

Final Report

Global Food Crisis Response Program (GFRP)

Progress and Lessons Learned

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GFRP Secretariat¹

Agriculture and Environmental Services Department

Sustainable Development Network

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Abbreviations and Acronyms

AES	Agriculture and Environmental Services Department	FSMAS	Food Security Monitoring and Analysis System
AISP	Agricultural Investments and Services Project	FUCOPRI	Federation of Rice Producer Cooperatives
AMIS	Agricultural Market Information System	FY	Fiscal Year
ARD	Agriculture and Rural Development	GAFSP	Global Agriculture and Food Security Program
CA	<i>Central d'Approvisionnement</i>	GDP	Gross Domestic Product
CCF	Community Challenge Fund	GFRP	Global Food Crisis Response Program
CDP	Community Development Project	GoSS	Government of South Sudan
CDD	Community Driven Development	GTHR	Girls' Take Home Ration
CFSVA	Comprehensive Food Security and Vulnerability Analysis	GTZ	German Organisation for Technical Cooperation
CfW	Cash-for-Work	HLTF	United Nations High-Level Task Force
CPG	Community Production Groups	HSSAP	Health Services and Social Assistance Project
CRW	Crisis Response Window	IBRD	International Bank for Reconstruction and Development
CSA	Central Statistical Agency	ICR	Implementation Completion and Results Report
CSF	Community Seed Funds	IDA	International Development Association
CSOs	Civil Society Organizations	IDP	Internally Displaced Persons
DAP	Diammonium Phosphate	IEG	Independent Evaluation Group
DFID	Department for International Development	IFAD	International Fund for Agricultural Development
DGF	Development Grant Facility	IFC	International Finance Corporation
DPG	Development Policy Grant	IFPRI	International Food Policy Research Institute
DPO	Development Policy Operation	IMF	International Monetary Fund
EC	European Commission	IRM	Immediate Response Mechanism
ECOWAS	Economic Community of West African States	LIW	Labor Intensive Works
EFSRD	Emergency Food Security and Rural Development	MDGs	Millennium Development Goals
EFSSP	Emergency Food Security Support Project	MDTF	Multi-Donor Trust Fund
EGP	Employment Generation Program	M&E	Monitoring and Evaluation
ERRs	Economic Rates of Return	MIGA	Multilateral Investment Guarantee Agency
EU	European Union	MIS	Management Information System
FAO	Food and Agriculture Organization	MMP	Multiple Micronutrient Powder
FCDSC	Food Crisis Development Support Credit	MOSA	Ministry of Social Affairs'
FCPMF	Food Crisis Prevention and Management Framework	MOSPFC	Ministry of Social Protection, Family and Child
FCRP	Food Crisis Response Project		
FP	Facilitating Partner		
FPCR TF	Food Price Crisis Response Trust Fund		

MRRD	Ministry of Rural Rehabilitation and Development	PUASA	Emergency Food Security Program
MSF	<i>Medecins Sans Frontieres</i>	RDD	Regression Discontinuity Technique
MT	Metric Tons	RDP	Reconstruction and Development Program
NAAIAP	National Accelerated Agricultural Inputs Access Program	RRF	Rapid Response Forum
NaCSA	National Commission for Social Action	RRRRLP	Rapid Response Rehabilitation of Rural Livelihoods Project
NARC	Nepal Agricultural Research Centre	SDN	Sustainable Development Network
NDRI	Nepal Development Research Institute	SFD	Social Fund for Development
NGO	Non-Governmental Organization	SIL	Specific Investment Loan
NSAP	National Social Action Project	SOEs	State Owned Enterprises
NSC	National Statistics Committee	SSNP	Social Safety Nets Project
NSP	National Solidarity Project	SSNRP	Social Safety Net Reform Project
OECD	Organisation for Economic Co-operation and Development	TA	Technical Assistance
PA	Palestinian Authority	TSP	Triple Super Phosphate
PAS	<i>Programa Agroalimentario de Semilla</i>	UNCTAD	United Nations Conference on Trade and Development
PDO	Project Development Objective	UN	United Nations
PINE	<i>Programa Integral de Nutrición Escolar</i>	UN HLTF	United Nations High-Level Task Force
PMT	Proxy Means Testing	UNICEF	United Nations Children's Fund
PMU	Project Management Unit	VA	Veterinary Association
PPP	Public-Private Partnership	VAT	Value Added Tax
PROSAN	<i>Programme de Sécurité Alimentaire et Nutritionnelle</i>	WBG	World Bank Group
PTA	Parent Teacher Associations	WFP	World Food Programme
		WTO	World Trade Organization

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Executive Summary

1. In response to the severity of the food price crisis in early 2008 and the need for prompt action, the World Bank (Bank) set up a rapid financing facility, called the Global Food Price Crisis Program (GFRP), to provide support to affected countries. The Framework Document for GFRP was endorsed and a single-donor trust fund of US\$200 million was created out of IBRD surplus, for the benefit of the most vulnerable countries, with grants not to exceed US\$10 million per country. The Framework Document specified a set of interventions and accelerated procedures for processing GFRP projects, both for investment lending and development policy operations. After Board modifications approved on April 16, 2009, October 15, 2010, and June 21, 2011, GFRP closed on June 30, 2012, and at closure had an aggregate approved ceiling for fast-track processing of US\$2 billion for Bank-funded operations (increased from \$1.2 billion at initiation in 2008). GFRP projects that have not yet closed will continue implementation, but no new projects using Bank funds can be processed using GFRP expedited procedures. The present report assesses lessons learned from the GFRP experience for emergency response to food crises, and serves as a final report to the Board on its innovation approved in 2008 for the specific purposes of that particular set of circumstances.

2. As of early October 2012, approved GFRP operations (including resources from three external Trust Funds that were set up from 2009 to 2011) amounted to US\$1,553.2 million; some 87 percent of approved funds have been disbursed. The total amount of Bank-funded GFRP operations amounted to US\$1,238.9 million, of which US\$203.1 million was from the Food Price Crisis Response Single Donor Trust Fund out of IBRD surplus, US\$835.8 million from IDA, and US\$200 million from IBRD. In addition, grant funding was subsequently extended through three externally-funded trust funds with US\$314.3 million in approved funding, of which 56 percent have been disbursed. The three externally-funded trust funds are supported by Australia, Canada, the European Union, Korea, Russia, and Spain. External fundraising for GFRP was deliberately delayed until the staggering humanitarian funding needs of the World Food Programme in 2008 were met. Externally-funded GFRP projects, thus, only began to be approved in mid to late 2009, and most were approved well into 2010 and beyond. This progress report will focus on the results and impact of the Bank financing to GFRP.

ACHIEVEMENTS OF THE PROGRAM

3. The GFRP has been instrumental in providing rapid assistance to many poor and vulnerable people in a large number of low income countries hit by the unanticipated food crisis in 2008. The food crisis put agriculture and food security back into the agenda of finance ministers and the international donor community, and the GFRP increased the Bank's leadership role in the global food security arena. In some countries, GFRP helped the Bank reengage in the agricultural sector and policy dialogue on food security. In others, GFRP projects have not only mitigated short-term negative effects but also helped identify structural reforms that were needed for longer-term productivity and growth. The lessons learned from GFRP have also provided insights into the Bank's design of permanent instruments for emergency response and the longer-term agricultural and social protection projects. Highlights are summarized here.

4. **Benefited 66 million people in 49 countries:** as of early September 2012, GFRP resources (both Bank and external trust funds) have benefited almost 66 million people in 49 countries, including 57 million people from Bank funds (13.9 million people benefited from social protection programs, and 43 million people from short and medium-term food supply response programs) and 8.6 million from external trust funds.

5. **Provided rapid assistance:** GFRP provided clients immediate financial support and policy advice, facilitated through its expedited processing procedures. From the May 2008 launch of GFRP to March 2009, average processing speeds for Development Policy Operations and Investment Lending operations were 75 and 85 days respectively, from concept to effectiveness. This had increased to 95 days

and 128 days respectively, with the subsequent easing of international grain prices and associated pressure for urgent preparation. Disbursements have also been rapid. In the initial six months after the GFRP launch to October 2008, the amount of approved operations was US\$193 million with total disbursements of US\$53.4 million (28 percent of approved funds were disbursed). By April 2009, the disbursement rate for Bank funded projects had increased to 83 percent.

6. **Reduced the cost of food and improved access to food:** GFRP support helped lower the cost of food to vulnerable populations when it was needed, while maintaining social assistance programs. GFRP funds, through budget support operations, helped countries deal with the fiscal strain that could have threatened macro-economic stability and led to cuts in public investments needed to promote growth and poverty reduction. For example, in Sierra Leone, tariff reductions in five key commodities provided an estimated US\$7 million in food cost savings to consumers. In addition, the provision of four priority public services continued, benefiting 24,800 people. GFRP support has also helped to improve access to food and minimize the food security impact of the crisis through social protection responses. The GFRP has financed short-term support to many vulnerable people through safety net programs, including transfers, school feeding, and workfare assistance. For example, in Nicaragua, the project provided school lunches to 609,000 pre-school and primary school children leading to higher retention and attendance rates in targeted areas.

7. **Increased short-term food supply response:** GFRP has supported improvements in agricultural productivity to increase aggregate food supply in the next harvest. This includes improving smallholder access to seed and fertilizer and livestock management, rehabilitation of small-scale irrigation, as well as strengthening farmer access to critical information. For example, in Somalia, the project contributed to an increase in sorghum and maize yields and their production by improving of access to farmers to seeds and fertilizers. This helped stabilize food prices with a 15 percent drop in food crop prices in the project area recorded in 2009, an indication of improved supplies and market confidence.

8. **Assisted transition from short-term emergency measures to policies consistent with longer-run growth and poverty reduction:** GFRP supported countries in the design of sustainable policies, so as to give authorities alternatives to inward-looking and interventionist policies that were prevalent in the 1970s, such as export bans, price fixing, build-up of imported buffer stocks in the face of escalating international prices. These policies persisted in many countries for decades after the initial emergency was over and in many cases hindered agricultural development. They began to re-appear in early 2008. GFRP financial support and policy advice helped clients transition from short-term emergency measures to policies consistent with longer-run growth and poverty reduction, including an important role of trade in food security, sustainable input policies, and more comprehensive approaches to social protection. For example, in Nepal, the inclusion in the GFRP project of studies to analyze existing cash transfer programs has helped promote both dialogue and interest among donors, and provided a basis for more strategic longer term interventions on safety nets.

9. **Provided insights for mainstreaming of the Bank's emergency response.** GFRP was a very specific mechanism in the context of the 2008 food crisis. It began to provide financial and technical help within six weeks of the endorsement of the idea of a major new Bank initiative at the Spring Meetings in April 2008 to help clients deal with escalating food prices, especially the poorest and most vulnerable ones. In the past several years, the World Bank Group has designed and introduced several new instruments that benefitted from lessons learned from GFRP. These include the IDA Crisis Response Window (CRW), the IDA Immediate Response Mechanism (IRM), the IBRD's Exposure Management Framework, as well as rapid post-disaster contingent financing components in operations.

10. **Increased the Bank's leadership role in the global food security arena:** GFRP was a unique instrument among global financial institutions in mid-2008 in providing concrete, timely, and materially

tangible actions to help poor countries deal with the food price crisis. Along with the longer term regular agricultural and social protection programs, it gave the Bank a key role in the international arena on food security matters. The GFRP Framework Document provided key inputs of text for the United Nations' subsequent "Comprehensive Framework for Action of the U.N. High Level Task Force on the Global Food Security Crisis". A widely-acknowledged interest in GFRP was a significant reason the 2009 Pittsburgh G20 Summit called on the Bank to work with other multilateral institutions to design and implement the Global Agriculture and Food Security Program (GAFSP) to assist with the massive resource transfer for food and agriculture promised by 14 Heads of State at the G8 meeting at L'Aquila in 2009. After Pittsburgh, in response to ongoing food price volatility, Korea, France and Mexico supported the inclusion of the food security agenda for their respective G20 presidencies in 2010, 2011, and 2012. The GFRP Secretariat has coordinated with other agencies to prepare a joint international organizations position paper on food price volatility for the French G20 Presidency.

11. **Provided time for clients and the Bank to adapt to a "new normal":** GFRP provided the Bank with a quick set of tools and clients with policy advice and rapid financing options to deal with what at the time was an unexpected situation of global food price volatility not seen on a comparable scale since the first half of the 1970s. Over time it has become clearer that food price volatility is here to stay for the foreseeable future and both clients and the Bank's regular programs and emergency response procedures have mainstreamed many of the lessons in food emergency response learned since 2008. GFRP helped relieve some of the pressure and buy some of the time needed to do this, and also on the Bank side contributed a good share of the experience.

LESSONS LEARNED

12. The lessons learned during the GFRP's implementation are analyzed in detail in the main report. Some are specific to individual countries, some are generic to a cross-cutting theme. Examples follow:

- **Simple design of emergency operations is crucial for rapid response.** In Sierra Leone, the design of the budget support operation focused on one set of policy actions that were critical given the country's dependence on food imports. This allowed for rapid response with the operation prepared and processed in 12 weeks, allowing the Bank to provide timely support.
- **Financing an ongoing program that can be quickly scaled-up improves the effectiveness of emergency support.** This allows for utilization of knowledge accumulated over time and leads to expeditious planning and implementation. In Kenya, the success achieved within a short period was mainly due to the deliberate choice made to scale-up an ongoing government program.
- **High level of commitment is critical for effective preparation and implementation of emergency operations.** In Tajikistan, support from the Government proved critical in issues such as customs clearance, testing of seed and fertilizer, and liaison with the Oblast governments.
- **Strong coordination and partnerships with entities such as UN organizations and civil society organizations is important, however obligations should be clearly defined.** For example, when partnering with UN organizations, such as the World Food Programme, collaboration on a common reporting standard should be clearly defined and meet the needs of both institutions.
- **Establishing an effective monitoring and evaluation (M&E) system in the context of a crisis response operation is a challenge, but its importance should not be underestimated.** In the context of Guinea, the Government M&E system worked reasonably well during the crisis but its efforts weakened after the emergency period.
- **Emergency responses can help in crafting longer-term responses to vulnerability.** In Philippines, the DPO catalyzed a nascent reform agenda in social protection, including a standardized database of poor households and conditional cash transfers. Emergency operations by nature finance short-term measures which often do not have the potential to sustain development impact. Therefore a follow-up operation should be considered that can build on the experiences of the emergency operation.

- **Emergency operations often highlighted the importance of structural reforms.** In Bangladesh, these included reforms of the tax system, increasing efficiency of food related safety net programs and reforms to increase agricultural productivity, especially improving the fertilizer marketing system.
- **In emergency projects, effective and visible gender mainstreaming will lead to more focused actions and better achievement of objectives.** In Benin, the absence of a gender mainstreaming framework was partly responsible for women’s limited involvement in some activities.

