, while open conflict destroys infrastructure and other capital stocks essential for income growth. As violence intensifies, accompanying uncertainties cause food production shifts from commercial orientation toward more of a subsistence one, due to restrictions in accessing farmland and markets, while hindering regional integration and trade.

8. Across the region, women and girls have generally grown more vulnerable and food insecure over the past years. Globally, food insecurity affects more women than men, and this gender difference has been exacerbated by recent shocks. Across the region, female farmers lacked access to productive assets, input and output markets, and information even before the pandemic began. And in a rapid gender assessment carried out after the pandemic started in 2020², more than two-thirds of women in Malawi indicated facing a decrease in food availability, an increase in food prices, and a decrease in the supply of agriculture inputs. In AFE, the effects of food insecurity on women are dire and frequently come on top of inequalities in access to health care, markets, and income. In addition, the impacts of climate change on food

¹ https://gca.org/wp-content/uploads/2021/10/GCA_STA21_Sect2_AGRICULTURE-AND-FOOD.pdf

² UN Women, United Nations Population Fund (UNFPA), and partners (2020) CATI COVID-19 rapid gender assessments (unpublished data) in Impact of COVID-19 on Gender Equality and Women's Empowerment in East and Southern Africa. Nairobi: UN Women and UNFPA, East and Southern Africa Regional Offices.



and agriculture have been shown to worsen gender-based violence (GBV).

Sectoral and Institutional Context

9. Agricultural productivity in AFE remains low by international standards and has not been the primary driver of sector growth. Cereal yields in Sub-Saharan Africa rose by 38 percent in the 38 years from 1980 to 2018 or roughly half the rate observed in South and Southeast Asia. However, over the past several decades, agricultural growth in SSA has been owed more to agriculture's expansion than to its intensification, with studies suggesting that only about one-quarter of growth in crop output has been attributable to yield growth.

10. Agriculture's expansion has been damaging to the region's forests, water resources, soil, and biodiversity. In fact, the agricultural sector has been the leading driver of soil degradation, land use change, and forest and biodiversity loss in AFE and the wider region. In recent decades, the rate of deforestation in AFE has largely exceeded the global average. Between 1990 and 2006, while the world lost an average of 0.1 percent of its forests each year, AFE lost an average of 0.3 percent per year. Poor agricultural land management practices have also been harmful to ecosystem services, leading, among other things, to a decline in soil fertility, carbon sequestration, and groundwater recharge and to the degradation of watersheds.

11. In turn, the conversion of forests and grasslands into cropland and pasture, the degradation of soil and water resources, and the loss of ecosystem services have put downward pressure on agricultural productivity. In the 10 AFE countries, land degradation costs an average of US\$108 per person per year or 9 percent of gross domestic product (GDP) in land productivity losses related to a combination of human-induced soil erosion, acidification, nutrient leaching, and compaction.³

12. Despite these challenging circumstances, there are several reasons to be optimistic about the potential for agriculture-led growth to build up food systems resilience in the region. First, the agricultural and food sector remains a significant source of economic growth and job creation in AFE. Agriculture accounted for nearly 15 percent of AFE's GDP in 2020, and the sector has been growing relatively fast. As much as 59 percent of AFE's population was employed in agriculture as of 2019, and in some countries, even larger shares were: 86 percent in Burundi, 80 percent in Somalia, 76 percent in Malawi, and 70 percent in Mozambique.

13. There is significant scope for improving the management of natural capital in the region, thereby strengthening the very foundations of resilient food production and rural livelihoods. Improved soil and water management is critical for food systems resilience. More efficient irrigation can help support agricultural productivity and diversification under a changing climate. Soil is widely and significantly degraded, yet is of critical importance to agricultural productivity, water use efficiency, water quality management, and carbon storage. A multitude of agroecological farming practices involving managed grazing, reduced tillage, cover cropping, permaculture, polyculture, landscape features, and more can contribute to promoting soil health and building soil organic matter and carbon storage capacity.

