Early Warning System

WB-P514713

Guinea Commercial Agriculture Development Project Phase 2

Quick Facts

Countries	Guinea
Specific Location	Kindia, Boke, Mamou, Kankan, and Forecariah regions
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	A
Voting Date	2026-06-23
Borrower	Government of Guinea - Ministry of Agriculture; and others
Sectors	Agriculture and Forestry, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	$ 131.00 million
Project Cost (USD)	$ 559.00 million

Project Description

The Project Development Objective is to increase commercialization and job creation along agricultural value chains benefiting farmers and rural households in the Program's areas.

The PDACG MPA phase 2 will target 2 other regions (Mamou, Kankan, Forecariah), in addition to the 2 initial ones (Kindia and Boke) and will co-locate investments within targeted economic zones along the Simandou Economic Development corridor.

Component 1 will reinforce the prerequisites physical and institutional infrastructure needed for the development of commercial agriculture. The following activities will be supported:
(i) establishment of aggregation and logistic centers,
(iii) reinforcement of research and extension services.

Component 2 will support the development of value chains within specific clusters or agropoles; it will harness private sector investment in agricultural production and agribusiness. With the support of the IFC, it will mobilize large agribusiness companies to drive the development of strategic value chains within these clusters. It will also reconduct the matching grant approach. Phase 2 will continue to support the PPCG (Partial Portfolio Credit Guarantee) window with FGPE to finance agricultural micro, medium and large enterprises.

Component 3 Phase 2 will boost efforts to
(i) strengthen commercial agriculture regulatory framework and policies;
(ii) enhance Safety Phyto-Sanitary control, quality norms and standards;
(iii) strengthening the capacities of relevant public institutions.

Component 4 is the Contingent Emergency Response Component (CERC).

Component 5 relates to project management and coordination.

Early Warning System Project Analysis

The environmental risk of the project is considered **Substantial** at this appraisal stage due to the nature and scale of the planned activities, the environmental sensitivity of the intervention areas, and the borrower's limited capacity in Environmental and Social Framework (ESF), particularly within the Project Coordination Unit (they have received ESF training but have not yet had hands-on experience on a World Bank ESF project). Added to this is the complexity of the institutional arrangement, which involves several ministries and regional directorates with no prior knowledge of ESF. The project envisages the development of the rice, poultry, and fonio value chains by supporting the transition of family farms toward commercial agriculture in the main growth poles of the Simandou corridor: Kindia, Mamou, and Kankan. In addition, the project will consolidate in the Boké region the critical activities from Phase I, namely the strengthening of physical and institutional infrastructure, including the public infrastructure necessary for the production and marketing of priority products, as well as the establishment of robust input supply and aggregation models to facilitate market access. The implementation of the project activities in biodiversity-rich areas will require the expansion of agricultural land at the expense of existing vegetation and wildlife habitats. Furthermore, the use of chemical fertilizers and pesticides, along with unsustainable agricultural practices, will lead to significant environmental degradation through deforestation, soil erosion, water and air pollution, biodiversity loss, and greenhouse gas emissions. Significant occupational health and safety risks will also be observed. In addition, the promotion of the poultry sector would generate environmental risks and negative impacts, such as the production of large quantities of poultry waste generating greenhouse gases like methane and nitrous oxide, high water consumption, and the use of pesticides and fertilizers for poultry feed production, thereby polluting soils and affecting micro-fauna and micro-flora. Moreover, implementing mitigation measures for these risks and impacts would be complex and would require high-level technical and human resources, given the limited ESF knowledge of the implementing institutions responsible for carrying out environmental mitigation measures.