CONCLUSIONS

13. The GFRP has successfully achieved its objectives in responding to the unanticipated food price crisis in 2008, its evolution into a financial crisis in 2009 affecting the poor, and new food price crises in 2010 and 2011. The program has provided rapid support to many poor and vulnerable people in a large number of low income countries. GFRP also helped increase the Bank’s leadership role in the global food security arena. In moving forward, the GFRP processing facility expired on June 30, 2012, implying that new Bank-financed projects can no longer be processed under the expedited procedures of GFRP. Higher global food price volatility has become a longer-term phenomenon requiring concerted actions beyond GFRP. In response, the Bank has new permanent instruments to respond to future emergencies, building on the GFRP experience, such as IDA CRW and IRM, and IBRD’s Exposure Management Framework. The Bank has been incorporating lessons learned from GFRP into the World Bank Group Agricultural Action Plan FY13-15, which commits to maintaining scaled-up lending of between US\$7 billion and US\$9 billion annually, including a focus on “Reducing Risk and Vulnerability” with a menu of options to help our clients prepare and respond should emergencies arise. The Bank will continue to strengthen global programs and partnerships to complement the country level support, including mobilizing additional resources for the public sector window of the GAFSP, and will continue to play a key role at the international arena on food security matters, including through international forums such as the U.N. High Level Task Force on Food and Nutrition Security, the U.N. Committee on Food Security, the G8, and the G20.

1. Introduction

1. In response to the severity of the food price crisis in early 2008 and the need for prompt action, the World Bank (Bank) set up a rapid financing facility called the Global Food Price Crisis Program (GFRP), to provide rapid support to affected countries in the form of policy advice and expedited financial assistance. The latter was to be in grant form to the poorest and most vulnerable countries. A Framework Document for GFRP was endorsed and the first four projects to go through GFRP processing were approved by the Board of Executive Directors on May 29, 2008. These included 2 Sector Investment Lending operations and 2 Development Policy Operations, permitting the fast tracking of both kinds of operations in the future under the approved GFRP processing guidelines. At the same time, the Governors, through the Board, approved the creation of a single-donor trust fund out of IBRD surplus in the amount of US\$200 million, the Food Price Crisis Response Trust Fund (FPCR TF), to be made available for projects in the poorest and most vulnerable countries in amounts not to exceed US\$10 million per country. The Framework Document specified a set of interventions and accelerated procedures for processing GFRP projects, both for investment lending and development policy operations.

2. The Framework Document also specified a US\$1.2 billion aggregate ceiling for Bank-funded projects processed under GFRP procedures, and a closing date for new projects of June 30, 2011. The closing date was reduced by the Board to June 30, 2010 on April 16, 2009, at the same time as the ceiling was raised to US\$2 billion. In June 2010, in the face of rising food prices, Management requested the Board to reinstate the original June 30, 2011 closing date, which the Board approved on October 15, 2010. In June 2011, still concerned with the global food situation, Management requested the Board to further extend the closing date for expedited processing of GFRP operations to June 30, 2012, and the Board agreed on June 21, 2011.

3. As of early October 2012, approved GFRP operations (including resources from three external Trust Funds that were set up from 2009 to 2011) amounted to US\$1,553.2 million; some 87 percent of approved funds have been disbursed. The total amount of Bank-funded GFRP operations amounted to US\$1,238.9 million, of which US\$203.1 million (including investment income) was from the FPCR TF out of IBRD surplus, US\$835.8 million from IDA, and US\$200 million from IBRD. Bank funded GFRP projects were 95 percent disbursed as of early October 2012. In addition, additional grant funding for GFRP was received through three externally-funded trust funds supported by Australia, Canada, the European Union, Korea, Russia, and Spain. To date US\$314.3 million of these funds have been approved as projects, of which 56 percent have been disbursed. A further US\$30.2 million of external trust funds are committed to four pipeline projects whose approvals are still pending due to ongoing changes in the countries concerned.

4. The expedited processing facility for Bank-funded GFRP projects expired on July 1, 2012, implying that no new Bank financed projects can be processed under the expedited processing procedures of GFRP. However, already approved projects can continue to be implemented and externally-funded trust fund projects can continue to follow the agreed procedures of the Trust Fund in question. Emergency response has now been mainstreamed through the IDA Crisis Response Window (CRW) and the recently approved IDA Immediate Response Mechanism (IRM). These will provide the basis for emergency assistance using IDA in the future. IBRD's Exposure Management Framework allows the Bank to respond quickly in IBRD countries should emergencies arise, including through Catastrophe Deferred Draw Down Options and rapid post-disaster contingent financing components in operations. Nearly five years on from the onset of the 2008 food price crisis, it is clear that the regular lending programs in agriculture and food-related social protection have also evolved to accommodate the desire of clients to deal with the "new normal" of uncertain international food prices.

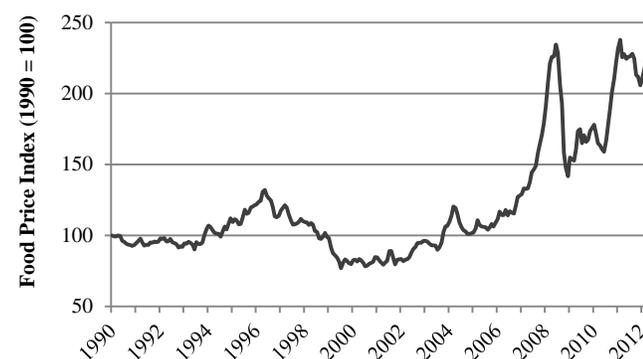
5. The present document reports on progress for Bank-funded projects and provides an opportunity to assess lessons learned from the GFRP experience for emergency response to food crises. This report constitutes the fifth and final major progress report for the GFRP. It will focus on the results and impact of Bank financing to GFRP. Detailed progress reports for external trust funds are regularly prepared for the donors to specific funds. A brief report on the external trust funds is provided in the present report in Section 6. The GFRP Secretariat will also distill concise notes on good practice out of the lessons learned detailed in the report below to assist regional staff and clients and future crises.

2. The changing context for global food crises responses over 2008-12

6. In mid-2008, the world experienced large spikes in key global food prices. After a long secular decline after 1974, the World Bank Food Price Index rose by 60 percent in the course of just a few months of 2008 (Figure 1). International prices of maize, rice, and wheat increased by 70 percent, 180 percent, and 120 percent, respectively, compared to the mid-2007. These price spikes were unexpected, and the impact on developing countries was large. It was estimated by the Bank to have kept or pushed 105 million people into poverty in low income countries². Many countries needed fast budget support with low conditionality. They had to respond not only to high food prices, but also to spikes in the cost of fuel, fertilizer, and ocean freight costs. The Bank responded swiftly by establishing GFRP to help countries respond to the food price crisis, giving them alternatives to the food emergency response policies of 1970s, many of which involved closing borders, State intervention in food and input markets, and other actions that persisted long after the mid-1970s and had the effect of discouraging both smallholder and market agent investment in agriculture for many years. The demand for the GFRP resources was significant.

7. After 2008, world food prices spiked twice. The first time was in early 2011. The Bank Food Price Index, after declining by 30 percent from mid-2008 to mid-2010, rose sharply, reaching its 2008 peak again in February 2011 (Figure 1). The second time was in mid-2012, when world food prices escalated again. The Bank Food Price Index increased by 14 percent from January to August 2012 as world maize prices rose to an all-time high in July 2012 surpassing their 2008 and 2011 peaks, rising 45 percent within a month (from mid-June 2012). World wheat prices were up 50 percent over the same period. In both periods, adverse weather in main

Figure 1: Food Prices Spiked Again for the Third Time in Five Years



Source: World Bank.

exporting countries played large contributing role³. Export restrictions also played a role but much less than in 2008 when export bans and tactical reductions in import duties accounted for an estimated 45 percent of the world price increase for rice and 30 percent of the increase for wheat in 2006-2008⁴.

² Global Monitoring Report (2012): Food Prices, Nutrition, and the Millennium Development Goals. The World Bank. Washington, DC.

³ In 2010/11 there were simultaneous weather induced production losses in Canada, Russia, Ukraine, and the EU which contributed to a 27 percent decline in cereal stocks. In 2012/13, the US experienced the worst drought in 50 years affecting maize and soybeans production. Lack of rains in Kazakhstan, Russia and Ukraine negatively impacted wheat production. More

8. These price spikes also had adverse impacts on developing countries, but overall the impact has been smaller than in 2008. This was largely because many developing countries increased their cereal production since 2008, reducing their import bills, and fuel and fertilizer prices were at lower levels than in 2008. Countries have also learned lessons from the response to the first food crisis, and responded more swiftly to more recent spikes. The 2010 and 2011 food price spikes were estimated to have impacted 40–44 million people in low and middle income countries⁵. As a result, demand for GFRP resources was modest, Bank clients also had access to the IDA CRW and many countries had begun to address vulnerability to food price spikes through their regular long-term programs.

9. In 2011 and 2012, broader agricultural prices also increased along with food prices. Broad agricultural price increases pinpoint to structural, not temporary, weaknesses in the global food supply system. Higher global food prices and food price volatility have become a longer-term phenomenon as indicated by recent analysis in the Development Committee Report⁶, Joint International Organizations Report to G20⁷, and the 2012 Global Monitoring Report⁸. Price spikes and volatility are likely to continue for the foreseeable future, with persistent uncertainty on the supply side including continued low grain stock levels, against projected rising demand and the inherent low responsiveness of the global food system to shocks. This long-term phenomenon requires a longer-term response.

10. Recognizing this, the World Bank Group (WBG) increased its long-term commitments to agriculture and related sectors by 68 percent (doubling in Africa), from an annual average of US\$4.1 billion in FY06-08 to US\$7.0 billion in FY10-12. With a particular focus on IDA countries, the share of agriculture and related sector spending increased from 17 to 19 percent over this period. Over the next three years (FY13-15), the WBG aims to sharpen its focus on five thematic areas of the Agricultural Action Plan (agricultural productivity, linking farmers to markets, rural non-farm income, risk management, and environmental sustainability), by paying more attention across these thematic areas to nutrition, risk management, climate-smart agriculture, landscape approaches, and private sector response. The level of IDA/IBRD/IFC/MIGA support is projected to range from US\$7 billion to US\$9 billion annually, with increased attention to portfolio quality.

11. Recent increases in agricultural investment by the WBG have yielded a positive response. Developing countries were more resilient to the 2011 and 2012 food price spikes than in 2008 mainly due to higher domestic production and better-designed safety nets. However, these recent gains in developing countries have not been enough to put all countries on-track to meeting the MDGs on halving poverty and hunger by 2015. Over the next three years, the WBG will continue to respond to these broader long-term trends which remain in place, and will give more emphasis to changes in the global context.

generally, the number of reported droughts, floods, and extreme temperatures seems to be increasing. Relatively recent examples range from: dry weather in Brazil, Russia, Ukraine, and the US, to flooding in Australia, Pakistan, and West Africa.

⁴ Martin, W. and K. Anderson (2011): Export Restrictions and Price Insulations during Commodity Price Booms. *American Journal of Agricultural Economics* 94(2): 422-427.

⁵ Global Monitoring Report (2012): Food Prices, Nutrition, and the Millennium Development Goals. The World Bank, Washington, DC.; Ivanich and Martin (2012): Impacts of Recent Changes in Food Prices on Global Poverty. World Bank, August 13, 2012.

⁶ World Bank (2011): Responding to Global Food Price Volatility and Its Impact on Food Security. Development Committee Paper DC2011-0002, April 4, 2011.

⁷ FAO, IFAD, IMF, OECD, UNCTAD, WFP, World Bank, WTO, IFPRI, and UNHLTF (2011): Price Volatility in Food and Agricultural Markets: Policy Responses. Joint International Organizations Report for G20.

⁸ Global Monitoring Report (2012): Food Prices, Nutrition, and the Millennium Development Goals. The World Bank, Washington, DC.

3. Financial commitments and disbursement of GFRP since its inception

12. As of early September 2012, the total amount for Bank-funded operations under GFRP amounted to US\$1,238.9 million, of which US\$203.1 million is from the FPCR TF, US\$835.8 million from IDA, and US\$200 million from IBRD. Total disbursements currently stand at US\$1,174.6 million out of US\$1,238.9 million in Board-approved GFRP projects (95 percent of Bank-sourced Board-approved funds have been disbursed).

Table 1: Total Bank Funded GFRP Projects, as of July 2012

Funding source	Approved US\$ millions	Disbursed US\$ millions	Disbursed (% of total approved)
IDA	835.8	777.2	93
IBRD	200.0	200.0	100
FPCR TF	203.1	197.4	97
Total	1,238.9	1,174.6	95

13. Bank resources have financed 56 operations in 35 countries. Of the total approved operations, 58 percent of funds have been allocated to Africa, 18 percent to South Asia, 17 percent to East Asia and Pacific, 3.4 percent to Latin America and Caribbean, 2.1 percent to Europe and Central Asia, and 2 percent to Middle East and North Africa. Forty-four percent of funds have focused on agriculture supply response, 34 percent have been development policy operations that have supported government policies and institutional actions to address the food crisis, 20 percent of funds have focused on social protection actions, and 2 percent on project management, monitoring and evaluation activities and communications support.

4. Achievements of the Program

4.1 GFRP has been instrumental in extensively assisting the poor in a large number of vulnerable countries

14. GFRP interventions have reached a wide number of people and have helped to mitigate the effects of the food price spikes on the most vulnerable. Combined GFRP resources (both Bank and external trust funds) have benefited 65.9 million people in 49 countries⁹. In total, Bank support to GFRP has benefited 57.3 million people. Of this, support for social protection programs is estimated to have impacted 13.9 million people. Support for short and medium term food supply response programs is

⁹ The beneficiaries of the GFRP have been estimated by aggregating the beneficiaries of each intervention financed by the program. The source of beneficiary numbers are Implementation Completion and Results Reports (ICR) where available, Implementation Status Reports (ISR), monthly GFRP updates provided by regional teams, project completion reports, and detailed write-ups of country case studies in Annex 1 of this report. To estimate the total number of beneficiaries, we assumed an average of five persons per household (and thus 5 beneficiaries of an intervention that affects that household directly) except for interventions where there is a sole beneficiary (for example a school feeding program where only the child is assumed to be a beneficiary, not the whole household, which in some cases underestimates impacts). Where GFRP projects are co-financed with non-GFRP funds, numbers are prorated to avoid double counting. For social protection programs, sub-totals include beneficiaries of school feeding, women receiving nutrition interventions (nutrition packages, supplements, and education), children receiving nutrition interventions, people receiving food in hospitals, emergency food distribution, cash/food-for-work, food rations, and cash transfer programs. For agriculture programs, sub-totals include farmer beneficiaries of inputs (seed, fertilizers, and tools), livestock programs, micro projects, tech training and post-harvest technologies. Budget support presents a particular problem; the results are surely there but hard to attribute. We have likely undercounted significantly overall because of the significant share of DPOs early in GFRP (circa 1/3 in the first six months of GFRP). Some DPOs have directly financed a social protection component (such as school feeding), which was then included under social protection results as above.

estimated to have reached 8.7 million farm households to date, or roughly 43 million people. Development policy operations have supported country wide policies in 13 countries. GFRP operations funded through the external trust funds are estimated to have impacted 8.6 million people.

