

 Early Warning System

WB-P180505

Additional Financing for Benin Agricultural Competitiveness and Export
Diversification Project



Quick Facts

Countries	Benin
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	A
Voting Date	2024-06-11
Borrower	Government of Benin - Ministry of Agriculture, Livestock and Fisheries
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	\$ 150.00 million
Project Cost (USD)	\$ 150.00 million



Project Description

According to the Bank's website, the project development objective (PDO) is to increase productivity and market access for selected agri-food value chains in Benin.

The World Bank has approved \$150 million in International Development Association (IDA) additional financing to help Benin improve food security and productivity and strengthen the resilience of populations in the country's northern regions.

Components

Component 1: Strengthening the enabling environment and infrastructure for agri-food value chains development

Component 2: Increasing productivity, value addition and resilience

Component 3: Promoting private investment and access to finance

Component 4: Project management

Component 5: Contingent Emergency Response Component (CERC)



Early Warning System Project Analysis

The project will finance the construction of critical public good and club good infrastructures, club-good facilities, irrigation infrastructures, etc. It is also expected that the project builds or rehabilitates cooling rooms at the airport. As part of the restructuring the projects plans to intensify and scale up pineapple and cashew production through : production of 150,000 pineapple in vitro plants ; acquisition and distribution of subsidized fertilizers; rehabilitation of an additional 34, 000 ha of old cashew plantations. The activities including the new ones, would lead to noise project activities related pollution, generation of solid and liquid waste, probable loss of plant cover, accident and occupational health and safety issues. The new activities may indirectly result in a substantial increase of agrochemicals use, ground and surface water pollution, soil erosion, waste generation, and nuisances related to air and noise emissions as well as potential water and energy misuse. Based on activities nature and their magnitude, potential adverse impacts on environment components are expected to remain substantial.

The social risk rated Substantial under the parent project is expected to remain similar in regard to the nature of the risks and features of the additional project scope. As part of the additional financing the project plans to intensify and scale up pineapple and cashew production as well as increased rice and vegetable production. Project Component 2 includes: creation of a 10 ha industrial unit for the production of pineapple vitroplants; installation of a 1,000 ha model farm for pineapple production; acquisition and distribution of subsidized fertilizers and seeds ; rehabilitation of 34 000 ha of old cashew plantations and the creation 7,000 ha of new cashew plantations and replanting of 20% and development of irrigated land (3000 ha) in the north for rice and vegetables. Update of existing and preparation of new studies for irrigation are also planned for Some of these investments and activities would lead to potential adverse social risks and impacts to communities and workers in the activities' implementation areas. The activities will require permanent or temporary land acquisition and disruption of economic activities involving loss of livelihood during agricultural land development. The project will also hire some workforce; while this may positively impact local employment opportunities, it may also cause influx with the associated risks for the surrounding communities related to pressure on local resources and competition for jobs, communicable diseases, and SEA/SH risks. A potential of child labor on worksites and agricultural fields is also an anticipated risk. There could be challenges related to social exclusion such as vulnerable groups (women, youth, minority groups, disabilities, etc.), conflicts (pre-existing ones between farmers and breeders may be exacerbated by the improvements to soil quality as part of the project) and complaints, as well as security risks. Finally, the northern borders of Benin that are part of the AF scope (Malanville and Karimama) are affected by growing threats at the borders, including armed groups and terrorists attacks.



Investment Description

- World Bank (WB)

IDA Credit: US\$ 95.0 Millions

IDA Shorter Maturity Loan (SML): US\$ 55.0 Millions



Contact Information

World Bank

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ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: <https://www.worldbank.org/en/access-to-information/request-submission>

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: <https://www.inspectionpanel.org/how-to-file-complaint>



Bank Documents

- [Additional Financing Environmental and Social Commitment Plan \(ESCP\) - Additional Financing for Beni](#) [Original Source]
- [Additional Financing Environmental and Social Review Summary \(ESRS\) - Additional Financing for Benin](#) [Original Source]
- [Additional Financing Environmental and Social Review Summary \(ESRS\) - Additional Financing for Benin](#) [Original Source]
- [Additional Financing Environmental and Social Review Summary \(ESRS\) - Additional Financing for Benin](#) [Original Source]
- [Additional Financing Stakeholder Engagement Plan \(SEP\) - Additional Financing for Benin Agricultural](#) [Original Source]
- [Benin - Agricultural Competitiveness and Export Diversification Project : Additional Financing](#) [Original Source]
- [Project Information Document - Additional Financing for Benin Agricultural Competitiveness and Expor](#) [Original Source]

Media

- [Benin: \\$150 Million to Strengthen the Competitiveness of Agri-Food Value Chains](#)



Other Related Projects

- WB-P168132 AGRICULTURAL COMPETITIVENESS AND EXPORT DIVERSIFICATION PROJECT