

The Federal Democratic Republic of Ethiopia
Second Agricultural Growth Project
Chair Summary*

March 31, 2015

Executive Directors approved a credit in the amount of SDR 248.3 million (US\$350 million equivalent) to Ethiopia for the Second Agricultural Growth Project (IDA/R2015-0037) on the terms and conditions set out in the President's Memorandum. The Minutes will reflect that Mr. Sheets wished to be recorded as abstaining.

Directors expressed broad support for the operation and recognized the important role of the agriculture sector for the achievement of Ethiopia's development goals. In particular, they acknowledged the demonstrated linkages between agricultural growth and the reduction of poverty, and the role of the project to address improvements in nutrition, gender and climate adaptation and mitigation.

Directors supported the project's aim to increase agricultural productivity and commercialization of small holder farmers and highlighted the need to take stock of results achieved under the predecessor project. Directors welcomed the project's focus areas and emphasized the importance of attention to women farmers, capacity building, and an improved legal and policy infrastructure. Strong results indicators and management was also encouraged, particularly with regard to nutrition. The high value of disseminating basic knowledge and best practices among farmers was also highlighted.

Directors appreciated that the project's geographical coverage includes Gambella Region, noting that this was a first step to increase IDA's engagement to support livelihoods of the most underserved population in the region, including ethnic minorities and, more broadly, pastoralists. They further noted the significant implementation risk associated with the project, including the perceived overlap with the Government Commune Program. In this regard, they underscored the importance of lessons learned from the Inspection Panel case, including comprehensive community consultations, as well as the need to ensure that the proposed mitigation measures are well implemented and closely monitored. In this context, they encouraged the Bank to engage with the Implementation Agencies at all levels as well as with other parts of the World Bank Group.

Finally, Directors commended the Bank's collaboration with other development partners in the sector and welcomed the fact that the project will benefit from additional financing from other donors.

*This summary is not an approved record.