15. Not only has the GFRP response focused on the most vulnerable regions (with 58 percent of allocation in Africa), it has also been timely and rapid. From the May 2008 launch of GFRP to March 2009, average processing speeds for Development Policy Operations and Investment Lending operations were 75 and 85 days respectively from concept to effectiveness. With the subsequent easing of international grain prices and associated pressure for urgent preparation, by end September 2009 the processing time from concept to effectiveness had increased to 95 days and 128 days for Development Policy Operations and Investment Lending, respectively, but still very rapid. Disbursements have also been rapid. In the initial five months after the GFRP launch to October 2008, approved operations totaled US\$193 million with total disbursements of US\$53.4 million (28 percent of approved funds were disbursed). By April 2009, the disbursement rate had increased to 83 percent.

16. The emphasis of GFRP support across its three components—food policy, social protection, and food production—has shifted over time to reflect changing client priorities and the changing context. In 2008, in the face of the food, fuel and financial crisis, the initial focus was given to food policy through emergency budget support to allow for immediate reductions in food tariffs and taxes to dampen food prices rises, while reducing the associated budget cuts in social programs. Emphasis was also given to social protection of the poorest households hard hit by the impacts of food price rises. Support was also provided for agriculture production to increase food supply for the next season. In October 2008, there was almost an even share of support going to budget support, social protection and agriculture supply response with 31, 32, and 32 percent going to each respectively. Over time emphasis has shifted to the third objective of GFRP—directly promoting food production to ensure adequate supply response and future resilience (increasing from 32 to 44 percent in overall GFRP support). With the decline in world food prices from their peak in 2008, the emphasis has shifted (particularly for externally funded projects that started relatively later) from adapting to the food and fuel crisis to transitioning to medium term programs for increasing agricultural production and productivity as part of the WBG scaled up support to the sector.

4.2 Progress against GFRP objectives

17. In 2008, the rapidly escalating price of food was severely impacting the poor in developing countries, resulting in heightened vulnerability, reduced levels of nutrition, rising social tensions, and impaired human capital accumulation. The three development objectives of GFRP provided an umbrella for rapid Bank support to address different aspects of the response to the crisis. Discussion below is organized by development objective and main pathways.

(i) Reduce the negative impact of high and volatile food prices on the lives of the poor in a timely manner

18. The main goal of this objective was to reduce the negative impacts of high and volatile food prices by lowering the cost of food while maintaining key social assistance programs and improving access to food and minimizing the food security impact through social protection measures. Through these measures an estimated 13.9 million people have been positively impacted.

Lowering the cost of food while maintaining social assistance programs

19. Policies enacted by countries to stabilize or offset the effects of high food prices led to additional fiscal costs or loss of fiscal revenues. GFRP funds through budget support operations helped countries deal with this fiscal strain that could have threatened macro-economic stability, as well as led to cuts in

public investments or public services needed to promote growth and poverty reduction. Fiscal costs of removing or reducing tariffs on certain types of food, reducing Value Added Tax (VAT) rates or providing VAT exemptions on food helped reduce domestic market prices. In addition, it led to the maintenance of social assistance programs that benefited poor households. This approach must be judged in a context specific to targeted populations, crops, time periods, and locations. As a general rule, temporary lowering of food tariffs will provide price relief to domestic consumers who need it. However, it can also discourage supply response and, more generally, further restrict the burdens of adjusting to higher food prices to the rest of the world. Examples of this pathway include the Philippines, Sierra Leone and Burundi.

20. In Philippines, the Government temporarily lifted the 40 percent tariff on private rice imports. This allowed for larger private sector import quotas and promoted bilateral deals with Vietnam and Thailand. These policy decisions, together with the accelerated releases of rice stocks, reduced domestic retail rice prices by 13 percent between June and October 2008. In addition, the budget support also helped increase the 2008 Government budget and off-budget allocation for social assistance programs and helped scale up a conditional cash transfer program to 333,000 household beneficiaries.

21. In Sierra Leone, the pass-through of higher world food prices to consumers was dampened through the maintenance of lower food tariffs and taxes. The Government reduced rice tariffs from 15 to 10 percent, flour tariffs from 20 to 10 percent, wheat tariffs from 5 to 2.5 percent, sugar tariffs from 20 to 10 percent, and petroleum tariffs from 5 percent to a fixed US\$20 per metric ton. These tariff reductions provided an estimated US\$7 million in food cost savings to consumers. These lower tariffs were maintained throughout the project period with the GFRP grant compensating the Government for some of the revenue losses. In addition, the provision of four priority public services continued with the grant matching the expected increases in cost of provision. The total beneficiaries across all four programs included 24,800 people.

22. In Burundi, the financing provided by the budget support operation ensured the continuation of the suspension of custom duties and taxes on 13 basic food items until July 2009 when an 18 percent value added tax was introduced and Burundi began to apply the common external tariff of the East African Community. Without the suspension of custom duties, local food prices might have been higher even if domestically produced and the exemptions covered many items consumed by the poor. In addition, the operation supported a school feeding program that served nutritional hot meals to 88,000 additional students and a cash and in-kind assistance to an estimated 96,000 returning refugees and other vulnerable groups.

Improving access to food and minimizing the food security impact of the crisis through social protection responses

23. The GFRP has financed short-term support to the most vulnerable populations through cash transfer programs, in kind transfers, school feeding, and workfare assistance programs to minimize the negative impact on their food security. The supported program aimed to sustain families' ability to afford an adequate quantity and quality of food, while also seeking to maintain effective access to nutrition, health and education services for their children which might otherwise have been reduced due to the negative income effect of the price rises. Examples of this pathway include Nicaragua, Sierra Leone, Yemen, and Nepal.

24. In Nicaragua, the project provided school lunches to 609,000 pre-school and primary school children. Although not all impact can be attributed to the project, official reports recognized the positive impact of expanding the program's coverage at the national level from 2008 as a complementary intervention to the "gratuity of education" policy. Achievements include: (i) retention rates in public

primary schools in targeted areas increased from 84.8 percent in 2008 to 96 percent in 2009 and 98.6 percent in 2010 surpassing targets set by the project; (ii) attendance rates in public primary schools in targeted areas increased from 78.8 percent in 2008 to 83 percent in 2009 and 80.8 percent in 2010; and (iii) the number of schools that have received training materials on food security and nutrition reached the targeted 1,624 schools in the Atlantic Coast regions.

25. In Sierra Leone, the GFRP operation provided temporary employment to 39,392 beneficiaries through a cash-for-work program. One hundred percent of the sub-projects were targeted to food-insecure areas and 30 percent of the participants were female. Earnings were primarily used to purchase food for the household. Female participants used a portion of the wages to pay for school and medical expenses. In a few cases, some women were able to save a portion of their income and set up businesses.

26. In Yemen, 98 community based labor-intensive works were implemented in eight governorates, providing temporary jobs to 36,000 individuals. Labor-intensive techniques were used to implement projects in the water/environment and roads sectors. The majority of beneficiary households used the funds to bridge maintain their food consumption, thus, cushioning targeted communities from the food price shocks and averting possible longer-term food security consequences. The results of this program helped the country to mobilize more funds from other donors such as the European Union (EU) and Department for International Development (DFID) who are currently supporting the program.

27. In Nepal, the Social Safety Net Project has financed a food/cash for work program. Livelihood activities were promoted through various vocational trainings and project schemes, including the construction of irrigation and drinking water schemes, and the construction/rehabilitation of community buildings, wooden bridges and rural roads, among others. Irrigation of 8,088 ha of land is now possible due to the construction of irrigation schemes; 16,083 compost pits have been constructed; 2,272 ha of land have been covered by plantation; and 247 ha of land have been improved for agricultural purposes. The program also supports the provision of Multiple Micronutrient Powder (MMP) with essential vitamins and minerals for children aged 6-29 months. To date, MMP sachets have been distributed to 12,000 children under the original project and to 122,000 children under additional financing.

(ii) Support governments in the design of sustainable policies that mitigate the adverse impacts of high and more volatile food prices on poverty

28. The most important aspect of this objective was to support countries in the design of sustainable policies, by giving clients alternatives to short-run desperation policies such as export bans, building up of stocks in the face of soaring prices, etc., that were likely to lead to longer-term negative consequences for the country concerned and possibly short-term negative consequences for poor trade partners. The main pathway for this objective is to help clients transition rapidly from short-term emergency measures to policies consistent with a longer-run growth and poverty reduction strategy. This has been done through technical advice on trade, sustainable input policies, and more comprehensive approach to social protection. Development policy operations have supported country wide policies in at least 13 countries. Examples include the Philippines, Bangladesh, Cambodia, and Nepal.

29. In the Philippines, support through policy work and analytical work led to key actions on rice prices. The dialogue with the authorities on rice policy was revamped during the crisis and led to alternatives for rice procurement in the global markets and a changed approach to social protection. The Bank's global reach helped in offering an alternative to massive and inflexible Government rice tenders in 2008 in the face of high global price increases. It also led to an opportunity to accelerate progress on the longer-term social protection agenda by catalyzing a nascent reform agenda including a standardized database of poor households and conditional cash transfer programs. It was also useful in broadening the

policy dialogue from one specific reform at the Department of Social Welfare and Development, to a broader cross-section of reforms in social protection.

30. In Bangladesh, support helped the Government lower fertilizer and energy subsidies at a time of higher rice prices. The subsidies were lowered to reduce the losses of energy and fertilizer State Owned Enterprises estimated to be about US\$950 million, or about 1.2 percent of GDP in FY08, and to reduce the gap between domestic and border prices to discourage smuggling of fertilizer and diesel to India.

31. In Cambodia, support led to significant increase in rice exports which in addition to price incentives was driven by: (i) lifting of ban on rice exports; (ii) reduction of formal and informal fees related to exports and taxes to rice processing; and (iii) increasing financing to agribusinesses, including rice mills, and development of appropriate financial instruments being initiated. Specifically, the Bank and International Finance Corporation (IFC) engaged with the Government in the preparation of a Risk Share Facility, a form of partial credit guarantee instrument, which aimed to encourage commercial bank and micro-finance institutions lending to agribusiness sector.

32. In Nepal, the inclusion of studies to analyze existing cash transfer programs within the program has helped leverage both dialogue and interest among a broader set of donors supporting social protection, and provides a basis for longer term interventions. The GFRP support will comprise one element of what is now a much broader and comprehensive approach to understanding and supporting cash transfer systems in the country.

(iii) Support broad-based growth in productivity and market participation in agriculture to ensure an adequate supply response as part of a sustained improvement in food supply

33. In parallel with improved policies and safety nets, GFRP has supported improvements in productivity to increase aggregate food supply and to manage future risks. Part of the emergency response involved measures to improve domestic agricultural productivity and supply chain efficiency, in a sustainable manner, and take advantage of the prevailing price incentives to promote an immediate supply response. This includes improving smallholder access to seed and fertilizer and livestock management, rehabilitation of small scale irrigation as well as strengthening farmer access to critical information. Through these measures GFRP has supported 8.7 million farm households to date, or roughly 43 million people. Examples include Somalia, Benin, Kyrgyz Republic, and Afghanistan.

34. In Somalia, the project contributed to a dramatic increase in sorghum production due to improved seeds and good response from TSP application on alkaline soils, which led to higher yields. Sorghum yields varied from 0.25 to 0.65 tons per ha before project intervention, but increased to a minimum of 1.6 and a maximum of 5.8 tons per ha with project support. In the case of rainfed maize, these varied from 0.55 to 0.9 tons per ha against 1.6 to 3.2 tons per ha with project intervention. In addition, 16,000 ha of newly irrigated land were added as a result of canal rehabilitation in lower Seabelle. The increased availability of crops has helped in stabilizing food prices. There was a 15 percent drop in food crop prices in the project area recorded in 2009, an indication of improved supplies and market confidence which are likely due to the GFRP project.

35. In Benin, maize production increased by an additional 53,897 tons representing 99.8 percent of the target, due to provision of fertilizers. Rice production increased by an additional 10,860 tons, representing 180 percent of the target. The additional cereal production led to an easing of food prices. On average in 2008, maize was CFAF 35,000 per 100 kilogram bag and rice was CFAF 44,000. In 2009, maize was CFAF 15,000 per 100 kilogram bag and rice was CFAF 25,000.

36. In Kyrgyz Republic, 147 food crop Community Seed Funds (CSF) were mobilized through GFRP funding benefiting over 6,000 farmers. A comparison of yield of farmers who are members of CSFs with those who are not and with national average yields from the National Statistics Committee shows impressive benefits from CSF membership in 2011. Yield differences for wheat and potatoes of 47 to 62 percent for members compared to non-members are a result of improved seed, fertilizer application and basic agronomic training which was also provided under the program.

37. In Afghanistan, block grant disbursements went towards building or rehabilitating irrigation projects in the most vulnerable provinces. About 95 percent of the 500 targeted communities have benefited from schemes financed by the GFRP grant. About 84 percent of the targeted irrigation schemes have been completed. The estimated economic rates of return (ERRs) for all sub-projects varied from 20 percent (north western region) to 31 percent (central region). Overall ERR in all 29 sampled irrigation projects was 24 percent.

4.3 Provided time and insights for mainstreaming of the Bank's emergency response, incorporating it into longer-term programs

38. GFRP was a very specific mechanism in the context of the 2008 food crisis. It began to provide concrete help within six weeks of the endorsement of the "New Deal for Global Food Policy" in the Spring Meetings in April 2008 by Ministers from over 150 countries. It provided a timely response to reduce the negative impacts of food price spikes. GFRP was the fastest route to helping clients – less than 90 days from concept to effectiveness in the first nine months of operation – in a context where speed was vital to giving Governments alternatives to inward-looking or direct State market intervention food price policies. The key to speed was getting the trust of the Bank Board. A Framework Paper (along the lines of the prior avian influenza model) was effective in gaining Board support and trust, culminating in delegation of authority. The Framework Paper established a streamlined decision-making process and was a key tool during the design phase with wide participation from many Bank departments. GFRP relied on a menu of interventions laid out in the Framework Paper similar to ones that the Board had previously approved and was comfortable with, and that could swiftly address the food crisis of 2008. Controversial items, like credit guarantees, and regular longer-term program items—like new irrigation construction investments—and issues which could raise safeguards concerns, were intentionally excluded. Speed came from the fact that clients and TTLs only had to satisfy a rapid due diligence process that what was being proposed fit the categories of action in the Framework Document that the Board was comfortable with. Clients and TTLs did not have to prove that a food crisis existed in the country in question, as global prices affected everyone. Need for concessional funding was dealt with through IDA eligibility, country-level indicators contained in PREM country profiles, and consideration of alternative funding sources available to the country in question.

39. GFRP showed that help to poor countries through recipient-executed projects could be speeded up substantially when the overall imperative for action was clear and trust was maintained within different parts of the institution. It helped inform subsequent broader institutional crisis response mechanisms within the Bank. In the past few years, the Bank has introduced several new instruments to mainstream lessons learned from GFRP. These include the IDA CRW, the IDA IRM, the IBRD's Exposure Management Framework which includes the Catastrophe Deferred Draw Down Options as well as rapid post-disaster contingent financing components in operations. After GFRP, crisis preparedness now is a priority to assure that the Bank has the capacity to respond to possible increases in client demand from unexpected events.