14. While trade can also help expand agrifood business opportunities, it can also help stabilize food availability and access across the region's markets in a context of increasingly frequent and intense climate and other shocks. Further integration of agricultural markets, removal of technical barriers to trade, harmonization of trade modalities (including sanitary and phytosanitary [SPS] standards and controls), and coordination of responses to shocks, under the African Continental Free Trade Area (AfCFTA) or other initiatives like trade facilitation platforms, could contribute to building food systems

³ Source: Global Mechanism of the United Nations Convention to Combat Desertification. 2018. Country Profiles. Investing in Land Degradation Neutrality: Making the Case. An Overview of Indicators and Assessments. Bonn, Germany.



resilience. The implementation of the AfCFTA is expected to increase intracontinental trade in agricultural goods by 49 percent and trade in processed food by 90 percent. It is also expected to increase trade between Africa and the rest of the world by 10 percent.⁴

15. Significant opportunities exist to use public resources more effectively and better align them with food system objectives. In several countries, bloated expenditures on unproductive investments, such as poorly targeted input subsidies that undermine resilience, are crowding out more productive investments in agricultural R&D and extension, climate and market information, and other services. The resilience of food systems can be strengthened by repurposing public resources, reforming fiscal and other policies, and enhancing food systems governance and institutions.

16. More generally, the food systems resilience agenda calls for strengthening food systems governance and policy at the national, subnational, and regional levels. Strong public policies and institutions are needed to use and leverage public and private resources more effectively. In that respect, efforts are needed to align resources with evidence-based priorities; coordinate efforts across sectors, agencies, levels of government, and polities; enable knowledge-sharing and learning; and identify and pursue spending synergies.

17. Regional and cross-regional partnerships, coalitions, and investments in public goods are another way of amplifying scarce public resources in support of food systems resilience in AFE. It is worth noting that in AFE, a large share of land and water degradation plays out in transboundary valleys and watersheds and cannot be effectively addressed without coordinated interventions by upstream and downstream riparian countries. Food crisis prevention and management are also best carried out at a regional level, the latter enabling greater risk diversification and transfer than a national approach.

Relationship to CPF

18. The MPA aligns with key regional World Bank strategies. It supports thematic pillar 2 (“Promoting Trade and Market Integration”) and thematic pillar 4 (“Reinforcing Resilience”) of the 2020 Africa Regional Integration and Cooperation Assistance Strategy Update for FY21–FY23, and it directly contributes to the new FCV strategy’s pillars of engagement #1 prevention and #3 transition out of fragility and the World Bank Group (WBG) Climate Change Action Plan 2021–2025. Mainstreaming climate change and addressing climate resilience constitute key priorities in the World Bank’s 2025 climate change targets. The Program is also aligned with the WBG COVID-19 Crisis Response Approach Paper to mitigate the socioeconomic impacts of the COVID-19 crisis; the WBG Gender Strategy (FY16–FY23) on enhancing human development outcomes, improving economic opportunities, and removing barriers to asset ownership; and the Africa Region Gender Action Plan (FY19–FY22).

C. Proposed Development Objective(s)

20. To increase the resilience of food systems and preparedness for food insecurity in Project areas.

Key Results (From PCN)

21. The PrDO is to increase the resilience of food systems and preparedness for food insecurity in participating

⁴ The World Bank. 2020. The African Continental Free Trade Area: Economic and Distributional Effects.



countries.

22. Program-level indicators include: (i) Reduction in food insecure people in Program-targeted areas (percentage); (ii) Farmers adopting resilience-enhancing technologies and practices (number); (iii) Land area under sustainable land management practices (hectares); (iv) Increase in volume of agricultural production sold on domestic and regional markets (percentage); (v) Policy products adopted with program's support related to agriculture, natural resource management, and food system resilience (number).