The project’s social risk is assessed as **Substantial** at appraisal stage, due to : (i) the nature of activities including large works and infrastructure, (ii) the scale of interventions that involves development and rehabilitation of 25, 000 hectares of irrigated land for rice production in Kankan, alongside 5,000 hectares of climate-smart irrigation for maize in Kankan and Kindia; 60 drying areas, 40 storage facilities, poultry cold chain infrastructure, slaughterhouses, feed mills, and hatcheries developed through public-private partnerships (PPP); the upgrade of research station in Kankan and Kindia involving laboratory construction and equipment installation; (iii) the geographic spread across four regions; (iv) the socioeconomic context marked by high poverty and vulnerability and (v) the client's limited experience in implementing ESF requirements (especially on labor conditions, child labor etc.), especially in such a complex project involving numerous activities and actors (implementing agencies, donors, financial intermediairies and private sector). Project activities such as development of agropoles and large hydro-agricultural perimeters, construction of economic infrastructure (markets and laboratories) carries significant risks of involuntary land acquisition, displacement of existing users, and tenure-related conflicts. Agropoles creation may lead to several risks: land grabbing if land acquisition procedure is not adequately governed, water grabs, loss of routes for pastoralists or increased conflicts between communities, smallholders and private sector. The project will also involve large agricultural and civil works across remote agropoles, engaging potentially vulnerable workers including smallholder farmers, seasonal laborers, construction workers, cooperative members and children (under 18), especially in Boké and Mamou documented as hotspots for child labor. The project's explicit targeting of youth and women in agricultural value chains, while a social inclusion objective, also signals the presence of vulnerable labor pools requiring protection. Beneficiaries selection for matching grants may also raise concerns of exclusion, equity and transparency in the selection procedure that may generate complaints. The scaling up of poultry production to 100,000 tons annually involves the establishment or expansion of hatcheries, slaughterhouses, and feed mills, with associated biosecurity and disease risks. The use of agrochemicals, fertilizers, phytosanitary inputs, and pesticides, across 160,000 hectares of rainfed rice and large maize areas implies risks to community health if not properly managed. In addition, the linkage between project activities and mining corridor may

Investment Description

- World Bank (WB)

Total Project Cost: US$ 559.00 million

IDA Credit: US$ 116.00 million

International Finance Corporation (IFC): US$ 15.00 million

Contact Information

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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

- Appraisal Environmental and Social Review Summary (ESRS) - Guinea Commercial Agriculture Development
- Appraisal Project Information Document (PID)
- Appraisal Project Information Document (PID)
- Climate Finance Assessment (P514713)
- Concept Environmental and Social Review Summary (ESRS) - Guinea Commercial Agriculture Development P
- Concept Project Information Document (PID)
- Concept Project Information Document (PID) (English)
- Environmental and Social Commitment Plan (ESCP) - Guinea Commercial Agriculture Development Project
- Environmental and Social Commitment Plan (ESCP) Guinea Commercial Agriculture Development Project Ph
- Guinea - Second Phase of the Commercial Agriculture Development Project
- Guinea - WESTERN AND CENTRAL AFRICA- P514713- Guinea Commercial Agriculture Development Project Phas
- Guinea - WESTERN AND CENTRAL AFRICA- P514713- Guinea Commercial Agriculture Development Project Phas
- Guinea - WESTERN AND CENTRAL AFRICA- P514713- Guinea Commercial Agriculture Development Project Phas
- Guinea - WESTERN AND CENTRAL AFRICA- P514713- Guinea Commercial Agriculture Development Project Phas
- Labor Management Procedures Guinea Commercial Agriculture Development Project Phase 2 (P514713)
- Official Documents- Agreement for Advance No. V5660-GN.pdf
- Official Documents- Disbursement and Financial Information Letter for Credit (A/PBA) and for Credit
- Official Documents- Disbursement and Financial Information Letter for V5660-GN.pdf
- Official Documents- Financing Agreement for Credit (A/PBA) 8100-GN and for Credit (B/SUW) 8101-GN.pd
- Record of Approval on an Absence of Objection Basis on June 23, 2026
- Stakeholder Engagement Plan (SEP) - Guinea Commercial Agriculture Development Project Phase 2 - P514
- Stakeholder Engagement Plan (SEP) Guinea Commercial Agriculture Development Project Phase 2 (P514713