4.4 Increased the Bank's leadership role in the global food security arena

40. GFRP in May 2008 was unique among global financial institutions in providing concrete, timely, and visible financial support for clients as part of a global response package that provided a menu of options for clients. Along with the WBG's longer term regular agricultural and social protection programs, GFRP helped solidify the Bank's place at the global table on food security matters. The amount of lending and technical assistance processed under GFRP (now approaching US\$1.6 billion) is very modest in relation to the problem, but it was very visible, providing effective ideas to clients, task teams, and the global community through the GFRP Framework on how to respond to the crisis. Concessional funds were also highly targeted to the poorest and most vulnerable clients. The GFRP Secretariat became the main World Bank interface with the United Nations High-Level Task Force on Food and Nutrition Security (UN HLTF—in 2008 badged as the HLTF on the Global Food Crisis). The United States of America, Korea, French and Mexico supported the inclusion of the food security agenda for their presidencies of the G20 in 2009, 2010, 2011 and 2012 respectively. The GFRP Secretariat contributed a chapter to a summary volume prepared with the Korean Presidency for the Korean G20 Summit and coordinated with other international agencies to prepare a much cited international agencies position paper on "Price Volatility in Food and Agricultural Markets: Policy Responses" for the French G20 Presidency in 2011. Building on the lessons learned as a result of the 2008 crisis, that joint report offers widely adopted suggestions for a systematic and internationally coordinated response and explores mechanisms of international cooperation to implement the recommendations and to monitor progress. One recommendation of that report is the creation of the new Agricultural Market Information System Platform (AMIS) by the Agriculture Stream of the French Presidency of the G20, and which is now up and running with major World Bank participation. AMIS now involves participation by 28 countries and works to improve the transparency of international grain physical stocks and markets.

41. The G20 Summit in September 2009 asked the Bank to prepare a multilateral mechanism to help implement pledges to long term food security made at the L'Aquila summit in July 2009. This new mechanism, the GAFSP, aims to fill the financing gaps in national and regional agriculture and food security strategies. The GAFSP was launched in April 2010 and the Coordination Unit is hosted by the Bank. Donors have now pledged nearly US\$1.5 billion to its public and private sector windows. Donors include Australia, Canada, the Bill & Melinda Gates Foundation, Ireland, the Republic of Korea, the Netherlands, Spain, the United Kingdom, and the United States, with US\$855 million delivered to both the public and private windows. Since May 2010, Bangladesh, Burundi, Cambodia, Ethiopia, the Gambia, Haiti, Kyrgyz Republic, Liberia, Malawi, Mongolia, Nepal, Niger, Rwanda, Senegal, Sierra Leone, Tajikistan, Tanzania and Togo, have been awarded US\$658 million from the public sector window of GAFSP. The private sector window has committed US\$5 million to the PRAN Group, a diversified food processing company in Bangladesh and is in the midst of a new call for proposals.

5. Lessons learned

42. The following section highlights the lessons learned from implementation of GFRP operations in an emergency context. The first section highlights some cross-cutting lessons while the following sections focus on lessons specific to implementation of budget support, social protection and agriculture supply response operations. These lessons have been synthesized from case studies that are discussed individually in detail in Annex 1.

5.1 Cross-cutting lessons learned from implementation of emergency operations

- **Simple design of emergency operations can allow for rapid response.** In Sierra Leone, the design of the DPO was kept simple by focusing on one set of policy actions that were considered critical given the country's dependence on food imports. This allowed for rapid response with the operation prepared and processed in 12 weeks, allowing the Bank to provide timely support. Similarly in Niger, the design of the project which focused on responding to the Government's short-term priority and to urgent needs of the beneficiaries was a key factor for successful implementation.
- **A high level of commitment, both in the Bank and the Government, is critical for preparing and implementing emergency operations and increasing effectiveness.** In Tajikistan, close coordination with the Government greatly benefited project implementation and resulted in a strong sense of ownership. Support from the Ministry of Agriculture proved critical in issues such as customs clearance, testing of seed and fertilizer, and liaison with the Oblast governments.
- **Strong coordination and partnerships with entities such as UN organizations and civil society organizations is important.** In Moldova, partnering with the United Nations Children's Fund (UNICEF) allowed for delivery in a far quicker timeframe. In Tajikistan, local NGOs made a strong contribution to project monitoring with local officials. However, the respective obligations should be clearly defined. For example, when partnering with UN organizations such as World Food Programme (WFP), collaboration on a common reporting standard should be clearly defined and meet the needs of both institutions.
- **Establishing an effective monitoring and evaluation system in the context of a crisis response operation is a challenge.** The importance of M&E should not be underestimated in emergency operations. In the context of Guinea, the Government M&E system worked reasonably well during the crisis but its efforts weakened after the emergency period. The articulation of clear and measurable indicators and robust M&E mechanisms are necessary for monitoring (and further strengthening) program effectiveness. More flexibility in donor monitoring and evaluation could better incorporate emergency responses. In Sierra Leone, the Government and donors have a well-established M&E framework to assess the policy reforms supported through budget support by several donors. It currently does not have the flexibility to respond to the need for a rapid crisis response. More flexibility could better incorporate crisis response policy to unforeseen shocks in the context of preserving longer-term growth and poverty reduction targets.
- **Emergency responses can help in crafting longer-term responses to vulnerability.** In Philippines, the DPO catalyzed a nascent reform agenda in social protection, including a standardized database of poor households and conditional cash transfers. In Nicaragua, the project was used as an opportunity to move forward the long-standing agenda for developing emergency responses to food price crisis in a country that constantly faces them and needs a comprehensive long term response.
- **An emergency operation is more effective if it finances an ongoing program that can be quickly scaled up.** This allows for utilization of knowledge accumulated over time and, in turn, leads to expeditious planning and implementation of project activities. In Kenya, the success achieved within a short period was mainly due to the deliberate choice made to scale-up an ongoing government program. There is, therefore, merit in emergency situations to review and scale-up, where appropriate, ongoing programs rather than attempting to design new ones.

- **Programmatic operations should be considered for emergency operations.** Emergency operations by nature finance short-term measures which often do not have the potential to sustain development impact. Therefore a follow-up operation should be considered that can build on the experiences of the emergency operation and that either aims at improving institutional mechanisms and processes to ensure more effective emergency responses and safeguards or continues to provide assistance – if necessary - with a more longer term focus.
- **The emergency operation highlighted the importance of structural reforms.** Although an emergency operation is not designed to address structural issues, it highlighted the importance of some critical reforms needed to achieve food security and fiscal sustainability over the medium term. In Bangladesh, these include reforms of the tax system, a reform of the administered prices of energy and fertilizers, increasing the efficiency of the food related safety net programs and reforms needed to increase agricultural productivity, especially improving the fertilizer marketing system. In West Bank and Gaza, it highlighted the importance of essential reforms such as ensuring the use of an effective and transparent targeting mechanism. Such mechanisms as well as other reforms are prerequisites to the establishment and implementation of cash transfer programs in West Bank and Gaza.
- **Adequate attention to institutional capacity building during preparation despite the emergency nature of operations is essential.** In Tajikistan, the project over-estimated the capacity and willingness of local government officials to assume responsibility for beneficiary selection and distribution and underestimated the level of support needed from local governments. On the other hand, since emerging from a severe food crisis in 2005, Niger has improved its institutional framework to prevent and respond to adverse events. Thus, the Bank’s rapid response to the client’s request for assistance was met by a strong commitment and a high level of preparedness on the part of the counterpart. Limited funds were, thus, able to provide timely and critical resources and technical assistance to develop an action plan to strengthen the government’s current programs and assess the feasibility of new pilot programs to respond to the needs of poor and vulnerable people.
- **The Bank can be effective in providing emergency assistance even when the overall governance environment is weak. However it should not undermine governance issues.** Building the capacity of government apparatus and of communities to play a responsible role and demand accountability from the government are key elements for building governance structures at decentralized and community levels. In Niger, there were substantial governance-related risks associated with the procurement of a large amount of fertilizers. Involving a competent third party, namely the Joint Government–Donors Food Crises Committee, in the procurement process and getting beneficiaries involved in critical steps of the project cycle helped safeguard transparency and ensured accountability.
- **In emergency food security projects, effective and visible gender mainstreaming will lead to more focused actions and better achievement of Project Development Objectives.** In Benin, the absence of a gender mainstreaming framework was partly responsible for women’s limited involvement in some activities, including the provision of input credits and capacity building.
- **Bank operational procedures, namely procurement-related matters, can adapt to emergency situations** to allow for fast-track delivery of goods and services, if all relevant World Bank and government parties are involved in the process from inception. The Bank procurement team, including the headquarters, the hub coordination and the country procurement specialist, played a critical role for this to happen.

5.2 Lessons learned from budget support operations

- **Emergency budget support works particularly well when certain conditions are met.** For example in Burundi, these conditions were: (i) the government did not wait for donor assistance to design and begin to implement activities aimed at mitigating the impact of the crisis (for instance, the duty/tax exemption component was in place months before approval of the GFRP grant that ended up helping the government finance and implement that particular measure); and (ii) the emergency assistance operation is not an isolated development policy operation, but is integrated into larger budget support activities supporting a comprehensive policy reform package (in this case the Economic Reform Support Grant II and III program), consequently well prepared and supervised by the government and the Bank.
- **Fiscal measures are not always effective.** Djibouti was one of the first two GFRP Development Policy Operations, prepared under very urgent circumstances. Given a lack of appropriate institutional mechanisms to provide other types of support, tax exoneration on food imports promised to be the fastest and most feasible crisis response. Hindsight suggests that the inherent leakage problems of such an untargeted intervention were too great, and that direct humanitarian assistance such as through food aid would have worked much better at targeting the truly needy in the Djiboutian context at the time.
- **Implementation results need to be identified and expressed as objectively verifiable target indicators.** While targets need to reflect true aspirations, project design should carefully assess whether they are reasonably achievable and verifiable, given the country context, institutional constraints, technical feasibility, and implementation period. In the Cambodia DPO, several target areas (yield increases, fertilizer labeling, and farmer cooperatives registration) could have been more realistically assessed at the design stage. In addition, the presentation of the results framework, showing the correspondence of objectives with results indicators, could have been improved.
- **Policy dialogue and analytical work are key for action.** In the Philippines, the policy dialogue related to this operation helped stop the escalation of both domestic and world rice prices. The Bank's earlier work on the sector (Agriculture Public Expenditure Review) also provided the insight and understanding needed for an effective dialogue at the time of project design.
- **Different reforms will require different timeframes to move from agreement to implementation.** Sensitive areas of institutional or policy reform require a sufficient time frame for dialogue and agreement, and to gain traction and demonstrate results (usually beyond any specific DPO or even program of operations), therefore several incremental steps should be anticipated in disbursement over a longer period.
- **Cross-sector programs require a clear understanding of incentives faced by all implementing agencies.** In the case of multi-ministerial programs, in addition to the coordination capacity of the lead agency, incentive structures need to be better understood to determine how those who benefit only tangentially from the program will be motivated to pursue the reform agenda.

5.3 Lessons learned from social protection operations

- **Importance of pre-existing, scalable safety nets for crisis response.** In Sierra Leone, the pilot rural public works program proved very useful in laying the foundation for IDA to respond promptly to evolving country priorities and scale up safety nets support in the face of shocks. This underscored

the importance of having scalable safety nets systems in place before the onset of shocks in order to respond effectively and in a well-targeted manner.

- **Measurement and methodologies must be appropriately defined and transparent to improve targeting.** In Yemen, use of different measurements and methodologies during different phases of a program led to distorted results. Furthermore, the targeting modalities need to be transparent in order to give confidence to donors that the necessary safeguards are in place so that the poorest and most vulnerable households receive the needed assistance. The proxy means test formula used in the West Bank and Gaza has proven to be a transparent way to select poor households.
- **Social Funds can be effective mechanisms for delivering social risk management functions.** In Yemen, as an autonomous and flexible institution, the Social Fund for Development (SFD) was uniquely positioned to deliver a range of social risk management functions for the poor and vulnerable within a changing country context and evolving needs of government. SFD contributed to strengthening local institutions (risk mitigation); increasing access to basic services (risk reduction), and assisting groups affected by external shocks through a public works program (risk coping).
- **Existing informal village-based systems can be strengthened and scaled-up to provide an effective safety net for the most vulnerable.** In Togo, the school feeding component is based on the existing informal system of the *mamans*—an affectionate term translated best as “ *moms* ”. Children are usually given a small allowance by their parents to buy meals prepared and sold by members of the community (referred to as *mamans*). Instead of running formal canteens, the project finances the preparation and distribution of those meals. The informal system of the *mamans* has proven far less expensive than building and running formal canteens and has the added benefit of generating additional income that stays within the community. Under the GFRP project, the existing systems were strengthened through the provision of additional training and sensitization by NGOs and through the careful planning of menus to ensure they meet the nutritional needs of children.
- **Sustainability remains a key concern.** Governments should carefully consider the costs associated with maintaining safety net programs in the long-term as donor assistance may not be provided for extended periods of time. Well-targeted and cost-effective programs (even if relatively small in size), in some cases, are preferable to large and costly programs which governments might not be able to fund.

5.4 Lessons learned from agricultural supply response operations

- **Reinforcing the capacity of public institutions with decentralized actions involving communes, farmer organizations, and the private sector can yield satisfactory development results.** In Benin, unlike many isolated donor actions that were implemented amid concern that food aid or other resources would not reach beneficiaries, the project showed that strengthening the capacity of public institutions and involving key stakeholders in the process can yield good results. This approach also builds capacity within the country to address similar emergencies in the future.
- **It is important to improve the technical efficiency of fertilizer use and promote sustainable use.** Farmers and agricultural advisory services (development agents, cooperatives, agro-dealers, etc.) need continuous information and training to build knowledge and experience for efficient fertilizer use within an integrated soil/plant nutrient approach. Complementary activities are needed to ensure that fertilizer use is sustainable. The value for money from investing in fertilizers increases along with: (i) strengthened technical and marketing capacities of the distribution network and technical

services for timely availability of required quality inputs at competitive prices; (ii) delivery of technical services to promote economically and technically optimal use and efficiency of agricultural inputs; (iii) strengthened on-farm research services to fine-tune recommendations for appropriate fertilizer management, by agro-ecological zones, regions and crop/crop combinations; (iv) promotion of integrated soil nutrient and water management and conservation farming techniques along agro-ecological zones and farming systems requirements, including conservation farming and minimum tillage; (v) development and diffusion of appropriately adapted varieties tolerant to weather variability (drought) to reduce farmers risks for productivity losses; and (vi) improved linkages between input supply and social safety nets to enhance the production assets of the poorest and promote their potential access to inputs. During crisis, teams may need to take a simple approach of making sure fertilizers are available in time, but sustainability should not be ignored either.