D. Concept Description

23. The MPA's goal is to increase the resilience of the region's food systems, thereby putting all people in the region, including the most vulnerable, on a path to having reliable access to adequate, safe, and nutritious food, while contributing to enhancing rural livelihoods and healthy ecosystems. While priority is given to medium-term investments, the Program also offers short-term support in case of deteriorating food security situation. To this end, the Program is built on five pillars: (1) Responding to a Deteriorating Food Security Situation, (2) (Re-)Building Resilient Agricultural Production Capacity, (3) Supporting the Sustainable Development of Natural Resources for Resilient Agricultural Landscapes, (4) Getting to Market, and (5) Promoting a Greater Focus on Food Systems Resilience in National and Regional Policymaking. It also includes contingent emergency response and project management components.

24. Pillar 1: Responding to a Deteriorating Food Security Situation. This pillar will provide short-term support to farmers and households to restore basic productive capacity following climate-related shocks. It will also provide support to participating countries in mitigating the impact of crises and price spikes in food, feed, and fertilizers on the most vulnerable populations. This support may include procuring and distributing agricultural inputs including seeds and fertilizer, vouchers for the purchase of inputs from local markets if available, animal feed, and livestock; clearing and restoring affected areas or on-farm facilities; and facilitating access to fertilizers as short-cycle or rapid food production solutions. Financing for the labor-intensive restoration of infrastructure, engaging crisis-affected populations, will also be made available to borrowers/recipients. The Program will also provide technical assistance for the deployment of this support.

25. Pillar 2: (Re-)Building Resilient Agricultural Production Capacity. This pillar will focus on agricultural production and related supporting services. It will build climate resilience and support agricultural producers' access to quality inputs, technology, and know-how and a suite of upstream and downstream agricultural services. It will also support agricultural research and innovation systems, extension and advisory services, agricultural information systems, the provision and financing of high-quality inputs and risk management tools, gender-smart agriculture, quality assurance systems for farm inputs and outputs, productive infrastructure, and other publicly and privately provided goods and services with a particular focus on resilience. The pillar will support both the development of these services as well as farmers' ability to benefit from them—working with the full “ecosystem” of stakeholders involved in primary food production.

26. Pillar 3: Supporting the Sustainable Development of Natural Resources for Resilient Agricultural Landscapes. The pillar will adopt a watershed or landscape approach to enhance the sustainable and resilient use of natural resources for food systems and livelihoods within priority areas, consistent with the spatial, ecological, and socioeconomic contexts of the participating countries and responding to changing climatic conditions.

27. Pillar 4: Getting to Market: This pillar aims to improve physical and economic access to sufficient, safe, and nutritious food by improving agrifood producers' access to domestic and international markets and enhancing marketing infrastructure by supporting (a) producers' capacity to participate in domestic and international markets, including by



helping them organize and meet market standards, and (b) the development of well-functioning distribution, logistics, other marketing, and quality infrastructure. Pillar 4 will help increase and diversify the sources of farming households’ income, while enhancing domestic and regional food availability. These effects will, in turn, improve farming households’ access to adequate, safe, and nutritious food; help them smooth their consumption; preserve their assets when shocks occur; and accumulate assets.

28. Pillar 5: Promoting a Greater Focus on Food Systems Resilience in National and Regional Policymaking. Pillar 5 will work closely with national government agencies and regional organizations to support high-level policies, initiatives, institutional arrangements, and even budgeting decisions that have cross-cutting relevance to food systems resilience. It is in this high-level and cross-cutting focus that Pillar 5 distinguishes itself from the more thematically or sector-focused policy efforts of Pillars 1, 2, and 3. In Phase 1, the Program will specifically build the capacity of the Intergovernmental Authority on Development (IGAD) and the Centre for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA), but other organizations such as the African Union Commission (AUC) and the Southern Africa Development Community (SADC) are expected to be involved in future phases.