- **Considering a value chain approach, even in the design of emergency food security projects, is instrumental to lasting project impacts.** Most often, emergency food security projects focus on production and give little emphasis to other segments of the food crop value chain. The risk is that a huge production surplus will be obtained but that no mechanism will be developed to manage it.
- **Local procurement can lead to stimulus for the local seed market.** In Tajikistan, the procurement of locally procured wheat and alfalfa seeds by the project has been an important stimulus for the local seed market. The superiority of varieties has raised awareness among progressive farmers (not necessarily project beneficiaries who have high poverty rates and hence, unlikely to buy improved seeds on a regular basis) of the potential for higher yield from good quality seeds. National project procurement has also raised awareness among seed producers of the need to improve quality and respect international norms.
- **Designing institutional mechanisms for delivering inputs to food crop farmers is key to achieving food security.** Many countries lack a strategic plan and corresponding mechanisms to deliver inputs to food crop farmers. Key elements for such mechanisms to succeed may include, for example, harmonizing input subsidy schemes in all government-promoted projects to ensure that they are free from political considerations; making provisions to recover input credits; and establishing effective linkages with markets, financial institutions, and the private sector.
- **A well-managed input voucher program can forestall return to public intervention in the supply and distribution of fertilizer, and build essential private sector presence in the sector.** In Kenya, support to a relatively small grant scheme has informed design of the larger government program and has had influence on the overall government policy towards input supply. Use of the private sector has proven effective. Agro dealers reported that demand for hybrid seed and appropriate fertilizer in Kenya increased in the season following the voucher distribution.
- **Input vouchers can be used effectively in a post-conflict setting if the necessary organizational structures for retailing and redemption of coupons are intact.** In Kenya, targeted areas were the most affected by post-election violence. Over one hundred returning Internally Displaced Persons (IDPs) who received inputs were able to produce enough and retain a small surplus after their household requirements were met. The public meetings concerning the voucher scheme involved local peace committees, which integrated messages on peace and food production. The grant also influenced NGOs working with displaced people to structure their support using similar methodologies.
- **Demand estimates for fertilizer needs to be carefully reviewed to avoid systematic overestimates of fertilizer supply.** If this is not adequately done, the consequences are inefficiencies in fertilizer

storage and distribution, in use of foreign exchange resources, etc. In Ethiopia, demand for fertilizer is estimated through a Government-led system which is unreliable due to an inherent bias to overestimate.

- **In an unstable setting (such as in Somalia), where normal trading is disrupted, it is important to base emergency recovery and rehabilitation programs on the production of traditional crops.** These crops substituted for imported foods in the local markets, thus, reducing the impact of soaring global food prices on consumers.
- **There is a good opportunity for sustainable cooperation between the public and private sectors under a public-private partnership arrangement.** However, in high risk country situations like in Somalia, appropriate sequencing and assessment is necessary to encourage the best possible sets of investors by reducing their risk or risk perception.

6. Partnerships

6.1 Status of external Trust Funds

43. In addition to the FPCR TF, IDA and IBRD resources, grant funding was made available through three externally-funded trust funds in support of the full range of interventions available under the GFRP: (i) a Multi-Donor Trust Fund (MDTF) received contributions of US\$185.7 million, including AUD 50 million from Australia, €80 million from Spain, 9.5 billion Korean Won from the Republic of Korea, CAD 30 million from Canada, and US\$0.15 million from the IFC; (ii) a Russia Food Price Crisis Rapid Response Trust Fund received a US\$15 million contribution from Russia for the Kyrgyz Republic and Tajikistan; and (iii) the European Union (EU) contributed €11.8 million to support operations in 10 countries.

44. As of October 2012, US\$344.47 million has been allocated for approved and pipeline projects to 33 countries under externally funded trust funds—29 MDTF-funded projects, three Russia FPCR TF-funded operation, and 12 EU Food Crisis Rapid Response Facility-financed operations. Of the US\$314.3 million in approved projects under externally-funded Trust Funds, disbursements currently stand at US\$177.2 million (56 percent of approved funds have been disbursed). A further US\$30.2 million of external trust funds have been committed to four pipeline projects whose approvals are still pending.

45. The externally-funded GFRP operations complement activities funded through GFRP Bank resources. Some of these operations co-finance Bank-funded GFRP operations. For example, the Nepal Poverty Alleviation Fund II is co-financed by US\$10 million MDTF and US\$65 million from an IDA credit. The US\$9 million MDTF grant funds a component for the Togo Agriculture Sector Support Project, which also includes US\$9 million from IDA and US\$19 million from GAFSP. Some other externally-funded operations are scaling up activities financed by existing Bank GFRP resources. For example, the Sierra Leone National Social Action Project funded through US\$1 million of MDTF provides a second additional grant in support of scaled-up safety net interventions that was first supported by an FPCR TF grant approved in 2008. The grant in the amount of €6.7 million from the EC financing for the Kyrgyz Republic Agricultural Investments and Services Project is providing additional funds to scale up ongoing project activities under an IDA-financed operation. In other cases, the externally-funded operations allow for the continuation of activities in earlier operations. The Niger Second Emergency Food Security Support Project, funded through US\$15 million of the MDTF, is a follow up of the previous MDTF-funded US\$7 million operation approved in 2008. In South Sudan, the US\$1.5 million MDTF funding con-financed with US\$0.7 million from the FPCR TF for the Emergency Food Crisis

Response Project will allow the original project to be extended by an additional 15 months and provide supplementary funds of US\$3 million from the MDTF.

6.2 Coordination with UN Agencies

46. The Bank has been actively engaged with a wide variety of partners, including UN agencies, bilateral donors, civil society and the private sector on appropriate responses to the food crisis. The most notable of these has been the UN HLTF on Food and Nutrition Security, which was established in late April 2008 under the leadership of the UN Secretary-General, and which brings together the Heads of the UN specialized agencies, funds, and programs and the Bretton Woods institutions. A World Bank Senior Manager is a member of the HLTF, and the Director of AES and the Program Manager of GFRP are members of the HLTF Senior Steering Group.

47. The Bank has provided financial support to the HLTF Coordination Team through a Development Grant Facility of a US\$525,000 per year for three years from FY10 to support its work. Also, a member of the GFRP Secretariat is seconded to the HLTF Coordination Team in Rome. In addition to the support to the establishment of the €1 billion European Food Facility of the European Commission, the HLTF Coordination Team has promoted coordination among its members and their partners, while supporting country-owned and country-driven action. This has led to ensuring a coordinated response to the crises in the Horn of Africa and in the Sahel countries in 2012, and to sharing approaches on strategic, policy and operational responses to protracted crises affecting food and nutrition security.

48. In addition, the Bank has been working in 11 countries with UN agencies such as the Food and Agriculture Organization (FAO), UNICEF, WFP, and IFAD in order to implement GFRP operations. For

Box 1. Working with UN Agencies to deliver services effectively in Burundi

The Burundi Food Price Crisis Development Policy Grant supported the revised 2008 national budget, which included a number of measures to mitigate the impact of increased food price on the poor while maintaining fiscal stability. The second of the three measures included support to implement the expansion of a school feeding program in primary schools in food insecure provinces that was being implemented by WFP. This was the first time WFP managed a program funded by the Government and implemented by local government agencies in Burundi. In the past, WFP was the sole financier of school feeding programs in Burundi, and did not require any government contribution and delegated implementation to NGOs. Direct implementation by the Ministry of Education, local officials, and school managers required special efforts to brief and train Burundian staff. This took time but resulted in substantially reduced administrative and management costs in the school feeding operation, compared to the conventional mechanism of contracting an international NGO to manage the program. At the beginning of the program, cooperation between Government institutions and WFP was a challenge. It improved considerably as the two sides learned to understand their respective institutional objectives and constraints, intensified their dialogue and organized two joint supervision missions.

Through the GFRP financed operation, WFP purchased 2,786 tons of food, serving 106 schools in vulnerable areas, and provided 88,164 students with hot meals. According to WFP monitoring reports, the program had a positive impact on school attendance: children (notably girls) who had dropped out of school returned to school when the school feeding program began its operations. Parents and teachers also claim that the program had a positive impact not only on school enrollments but on the health and learning capacity of the children. This encouraged the Government to continue the operation and double its budget allocation to WFP sponsored school feeding programs in 2009.

example, in Benin the GFRP operation has been promoting sustainable access of producers to improved rice seed through close collaboration with the FAO-financed Quality Seed Development Project. In Senegal the Rapid Response Child-Focused Social Cash Transfer and Nutrition Security Project includes arrangements to incorporate support from UNICEF and WFP for the management of acute malnutrition which is being rolled out in the intervention areas. In Niger, IFAD has contributed with US\$13 million to fund project activities in the regions of Maradi and Tahoua, complementing the GFRP funded program in the Tillabery region (see Box 1). For the West Africa Agricultural Productivity Program in Gambia, the FAO Country Representative has been engaged in Project Supervision.

6.3 Coordination with CSOs

49. Civil Society Organizations (CSOs) have been actively involved in designing, monitoring and implementing 20 GFRP projects in 18 countries, playing an important role in ensuring good governance and accountability in GFRP operations (see Box 2). The emergency nature of operations and the CSOs' strong field presence, particularly in fragile settings, made partnerships an important element of rapid response and delivery. Examples include projects in Niger, Somalia, Nepal, and Southern Sudan.

50. *Project design.* The Federation of Rice Producer Cooperatives (FUCOPRI) participated in the preparation of the Emergency Food Security Support Project in Niger. The Federation was subsequently invited by the Government to take part in the technical discussion and negotiations. The inclusions of FUCOPRI improved project targeting, and ensured transparency and good governance, which is critical in emergency situations. This practice was unprecedented in the country.

Box 2. Establishing a New Partnership between CSOs and the Government of South Sudan (GoSS)

Four international CSOs have been contracted to support the implementation of the GFRP South Sudan Program: Norwegian People's Aid, World Vision, Africa Action for Hunger International and the Agency for Cooperation in Technical Development. The contractual relationship was defined by an agreement based on Bank procedures that clearly identified CSOs as consultants delivering services required by the GoSS. The selected CSOs had working experience in the agricultural sector in South Sudan, extensive knowledge of the local communities, and appropriate operational structures ready to be quickly scaled up. However, after the signature of the Comprehensive Peace Agreement (2005) and the subsequent independence in 2011, new working procedures were established. While previously CSOs were only accountable to their donors, they began to be supervised by the new government in place.

It took some time for the CSOs to adjust to the new reporting requirements. However, they successfully engaged with the local authorities. They played a crucial role in promoting awareness on important topics, especially related to gender issues. Although governmental institutions remain structurally weak, they played an important role providing counterparts to supervise the project, facilitating the exemption of taxes on equipment, materials and inputs for the project, and disclosing policy documents related to agriculture and forestry development in South Sudan. Therefore the relation between CSOs and the GoSS positively evolved during the implementation of the GFRP program. In terms of management, the Internal Coordination Committee, a forum in the Ministry of Agriculture and Forestry, brought together the different actors on a monthly basis to discuss implementation of the project and helped in the identification and resolution of key implementation challenges also related to accessibility, logistics, and insecurity.

51. *Project Implementation.* In Somalia, local and international NGOs were selected as implementing partners for the Rapid Response Rehabilitation of Rural Livelihood Project. Criteria to select NGOs included credibility, reliability, strong operational presence in the project areas, and historical association in management of previous FAO Somalia emergency programs. Insecurity was a major concern during

the implementation of the project. South-Central Somalia, Puntland, and Somaliland suffered high levels of instability, especially in the first six month of the operation. Local NGOs and Somali experts assigned to the affected areas played a crucial role. Their familiarity with and knowledge of the affected areas allowed them to implement activities as planned, in spite of increasing insecurity.

52. *Monitoring and Evaluation.* In Nepal, the use of fertilizers is monitored by a local NGO. This partnership is crucial for improving the targeting of smallholder farmers for fertilizer use in remote districts; to improved monitoring and assessment of fertilizer or seed transport subsidy to remote areas and to track access to fertilizers.

7. Conclusions and Moving Forward

53. Implementation of the GFRP on the whole has been well-aligned with its objectives and contributed meaningfully to the international response to the unanticipated food crisis of 2008. The program has been instrumental in providing rapid assistance to poor and vulnerable people in a large number of low income countries hit by recurrent food crises. Even where some project objectives were not fully achieved, authorities and the Bank have had an opportunity to experiment, learn, and inform responses to the recurrent food price spikes. GFRP helped put agriculture and food security back into the agenda of finance ministers and the international donor community. In some countries it also allowed the Bank to reengage in agricultural sector and policy dialogue on food security. GFRP has eventually increased the Bank's leadership role in the global food security arena.

54. GFRP has helped generate valuable lessons that have been mainstreamed into the emergency response toolkit of the Bank. An emergency operation in order to provide a rapid, timely, and meaningful assistance needs to have a simple design and preferably needs to scale up ongoing programs. Partnering and coordinating with civil society and entities such as UN organizations is important to achieve better results. In some cases, the menu of short-term options countries have to mitigate the impact of higher and volatile food prices can be rather small; the role of the Bank in such cases is to help clients avoid actions that would undermine long-term incentives for private sector and markets, a future basis for productivity and growth. Furthermore, emergency responses can highlight the importance of structural reforms and help in crafting longer-term responses to vulnerability. All these and many other practical lessons that the Bank has learned over the last three years would not have been possible without GFRP.

55. With regard to moving forward, the GFRP expedited processing facility expired on June 30, 2012, implying that new Bank-financed projects can no longer be processed under the expedited processing procedures of GFRP. Global food price volatility has become a longer-term phenomenon requiring concerted actions beyond GFRP. Presently, the Bank has new permanent instruments in its toolkit to respond to future emergencies, with some of them building on the GFRP experience. New instruments such as IDA CRW and IRM, and IBRD's Exposure Management Framework will allow the Bank to respond quickly should emergencies arise. The Bank Management has also discussed with the Board the possibility of an Enhanced Access Facility for IBRD borrowers on flexible terms with respect to pricing and maturity. With respect to GFRP, the Bank will focus on implementation of the ongoing GFRP projects, in particular those financed from the external trust funds. The MDTF and Russia FPCR TF will close in 2015; the EU Trust Fund has already closed.

56. As high and volatile global food prices have become a longer-term phenomenon, the Bank has already started to tailor its scaled-up long-term IDA/IBRD and IFC portfolio (the WBG commitments to agriculture and related sectors increased in aggregate by 68 percent, from an annual average of US\$4.1 billion in FY06-08 to US\$7.0 billion in FY10-12) to the countries' needs to prepare and respond to

volatility and new risks, and this process will continue. Members of the the GFRP Secretariat will continue to incorporate lessons learned from GFRP into future operations and the WBG Agricultural Action Plan FY13-15, which commits to maintain the scaled up lending of between US\$7 billion and US\$9 billion annually, including the Pillar “Reduce Risk and Vulnerability” that includes a menu of options to help our clients prepare and respond should emergencies arise in the future. More broadly, the Bank is very much back in the food security business through both its regular programs in agriculture, nutrition, and social protection and through a series of innovative new global partnerships, to be detailed notably in the Bank’s forthcoming *Agricultural Action Plan FY13-FY15*.

Annex 1: In-Depth results from selected GFRP operations

This Annex presents in-depth results of the projects that have Implementation Completion Reports (ICRs), impact evaluations or reports providing in-depth information on implementation progress. Where ICRs were reviewed by the Independent Evaluation Group (IEG), the reported final ratings for achieving project development objectives are those from IEG. For all three components of GFRP, there are eight case studies presented in an alphabetical order. They highlight the rationale behind the operation, objectives and activities financed through GFRP, selected results, and lessons learned during the implementation.

A. Policies and Institutional Actions to respond to the Food Crisis

A1. Bangladesh: Food Crisis Development Support Credit

The Bangladesh Food Crisis Development Support Credit (FCDS) was designed to support the Government of Bangladesh's response to the food price spike. Lower production (due to severe floods in July-September 2007, and the cyclone *Sidr* in November 2007), coupled with higher global rice prices, led to significant increases in domestic rice prices. In support of Government efforts to respond to these higher prices, a US\$130 million IDA credit was approved in October 2008. In the absence of concessional financing, the Government would have had to curtail development spending and/or resort to higher domestic bank borrowing to sustain its increased social spending. Required prior actions to be completed before approval and effectiveness of the IDA credit focused on: increasing Government budget commitments to food crisis related safety net programs, reducing Government expenditure through State Owned Enterprises (by increasing in administered prices of natural gas and fertilizer), reflecting the subsequent higher costs of production in higher rice procurement prices, improving access to fertilizers, and improving overall Government revenue generation. The project received an overall ICR rating of satisfactory.

Selected results:

- **Government budget commitments to food crisis-related safety nets increased.** The Government substantially increased the allocations to the food-based safety net programs and introduced the 100 day employment generation program (EGP) in the FY09 budget. There was an increase in the overall budget allocation to food-related safety net programs of 25 percent (or US\$170 million) in 2008. The Open Market Sales program, which allows urban consumer to buy three kilograms of rice per person at a fixed price of Tk 28/kg (about 20 percent below the prevailing market prices) was initiated in August 2008. At its peak, the program was expected to serve about 3.3 million persons. The 100 day employment generation program costing US\$300 million was included in the FY09 budget. The employment generation program was intended to be the employment opportunity of last resort for up to 2 million workers during the low agricultural seasons and in periods of high inflation.
- **Farmers received higher rice prices to off-set lower fertilizer and energy subsidies.** Farmer rice prices increased by over 50 percent between 2008 and 2009. This increase offset the lowering of fertilizer and energy subsidies. The subsidies were lowered to reduce the losses of energy and fertilizer State Owned Enterprises (SOEs), estimated to be about US\$950 million, or about 1.2 percent of GDP in FY08, and to reduce the gap between domestic and border prices to discourage smuggling of fertilizer and diesel to India. While the objectives for the SOE deficits have been lowered, results are vulnerable to fluctuations in international prices and to the reluctance of the Government to adjusting the administered prices in line with the world prices (recent increases in urea prices were the first in 11 years). Fertilizer was distributed through more dealers (from 4,850 in FY08

to 5,504 in FY09). Fertilizer cards were also distributed to farmers that allowed them to access a given amount of fertilizer at a subsidized price.

- **Supply response improved.** Improved input supplies, higher rice procurement prices, announcement of a Government policy to build up rice stocks, and assurances of imports from India created conditions for a bumper Boro crop of 17.7 million tons in FY08, an increase of nearly 19 percent from FY07. This was followed by good Aman and Boro harvests in FY09, further improving the food supply situation. The domestic stocks of wheat and rice have returned to around 1.14 million MTs as of June 30, 2009, compared to only 0.44 million MTs in April 2008. Retail prices of coarse rice (a staple of both the rural and urban poor) in Dhaka have declined by almost 41 percent to Tk21 per kg from their peak of Tk36 per kg in April 2008.
- **Government revenue generation increased slightly.** The overall fiscal situation has remained in balance despite a substantial increase in outlays on the social safety net programs. The overall fiscal deficit has been maintained between 3.2 and 3.5 percent of GDP. The ratio of Government debt to GDP, an indicator of overall fiscal sustainability, has declined from 46.5 percent in FY07 to 44.8 percent in FY09 and is projected to decline further to 44.4 percent in FY10. The domestic public debt has remained stable at around 20 percent of GDP. In addition, there was an increase in the Tax/GDP ratio (0.8 percent) in FY08 which has been maintained. These revenue gains, however, have been marginal and the Government may not be able to sustain them.

Lessons learned:

- **Informal assistance is as important as resources.** Most of the Bank's assistance in the FCDSC was informal and indicates that informal assistance is just as important as the resources provided by the operation. The Bank must also improve the sharing of lessons from emergency responses of other countries.
- **The emergency operation highlighted the importance of structural reforms.** Although an emergency operation is not designed to address structural issues, FCDSC highlighted the importance of some critical reforms needed to achieve food security and fiscal sustainability over the medium term. These include reforms of the tax system, a reform of the administered prices of energy and fertilizers, increasing the efficiency of the food-related safety net programs and reforms needed to increase agricultural productivity, especially improving the fertilizer marketing system.
- **The Bank can be effective in providing emergency assistance even where the overall governance environment is weak.** The Bank worked closely with the government to prepare the operation in a timely manner, and continued its close engagement during the implementation period by monitoring funds allocated for safety net programs and supporting the government's efforts to take remedial action to fix problems with the safety nets through analytical work.
- **The emergency response amplified the need for the Bank to assist the government to strengthen safety net programs.** The recent, multiple global crises combined with recurring natural disasters have increased the strain on safety net programs in Bangladesh and brought increased attention to governance concerns. As such, it is important for the Bank to continue assisting the government in strengthening the safety net programs through its analytical work as well as through lending to support reforms.

A2. Burundi: Food Crisis Development Policy Grant

The Bank approved the Burundi Food Crisis Response Development Policy Grant (DPG) for US\$10 million under the single donor FPCR TF from IBRD surplus. The Grant was approved on August 13, 2008, and a single tranche disbursement was made on August 21, 2008, and the Grant was officially closed on July 31, 2009. The objectives of the Grant were to assist the Government of Burundi in mitigating the impact of increased food prices on the poor while maintaining fiscal stability. Thus it aimed to reduce the risks of food insecurity, increased poverty, and social unrest, and to help foster social and economic development. The supported policy measures included: (i) suspension of custom duties and taxes on 13 basic food items¹⁰; (ii) sustaining/extending school feeding programs (including for girls) in primary schools in vulnerable provinces; and (iii) expanding emergency humanitarian relief.

The ICR for this operation was reviewed by the IEG and its rating of the achievement of overall project objectives is *unsatisfactory*. The main reason for this rating was that customs duty exemptions had little or no impact on local food prices, the exemptions did not target food consumed by the poor, and the implementation of the scaled-up school feeding program was delayed. The IEG recommended focusing on long-term investments in agriculture, concluding that addressing short-term local price increases, caused by the spikes of the global food prices, was unnecessary. The team, responding to the IEG assessment, explained that without the suspension of duties, local food prices might have been higher, even if domestically produced, and that the exemptions covered many food items consumed by the poor. The team agreed that more needs to be invested in agriculture in the long run but short-term food price escalations also need to be monitored and addressed, not only to avoid social unrest but to provide conducive environment for private investments in agriculture.

Selected results:

- **Suspension of custom duties and taxes:** The Government had already suspended the custom duties and taxes for the 13 basic food items at the beginning of the food crisis, before the approval of this project. But financing provided by the project, and other DPOs that were on-going in the country, ensured its continuation until July 2009 when an 18 percent value added tax was introduced and Burundi began to apply the common external tariff of the East African Community. Although no specific data is available to support an evaluation of the overall impact of the duty and tax exemption components of the program, it is very likely that local food prices would have been higher had the transaction tax been reinstated, though the IEG argued that the suspension of customs duties was irrelevant because most domestically consumed food is produced locally. The problem with this argument is that reducing import taxes at a time of rising international food prices -- at a minimum -- reduces opportunities for local producers to increase their domestic prices at the same rate as international prices and provides a ceiling for local food prices. Thus, the suspension of duties did matter. Moreover, an analysis based on the results of a 2006 household survey (Core Welfare Indicators Questionnaire) shows that the specific food products selected for duty and tax exemption: (i) were mostly consumed by rural poor; (ii) accounted for about 80 percent of their food consumption; and (iii) accounted for 55 percent of total consumption of these rural poor, again countervailing the arguments of the IEG.
- **Sustaining/extending school feeding programs:** The school feeding program added 106 additional schools from a baseline figure of 269 primary schools. In terms of number of additional students served nutritional hot meals, 88,000 additional students were served hot meals from a baseline of 238,873 students originally covered under the WFP school meal program. In terms of budget, the Government allocated approximately US\$2.4 million in the revised 2008 national budget for school feeding programs, which did not exist in the budgets of previous years. Weak implementation

¹⁰ Beans, bananas, cassava flour, cassava roots, fish, fresh meat, fruits and vegetables, maize, maize flour, onions, peanuts, potatoes, and sweet potatoes.

capacity caused implementation delays of the school feeding component, which did not begin until March 2009. However, the program did result in important institutional changes and strengthening since local Governments were directly implementing the program, and not international NGOs as in the case of other WFP operations in Burundi. This change resulted in much lower operational costs for operating the school feeding program. Also, the program created management committees comprised of parents (men and women), students and teachers to manage the school feeding programs and also to advise school management on a wide variety of educational and other issues. The parents were also actively involved in the school feeding program by taking the role of preparing the meals, and contributing to the provision of necessary infrastructure facilities.

- **Expanding emergency humanitarian relief (Implementation Completion Report rating: Satisfactory):** Cash and in-kind assistance was provided to an estimated 96,000 returning refugees and other vulnerable groups. The completion report does not report any details on specific assistance that was provided. In terms of budget allocation, 3.39 billion FBu (approximately US\$2.73 million at the time of the completion report in December 2009) was allocated to the Ministry of National Solidarity to assist returning refugees, provide subsidies to returning refugees, internally displaced and other victims, and emergency humanitarian assistance.

Lessons learned:

- **Emergency budget support works particularly when certain conditions are met.** They are: (i) the government does not wait for donor assistance to design and begin to implement activities aimed at mitigating the impact of the crisis (for instance, the duty/tax exemption component was in place months before approval of the DPG; consequently, one of the objectives of the DPG was to help the government finance and implement that particular measure); and (ii) the emergency assistance operation is not an isolated development policy operation -- it is integrated into larger budget support activities supporting a comprehensive policy reform package (in this case the Economic Reform Support Grant II and III program), adequately prepared and supervised by the Government and the World Bank.
- **Partnering with a third party with extensive experience -- in this case, the WFP for the school feeding program -- makes sense.** However, working with third parties has complications of its own. For example, WFP did not discuss with the Bank and the Government the implications of new implementation mechanisms (by government agencies instead of NGOs as in previous WFP-financed school feeding activities in Burundi). The respective obligations of the government and WFP should have been more clearly defined in a tripartite document also involving the World Bank. The negotiation of these documents might have delayed the initial response to the emergency situation but would probably have facilitated the eventual solution of other funding and implementation problems and – perhaps more importantly – would have created opportunities for long-term collaboration.

A3. Cambodia: Smallholder Agriculture and Social Protection Support Operation

Cambodia was highly exposed to the rapid worldwide increase in food prices in 2008. The price of rice, the country's staple food, rose substantially – 40 percent between January and December 2008. The increase in food prices experienced in 2008 negatively affected more than 70 percent of the poor, and more than 78 percent of the non-poor, and simulations suggested that this resulted in a net increase in poverty of up to 3.3 percent. The crisis had a particularly adverse effect on the rural landless and the land poor, also because existing mechanisms were insufficient to support vulnerable consumers and farmers. The US\$13 million Development Policy Operation (DPO) – consisting of a US\$8 million grant from FPCR Core MDTF and a US\$5 million equivalent credit from IDA – was a stand-alone, single tranche

operation intended to support key policy actions to strengthening the enabling environment for direct support to poor households. The main strategic reason for the DPO was to support actions which help Government of Cambodia focus on priority policy and institutional reforms in agriculture and social protection and develop momentum in those areas. The DPO was complemented by TA support focusing on the thematic priorities that are important for advancing the agriculture and social protection agendas in Cambodia. The operation was Board approved on June 29, 2009 and is now closed. The ICR was completed on March 20, 2011, with the overall rating of *satisfactory*.

The project development objective was to address the weaknesses in smallholder agricultural production and social protection systems, which have come to light during the food price crisis. The operation included three pillars (or policy areas), comprising six specific objectives and 12 results outcome indicators. The three policy pillars which support the above objective are: (i) accelerate smallholder rice supply response; (ii) expand safety net support and improve its governance through better targeting; and (iii) strengthen the oversight of and learning from crisis response actions.

Selected results:

The short-term objectives to enhance agricultural productivity and to mitigate the impact of the food crisis and the medium-term poverty reduction objective to strengthen the enabling environment for direct support to poor households remain highly relevant in the Government's development priorities. While some prior actions required for the single tranche release necessitated additional actions by the Government and were supported by the accompanying TA, the analytical work, particularly that supported by the Australia AID Trust Fund and implemented by the Bank, also contributed to the preparation of a sound analytical basis for the effective policy dialogue between the Government and development partners in the future and, potentially, for the design of follow-up DPO-type operations. Some selected results are as follows:

- **Accelerated Smallholder Rice Supply Response.** According to Ministry of Agriculture, Forestry and Fisheries draft Annual Report for 2010/11, the national average rice yield for this season was about 2.9 tons/ha. Based on average yield growth of 3.5 percent p.a. over 1999-2008, it is expected that average yield of rice paddy will reach 3.1 tons/ha in 2013, compared to the target of 3 tons/ha. There has been significant improvement of fertilizer quality in Cambodia. There has been significant increase in rice exports, both milled rice and paddy, which in addition to price incentives was driven by following factors: (i) the lifting of a ban on rice exports; (ii) the reduction of formal and informal fees related to exports and taxes on rice processing; and (iii) increasing financing to agribusinesses, including rice mills, and the development of appropriate financial instruments being initiated. Specifically, the World Bank and IFC engaged with the Government in the preparation of a Risk Share Facility, a form of partial credit guarantee instrument, which aimed to encourage commercial bank and micro-finance institutions lending to agribusiness sector. The facility is effective and is making loans to agribusinesses (rice mills).
- **Expanded safety net support and improved governance through better targeting.** The target of reaching 300,000 people was surpassed and a total of 342,835 people benefitted from emergency rice distribution in 200 communes in 2009/2010. Specific intermediate actions that led to the achievement of the objective included: (i) on April 24, 2008, signing of a Memorandum of Understanding with the WFP for the provision over three years of 2,000 tons per year of rice for school feeding and food for work program, and the successful implementation of the two programs in four target provinces; (ii) initiating the implementation of emergency safety net assistance in 200 communes through a one-time rice distribution and a two-year food and cash-for-work programs for 2009 and 2010; and (iii) identifying 20 percent of the poorest villagers (68,000 vulnerable households or 342,853 people) as

the target beneficiary group for emergency assistance in 200 communes, utilizing the Identification of the Poor Targeting System.

- **Strengthened oversight of and learning from, crisis response action.** Through the practice of monitoring and reporting, the governance and effectiveness of the Government's emergency response was well reported and lessons learned can now inform crisis policy actions.