Contingency Emergency Response Component (CERC)

29. This Program will finance eligible expenditures in the event of an emergency precipitated by a disaster. Activation of CERC allows funds to be disbursed rapidly to reduce damage to infrastructure, ensure business continuity, and recover more rapidly from a disaster. Following a major disaster, the affected participating country may request that the World Bank channel resources from other MPA pillars into the CERC. As a condition for disbursement, an emergency response manual will be developed for each country, stipulating the fiduciary, safeguards, monitoring, and reporting requirements related to invoking the CERC as well as other coordination and implementation arrangements.

Program Management.

30. This Program component will finance all aspects of program management. They include equipment and materials, training, compliance with fiduciary, procurement, and Environmental and Social Framework (ESF) requirements, Monitoring & Evaluation and impact assessment, knowledge management, and communications. At the national level, these activities will be performed by the Project Implementation Units (PIUs).

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	Yes
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

31. Overall, the program will bring about positive benefits such as increasing rural employment opportunities and improving rural livelihoods through improved agricultural productivity. Its positive environmental outcomes include resilient and sustainable water supply for productive food system and water and soil moisture conservation investments. The Program recognizes that building resilience is a long-term process that requires linkages across levels (regional, national, sub-national and local). The TA activities include strengthening the national and regional public policies and systems’ response capacity to various shocks and stressors, thus enabling them to contribute to greater food system resilience. As such, the role of AUC will be to provide technical assistance; support knowledge management and communications related to innovations and technologies and organize capacity-building, training programs and increase capacity and cooperation.



Risks associated with the TA by AUC and participating countries relate to inclusion in engagement, ensuring the requirements of the ESF are fully reflected in TA activities, access to information, consideration of vulnerable groups; contextual issues (e.g., drought, climate change or overexploitation of natural resources) and cumulative impacts. The program will ensure that consultancies, studies, capacity building, training and any other TA activities are carried out in accordance with the relevant requirements of the ESF. Any outputs from the TA activities and, any environmental and social (E&S) assessments, shall also be consistent with the ESF. These requirements will be captured in the Environmental and Social Commitment Plan (ESCP) as well as requirements to build the capacity of the regional institutions on the ESF.

32. Pillars 1, 2, 3, and 4 include various types of civil work that could lead to land acquisition and possibly involuntary resettlement. Under those pillars, the Program may invest in agricultural infrastructure, SSI schemes, small dams, water points, market infrastructure, and small feeder roads. The E&S risks and impacts associated with project activities have been identified as the following: risks associated with land acquisition, poor labor conditions and child labor, OHS, waste generation, hazardous material management, noise and vibration, wastewater discharges and air quality as well as community H&S including sexual exploitation and abuse and sexual harassment (SEA/SH) and other forms of gender-based violence (GBV). Given that the civil works are expected to be minor and rely largely on national contractors, the Project is not expected to lead to significant labor influx. There is also a potential for activities to be implemented in locations where Sub-Saharan African Historically Underserved Traditional Local Communities (SSAHUTLC) are present for seasonal use or occupy lands and natural resources (this is relevant for Kenya and potentially also for Somalia). Program activities may also create or exacerbate the existing tension and conflicts, social discrimination or exclusion and vulnerability of these SSAHUTLC as well as other disadvantaged and vulnerable groups in the project area. Other potential social risks could be related to: (i) insufficient community and other stakeholder engagement; (ii) social tensions/conflicts induced by competition over agricultural resources including access to irrigation water resources and due to the ongoing contextual security risks in conflict-affected areas; (iii) operational concerns due to remoteness and insecurity, including monitoring and supervising social and environmental risks including grievance management; and (iv) weak implementation capacity especially at grassroots level with limited functional structure and trained manpower. The propagation of COVID-19 during the implementation of Program activities has also been identified as a transversal risk.

33. Other risks and impacts include those associated with the operational phase of these improvements/new construction/rehabilitation as well as with the subprojects of the matching grant program: beneficiary selection, child and forced labor, poor labor conditions, occupational health and safety, water and energy consumption, hygiene and food requirements, land and water management, the use of pesticides, manure and veterinary waste management.

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03-Mar-2023