Lessons learned:

- **Implementation results need to be identified and expressed as objectively verifiable target indicators.** While targets need to reflect true aspirations, project design should carefully assess whether they are reasonably achievable and verifiable, given the country context, institutional constraints, technical feasibility, and implementation period. In this DPO several target areas (yield increases, fertilizer labeling, and farmer cooperatives registration) could have been more realistically assessed at the design stage. In addition, the presentation of the results framework, showing the correspondence of objectives with results indicators, could have been improved.
- **Related to the above, joint monitoring of the program requires clear indicators which are agreed on prior to implementation.** Specific indicators for monitoring progress in each policy area should be defined and agreed on during the preparation phase to provide a more objective basis for joint monitoring. Of course, the use of a series of DPO phases would provide scope for adjusting indicators with experience and building technical capacity for monitoring implementation performance and evaluation of results.
- **While having a parallel TA is desirable to implement agreed actions, the identification of appropriate targets and indicators of the program should be ideally based on prior analytical work.** Analytical work and related TA planned in parallel to the implementation of a DPO may not have enough time to provide substantive inputs into the implementation of the agreed actions, given the generally short durations of DPO-type operations and the need for extensive consultations with stake-holders required to reach consensus on certain policy/regulatory actions.
- **Different reforms will require different timeframes to move from agreement to implementation.** Sensitive areas of institutional or policy reform require a sufficient time frame for dialogue and agreement and to gain traction and demonstrate results – usually beyond any specific DPO or even program of operations, so several incremental steps should be anticipated over a longer period.
- **Cross-sector programs require a clear understanding of incentives faced by all implementing agencies.** In the case of multi-ministerial programs, in addition to the coordination capacity of the lead agency, incentive structures need to be understood to determine how those who benefit only tangentially from the program will be motivated to pursue the reform agenda.

A4. Djibouti: Food Crisis Response Development Policy Grant

The Food Crisis Development Policy Grant of US\$5 million was a development policy operation which had the objective of supporting the implementation of the Government's program to mitigate the impact of the rising food prices on the poor, to reduce hunger and to prevent an increase in poverty and social unrest while maintaining fiscal stability. The supported policy measures were a sales tax exemption on basic food items, expansion of food aid, social assistance, and related programs.

The project closed on June 30, 2009, and the achievement of the overall objectives was rated by IEG as *moderately unsatisfactory*, due to the lack of strong facts that tax exemptions had an impact on local food prices. Food prices did come down, in fact, reducing exactly by the amount of tax reduction. However, international food prices also decreased and hence, it was not possible to isolate the tax effect from the international price development and attribute it to reducing domestic prices in Djibouti.

Selected results:

- **Fiscal and macroeconomic stability has been maintained in line with project objectives.** Growth also remained strong at over 5 percent for 2008 and 2009. However, the fiscal deficit increased slightly from -2.6 percent in 2007 to -2.8 percent in 2009, while it recorded a surplus in 2008 of 1.3 percent (the year in which the budget support was granted). The deficit in 2009 was mainly caused by a drop in grants.
- **The tax exoneration did not have the desired impact on prices in Djibouti.** The difference between international and domestic prices did not narrow after the tax exoneration (i.e. local prices remained higher than international prices). Possible explanations include: the small number of importers and distributors for most food imports made it possible for them to exercise sufficient market power to avoid passing on the tax decrease in the prices of the relevant food items; transportation costs for food imports might have increased in result of the heightened security risks in international waters (pirates). This low pass-through of tax exemptions on local prices has been the main reason for IEG's moderately unsatisfactory rating. At the same time, it should be acknowledged that the Bank team was only given three weeks to prepare this operation. At the time of appraisal, there were very few entry points (e.g. existing social assistance programs) and none seemed to offer a potential for effective scale-up. Eliminating taxes on food items seemed to be the fastest and potentially the most effective crisis response as it promised to benefit the entire poor population (rural and urban), but it seems to have had a small if any impact on local food prices.
- **Nutritional status improved from 2008 to 2009.** The survey run by Doctors Without Borders (MSF) used a cluster sample which included in total 781 families in 2007 and 2009 in the Balbala area, which houses approximately 200,000 people. Results of this survey indicate that severe malnutrition and global acute malnutrition in the population of Balbala decreased from 12 percent and 37.2 percent to 8.2 percent and 20.8 percent respectively from July 2008 to July 2009. However, the MSF survey also indicates a slight deterioration of the nutritional status if compared to results from a survey by the Ministry of Health in 2007 for Djibouti Ville. This implies that the nutrition situation had improved in comparison to the one in 2008, but may still have been worse than in 2007. IEG acknowledges that malnutrition decreased in the period following the grant, but given that the tax exemptions were not able to affect food prices, it is by no means clear that they could have reduced malnutrition.
- **Improved targeting of the poor and identifying more cost-effective mechanisms of social assistance.** As part of the actions to improve the design, targeting and monitoring of social assistance programs, it was also proposed to complete the population census which was halted in mid-2008 due to a lack of financing. The authorities therefore utilized part of the funds of this grant to complete the census. The completion of the census in October 2009 and subsequent publication of its result in March 2010 was considered a major milestone because all population statistics had been based on a demographic survey from 1991. In this respect the operation contributed to the improvement of statistics and consequently the targeting of social assistance programs which will benefit from future surveys.

Lessons learned:

- **Fiscal measures are not always effective.** Given the urgency in the preparation of this operation and the lack of appropriate institutional mechanism to provide other type of support, the tax exoneration promised to be the fastest and most feasible crisis response. But even the best safeguards would not have necessarily avoided the inherent leakage problems of such an untargeted intervention. The statistical evidence also shows that direct assistance (e.g. through food aid) seems to work much better in the Djiboutian context. This is an important finding which might also inform similar intervention in other countries.
- **More needs to be done to ensure that appropriate social safety nets instruments are in place for effective emergency/crisis support.** In particular, creating a mechanism which would allow a targeted cash transfers or distribution of food vouchers in the urban neighborhoods of Djibouti while ensuring that food aid in rural areas which can be easily scaled up is recommended.
- **Programmatic operations should be considered for emergency operations.** Emergency operations, by nature, finance short-term measures which often do not have the potential to sustain development impact. Therefore, planning a follow-up operation that can build on the experiences of the emergency operations and that either aims at improving institutional mechanisms and processes to ensure more effective emergency responses and safeguards or continues providing assistance – if necessary - with an advanced concept should be considered.
- **Better monitoring instruments could have helped to better assess outcomes and inform policy making.** The monitoring instruments in this operation were weakly designed. It can be argued that the small size and the simple design of the operation did not require more sophisticated M&E. Another consideration is that even with the best monitoring instruments the main policy action supported by this operation could not have been reversed. However, a better survey of the local price developments (e.g. through a randomized sample) could have brought more clarity in the assessment of the development outcomes.

A5. Guinea: Food Crisis Development Policy Grant

The Guinea Food Crisis Development Policy Grant of US\$2.5 million, financed from the FPCR TF was approved on September 19, 2008. The grant supported the Government's Second Poverty Reduction Strategy by providing the authorities with needed fiscal space to compensate for the lost revenues resulting from the reduced customs duties on rice imports. This support would help mitigate the impact of international rice price increases and contribute to continued basic service delivery for vulnerable groups. The prior actions for this operation included: (i) the recipient has reduced customs duties on imported rice, which is 25 percent broken, from 12.75 percent to 2.75 percent to mitigate the impact of rapidly rising international prices of food; and (ii) the recipient has issued an administrative instruction (*arrête*) which clarifies that there is no ban on agricultural exports in effect in Guinea. However, the export of rice is exempted from this policy until a study on rice exports to allow for the analysis of trade in rice and the design of measures to address inherent distortions in the domestic rice market due to alleged substantial subsidies for rice is delivered to the military.

The military coup in December 2008 led to the Bank's engagement and activities in Guinea to be put on hold as a result of the application of the provisions of OP/BP7.30, dealing with de facto governments. The *Implementation Completion Report* has given a *moderately unsatisfactory* rating to the operation. Although the operation's development objectives were achieved in 2008 and its objectives, design, implementation, and outcomes were highly relevant to country circumstances and development priorities

as well as to the Bank's strategy, the sustainability of the development objectives was undermined by the military takeover in late 2008 and the consequent suspension of the economic reform program and PRSP implementation.

Selected results and challenges:

- **Reduction of customs duties on imported rice:** From June 1st to end-October 2008, the Government exempted rice imports completely from customs duties (thus reducing customs duties from 12.5 percent to 0). The decision to go beyond the grant-supported customs duties exemption (from 12.75 percent to 2.75 percent) was taken by the Government to simplify the applicable custom procedures, to ease rice imports, and to help achieve the possible maximum reduction in the price level. The estimated revenue loss from the reduction of rice customs duties was US\$3.06 million (or GNF15.3 million), as compared to an estimated US\$2.5 million if the customs duties had been reduced to 2.75 percent.
- **Subsidization of imported rice and stabilization of rice wholesale and retail margins:** The Government decided to subsidize 50 kg bags of imported rice with GNF15,000. This measure was limited to 75,000 tons, estimated to be the minimum quantity of consumption during the critical *lean* period. Furthermore, the rice wholesale and retail margins for 50 kgs bag of rice were kept at no more than GNF1,000 and 2,000 on average, respectively. These measures, which were the outcome of negotiations and consultations between the Government and rice importers, unions, and civil society organizations in late May and early June 2008, resulted in the gradual decline in rice prices after August 2008, which helped to mitigate the impact of the food price crisis on the most vulnerable consumers in the country. The price of a 50 kg bag of imported price did not rise above the Government targeted price of GNF190,000 during the critical period of June to October 2008, and was priced at about GNF130,000 after October 2008, as compared to about GNF230,000 before June 2008.
- **Increase in fiscal costs:** It should also be noted that the decision by the Government to subsidize the 50 kg bag of imported rice with GNF 15,000 and eliminate customs duties on rice (as opposed to reduce them to 2.75 percent) led to additional expenditures of about US\$4.5 million and US\$0.56 million, respectively, for a total of US\$5.06 million, which partly reduced the fiscal space created by this operation.
- **Non-completion of study on rice exports and reinstatement of ban on re-exports of rice:** On August 8, 2008, the Government took action to clarify its policy stance on the non-banning of agricultural products. A joint ministerial order (*arrêté*) was signed, clarifying that the ban on the exports of agricultural produce issued in May 2007 had expired at end of 2007 and was no longer applied. Excepted from this order was the export of rice, in line with the agreed policies. This exception was ordered to be temporary, in line with program objectives, to allow for the analysis of trade in rice and the design of measures to address inherent distortions in the domestic rice market. However, the study on rice exports, which was to inform on options of levying an export tax on rice re-exports by end 2008, was not completed. Instead, the new political authorities which took over the government in late 2008 in a military coup after the death of President Conte on December 22, 2008, renewed the ban on the re-exports of rice in January 2009.
- **Distribution of take-home rations and emergency support for agriculture:** In addition, the Government took additional measures to mitigate the impact of the food and fuel price increases, including the distribution of take-home rations for children for families of five or more members, emergency support for the 2008-09 season for fertilizers, improved seeds, veterinary inputs, repair

and maintenance of agricultural assets, subsidy of transportation for primary and secondary school students, increased scholarships for students and increased transport allowance for civil servants.

Lessons learned:

- **Advantages were gained from keeping the design of the operation simple and well-focused on the Government priorities**, e.g., customs duties reduction on rice and facilitation of agricultural goods trade with well-identified outcome indicators. This helped ensure the Government's adequate response to the crisis given its limited capacities. However, the longer-term sustainability of the Government's food price crisis program and overall economic reform efforts were weakened by the military coup of late 2008, which undermined the ability of the Government to address future food price shocks effectively. While the risk of a worsening social and political instability was identified given the country's fragile situation, the death of President Conte precipitated a military coup which in turn triggered the subsequent application of the Bank's operational policy on dealing with de facto governments.
- **Given the (anticipated and unanticipated) risks to this operation in the country's fragile context, close coordination with other development partners has been indispensable to mitigate risks, realize synergies, and improve the leverage in the policy dialogue.** Collaboration with the IMF has also been important.
- **It can be challenging to ensure the establishment of an effective monitoring and evaluation system in the context of a crisis response operation.** In the context of Guinea, the Government M&E system worked reasonably well during the crisis but its efforts weakened after the emergency period.

A6. Philippines: Food Crisis Response Development Policy Operation

The Food Crisis Response DPO aimed to support the Government of the Philippines in addressing the challenges of high food prices in the short and medium-term, particularly by supporting measures to strengthen social protection and safety nets to protect poor and vulnerable households. The US\$200 million IBRD loan was approved on December 10, 2008 and became effective on February 23, 2009. The operation closed on December 31, 2010, and in terms of achieving its development objective was rated by IEG as *highly satisfactory*.

Selected results:

- **Continued lowering and stabilizing of domestic prices:** The DPO reinforced the Government's decision to no longer resort to large international rice tenders to increase domestic stocks, but rather (i) to seek out bilateral deals with Vietnam and Thailand, (ii) allow larger private sector import quotas, and (iii) to temporarily lift the 40 percent tariff on private rice imports. These policy decisions together with the accelerated releases of rice stocks reduced domestic retail rice prices. Between June and October 2008, domestic rice prices decreased by 13 percent. Ongoing dialogue from the start of the preparation of the DPO in August 2008 to negotiations and Board approval in December 2008 re-emphasized maintaining some of these policy decisions through a specific prior action that *"Government temporarily refrain from purchasing rice through international rice auctions and temporarily lift restrictions on private sector imports of rice"*
- **Increased the 2008 Government budget and off-budget allocation for social assistance programs** to mitigate the short-term impact of high food prices on poor households. An additional US\$1.5

billion was allocated from the Government budget (above the initial 2008 budgeted amounts) to existing and new programs to contend with the food (and fuel) crisis. Programs included rice subsidies (for consumers), and cash transfers. The DPO provided US\$200 million in additional fiscal space for some of the increase.

- **Increased the number of poor households receiving support.** The increased Government budget allocation provided support to more households. The government launched a conditional cash transfer program in January 2008. Support through the DPO complemented these Government efforts and helped scale up the program to 333,000 household beneficiaries (a prior action). The program has since been expanded in cover to over 1 million households with a recent government decision to increase the number of household beneficiaries to about 3 million.
- **Improved targeting of poor households.** This was done through: (i) revisions to the Operational Guidelines of the Food for School Feeding Program (a prior action) that led to the adoption of a new targeting mechanism that prioritizes all municipalities in the 20 food-poorest provinces; the 100 poorest municipalities exclusive of those in the 20 poorest provinces; and depressed areas in the national capital region. As a result, program coverage of non-poor students reduced from 54 to 22 percent and about 78 percent of the project budget went to the 20 poorest provinces; and (ii) developing and using a standardized database of poor households to better target social protection programs.

Lessons learned:

There are several lessons to be learned from the results of this policy-based loan in delivering financing assistance in the context of a social emergency, as well as complementary policy dialogue at the time of the price crisis.

- **Policy dialogue and analytical work is the key for actions on rice prices.** Dialogue with the authorities on rice policy was revamped during the crisis. The dialogue led to alternatives for rice procurement in global markets and a changed approach to social protection. The Bank's global reach helped in offering an alternative to the Philippines rice tenders, which had contributed to global price increases. In this regard, policy dialogue related to this operation helped stop the escalation of both domestic and world rice prices. The Bank's earlier work on the sector (Agricultural PER) provided the insight and understanding needed for an effective dialogue.
- **Emergency operations can be used as an opportunity to accelerate progress on the longer-term social protection agenda.** The DPO also catalyzed a nascent reform agenda in social protection, including a standardized database of poor households and conditional cash transfers. Again, the DPO benefitted from a pre-existing policy dialogue with the World Bank on the social protection agenda, and was useful in broadening this policy dialogue from one about specific reforms at the Department of Social Welfare and Development, to a broader cross-section of reforms in social protection.
- **There are often important synergies between short-term emergency response DPOs and longer-term specific investment loan (SIL) operations.** In the case of the Philippines, the DPO capitalized on the ongoing policy dialogue in the context of the preparation of a SIL (the Social Welfare and Development Reform Project scheduled for FY10 delivery) and policy dialogue on improving the quality of agricultural public expenditure, in particular on rice, while broadening the social protection dialogue beyond the one implementing agency of the SIL. In addition, the SIL is serving as an important vehicle that will both allow a deepening of reforms agreed as part of the DPO, ensuring sustainability, and will provide support toward operational implementation.

A7. Sierra Leone: Food Crisis Development Grant

FAO listed Sierra Leone as one of the eight most vulnerable countries globally at the time of food price spike in 2008. The price spike threatened to exacerbate the already high rate of poverty in the country. About 57 percent of Sierra Leone's 5.6 million people were already below the poverty line in 2007. Furthermore, 21 percent faced extreme poverty, unable to meet more than half their daily calorie requirements. About half of household consumption is devoted to food, of which one third is spent on rice. And with one third of rice consumption being imported the doubling of world rice prices in 2008 had a significant impact on local prices which rose by about 50 percent in the year ending June 2008. Subsequent World Bank estimates indicated that the price increases in rice alone threatened to push 100,000 to 150,000 more people below the poverty line.

The Sierra Leone Food Crisis Response Development Policy Grant was designed to support the Government of Sierra Leone's response to the food price spike. The project provided needed fiscal space by partially compensating for lost revenues resulting from the reduced tariffs on food and fuel imports while protecting continued delivery of basic service to vulnerable groups. As a result of the higher cost of food, the cost of Government delivery of priority basic services had increased by US\$3 million. The US\$3 million grant helped partially compensate for the foregone revenues and increased costs. The project received an overall ICR rating of *satisfactory*.

Selected results:

The magnitude of the price spike felt by consumers and government providers of basic services was dampened.

- **The pass-through of higher world food prices to consumers was dampened through maintenance of lower food tariffs and taxes.** The government reduced rice tariffs from 15 to 10 percent, flour tariffs from 20 to 10 percent, wheat tariffs from 5 to 2.5 percent, sugar tariffs from 20 to 10 percent, and petroleum tariffs from 5 percent to a fixed US\$20 per metric ton. These tariff reductions provided an estimated US\$7 million in food cost savings to consumers. These lower tariffs were maintained throughout the project period, with the grant compensating the Government for some of the revenue losses.
- **Priority food related public services were protected.** Provision of four priority public services continued, with the US\$3 million grant matching the expected increase in cost of provision of these services. As a result: (i) the number of hospital patients in district hospitals and community health centers who received food was maintained at about 12,800; (ii) the number of lactating mothers and children under the age of five, in hospitals administered by the Ministry of Health and Sanitation that received feedings three times a day increased from 5,300 to 8,200; (iii) the number of pupils in government boarding schools and handicapped children who were fed three times per day increased slightly from 3,000 to 3,470; and (iv) the number of children in remand homes and approved schools who received food declined from 500 to 380, the decline attributable to the reduced number of people in these homes. The total number of beneficiaries across all four programs was 24,800 people.

Lessons learned:

- **Keeping it simple allowed for rapid response.** The design of the project was kept simple by focusing on one set of policy actions that was considered critical given the country's dependence on food imports. It allowed for a simple matching of the size of the grant with the estimated cost increase of priority government services due to the food prices increases and allowed for rapid response. The

operation was prepared and processed in 12 weeks, allowing the Bank to provide timely support to the Government during the crisis.

- **More flexibility in multi-donor monitoring and evaluation could better incorporate emergency responses to unforeseen shocks in the context of preserving longer-term growth and poverty reduction objectives.** In Sierra Leone, the Government and donors have a well-established monitoring and evaluation framework to assess the progress of policy reforms supported through budget support by several donors. The framework operates around pre-established timetables and outcome indicators. It currently does not have the flexibility to respond to the need for a rapid crisis response. More flexibility could better incorporate crisis response policy action to unforeseen shocks in the context of preserving longer-term growth and poverty reduction targets.

B. Social Protection and Nutrition Intervention

B1. Liberia: Emergency Food Support for Vulnerable Women and Children Project

Food prices in Liberia were compounded by the pass-through effects of high fuel prices, which added to distribution costs and to inflationary pressures: Liberia's consumer price index rose from 127 in June 2007 to 167 in June 2008 and reached 184 in August 2008. For a typical household in Liberia, the cost of food increased by 25 percent in January 2008 alone. Increasing world food prices threatened to undermine recent progress towards the Millennium Development Goals (MDGs). As a country emerging from 14 years of civil war, Liberia's recent development gains are vulnerable to the consequences of high food price inflation. Rice prices are especially important for Liberians, because rice accounts for 37 percent of the value of food consumption and 50 percent of daily caloric intake for the average household. Rice prices, in particular, have political resonance in Liberia, especially among urban households, as demonstrated by the so-called "rice riots" of 1979.

The Liberia Food Crisis Response Program funded through the FPCR TF was implemented through three operations: (i) an agricultural productivity intervention (US\$3 million), processed as additional financing to the Liberia Emergency Agriculture and Infrastructure Development Project; (ii) a cash-for-work employment project (US\$3 million), processed as additional financing to the Liberia Community Empowerment II Project; and (iii) food support for vulnerable women and children (US\$4 million), processed as a stand-alone intervention, the Emergency Food Support Project for Vulnerable Women and Children, implemented through the WFP. The three operations were processed simultaneously through the preparation of a single emergency project paper approved by the Board as the first operation to be supported under the FPCR. This report covers the Emergency Food Support Project for Vulnerable Women and Children which received a US\$4 million grant from the FPCR TF.

Objectives and activities financed: The project development objective was to maintain access to food among vulnerable households. The primary beneficiaries of the project included pre-school and primary school children from vulnerable households, as well as vulnerable women defined as pregnant and lactating women up to six months after delivery. The project targeted the five most vulnerable counties, located in the poorer and very remote South East Region of Liberia. The operation had two components: (i) school feeding, including girls' take-home ration (US\$3.6 million); and (ii) vulnerable women (US\$400,000). The project received an overall ICR rating of *Satisfactory*.

Selected results:

- **School feeding:** The key performance indicator for this component was 62,000 pre-school and primary school children from vulnerable households receiving meals on a daily basis, against the established baseline of 57,242. On average, the project provided 59,608 children per school year with

hot meals, with 44 percent of the recipients being girls (Table 1). The number of beneficiaries fluctuated during the school year, and beneficiaries could not always be reached for all feeding days. Some schools could not be reached by the project, particularly during the rainy season, because of poor roads or bridges. At the peak of the rainy season, some 70–80 percent of schools were inaccessible, although WFP had prepositioned stocks to mitigate major disruptions. The number of beneficiaries also dropped during peak agricultural seasons when child labor was in demand.

Table 1: Average number of children receiving hot meals on a daily basis at school (per school year)

School Year	Beneficiaries			Percentage of target reached
	Male	Female	Total	
2008/2009	32,393	24,849	57,242	92
2009/2010	35,142	26,448	61,590	99
2010/2011	32,411	27,580	59,991	97
Average number of pupils receiving daily hot meals	33,315	26,292	59,608	96

Source: Ministry of Education, 2010

- **Girls' take-home ration (GTHR):** The project distributed a monthly family ration to girls in grades 4–6 who had attended at least 80 percent of school days in the previous month. The target was 4,300 girls receiving take-home rations annually against the baseline of 2,169. The number of beneficiaries remained above the baseline during 2008–10, with an average of 2,894 beneficiaries per school year (Table 2). The project targeted schools with a gender disparity in enrollment exceeding 15 percent. The target schools were limited in number and also geographically spread out, further complicating the logistics of food delivery, and were even more negatively affected by poor infrastructures and access issues during the rainy season. GTHR was more complex to manage than school feeding because the rations were distributed on a monthly basis and in a larger quantity per beneficiary.

Table 2: Average number of girls receiving take-home rations once per month per school year

School year	Beneficiaries						Percentage of planned beneficiaries reached
	Maryland	Sinoe	Grand Kru	Grand Gedeh	River Gee	Total	
2008/09	1,150	294	353	429	211	2,437	57
2009/10	1,103	202	170	932	369	2,776	65
2010/11	1,419	417	213	930	490	3,469	81
Average number of girls	3,672	913	245	2,291	357	2,894	67

Source: Ministry of Education, 2010

- **Vulnerable women:** The target was to provide food rations annually to 3,300 pregnant and lactating women who visited health facilities for antenatal and postnatal care (up to six months after delivery) in the targeted counties. The project, on average, provided supplementary feeding rations to 3,094 women annually between September 2008 and December 2010 (Table 3). After reaching the target of 3,300 in 2008, in 2010 the project provided rations to 2,981 women (90 percent of the original target), a slight decline attributable to WFP's decision to reduce the target to 3,000 and other revisions to the program that required retargeting of clinics, health centers, and hospitals in the five counties.

Table 3: Pregnant and Lactating Women Receiving Rations

Calendar Year	Beneficiaries
2008	3,300
2009	3,000
2010	2,981
Total	9,281
Average Number of Women	3,094

Source: Ministry of Health, 2010

Lessons learned:

- **Emergency projects with simple designs and straightforward objectives are highly likely to be implemented successfully.** A strong commitment from government and partners, including the Bank, is also needed to prepare and implement emergency programs speedily and effectively.
- **In fragile countries with weak institutional capacities, reputable institutions already operating in the country are likely to be good partners for implementing project interventions successfully and rapidly.** WFP was already operating on the ground in Liberia and due to its logistical capacity, was ready to get things moving fast. WFP's experience in working with government partners and delivering food to the most remote communities in Liberia was crucial for the success of the project.
- **The UN Framework Agreement guided the partnership between the Bank and WFP** in this operation, and the Bank accepted WFP's standard reporting formats. However, monitoring reports and their frequency should meet both WFP's and the Bank's needs. The WFP and the Bank should discuss how to collaborate to develop a common reporting standard that would meet the needs of both institutions.

B2. Moldova: Health Services and Social Assistance Project

While generally Moldova is able to sustain its food self-sufficiency, the 2007 agricultural season was marked by a dramatic loss of crops and livestock. The harvest of cereal crops in 2007 was only 30 percent of the 2006 harvest, while production of vegetables decreased by 33 percent and livestock fell by 25 percent. Overall losses in the sector amounted approximately to US\$1 billion, leading to a production shock which spanned into the 2008 agricultural season. Under normal circumstances, stocks of food would be replenished through imports, but the global food squeeze, perpetuated by unilateral measures by food exporting countries, further increased Moldova's short-term food supply vulnerability. Relative food scarcity in the country led to a marked spike in food inflation, which was the main contributing source to inflation. Year-on-year food inflation in May 2008 had risen to 24 percent, with bread, fruit, and milk prices rising by 20, 56, and 24 percent respectively. The rising food costs were hurting the country's poor disproportionately more, because they spend a larger proportion of their incomes on food, and are more dependent on wage incomes and transfers. This situation had the potential of translating itself into a serious social challenge, given the country's poverty rate of 28 percent. This was further compounded by the impact of the rise in energy prices due to increased heating tariffs, especially during the winter months. A direct nutritional challenge was presented by the situation of institutionalized groups, including children and elderly, who lived on a ration valued at less than two dollars per day. The Health Services and Social Assistance Project (HSSAP) provided an opportune mechanism for the Bank to respond in a quick and flexible manner to the Government of Moldova's request for financing in the face of the food price crisis.

Objectives and activities financed: The objective of the US\$7 million additional financing grant for Moldova was to protect and improve the health and nutritional status of particularly poor and vulnerable populations in the face of food price shocks. This was done through: (i) interventions to decrease the nutritional vulnerability of pregnant and lactating women, infants, and young children by means of providing food and nutritional supplements; and (ii) providing temporary cash transfers to social institutions which provide food to children, the elderly, persons with mental or physical disabilities, and other vulnerable population groups with the intent of counteracting the nutritional impact of food price increases.

The grant from the FPCR Trust Fund was approved on August 8, 2008, as additional financing to the ongoing HSSAP. The grant has fully disbursed and closed on August 31, 2011. The development objective of the original project remained unchanged, but a new component on Protecting Health and Nutritional Status was added to address the food crisis. The design of this new component drew on existing experience with a small program targeting pregnant women and children being implemented by the United Nations Population Fund in the aftermath of the 2007 drought.

Selected results:

- During the first two rounds of distributing food packages and nutritional supplements for pregnant and lactating women and children of 6-24 months, around 7,000 pregnant and lactating women and 12,000 children received food packages. Beneficiaries received standardized packages consisting of wheat flour, rice, buckwheat, sunflower oil, and canned meat. Realized savings have enabled the project to distribute a larger number of food packages than initially anticipated and the content of the packages has also increased.
- In addition, cash transfers have been made to over 1,645 eligible social institutions caring for vulnerable children, elderly, and those with physical or mental disabilities. Of the targeted institutions 1,330 received funds in 2008 and the remaining 315 institutions received funds during the first four months of 2009. Furthermore, savings from the unused funds for consulting services and operating costs have been transferred (as of July 2011) for improving nutrition to 19 social institutions subordinated to Ministry of Labour, Social Protection and Family and the Ministry of Health.

Lessons learned:

- **Need for greater attention to institutional capacity building and strengthening coordination mechanisms:** While working through established Ministry programs to speed up both the identification of needs and the possibility of effective implementation at the country-level in a short time span, the short inception period for the emergency operation left many implementation details unresolved until project start-up. This, together with the weak implementation capacity of the Ministry of Social Protection, Family and Child (MOSPFC), the agency responsible for managing the cash transfers to institutions, led to a slower than expected project start-up. Cash transfers to institutions required setting up additional earmarked bank accounts for institutions under the control of local governments. This was time consuming, and combined with laborious disbursement and reporting requirements, led to a heavy work burden for the relevant Ministries, adding to the delays. Strengthening communication between the Ministries, better information on the project for all staff concerned, the provision of extra staffing required for processing documentation, and coordination with the Ministry of Finance on the transfer of funds and reporting requirements at the onset of activities needs to be reflected in the design of longer-term projects.
- **Strong partnerships and building on existing expertise was important:** Partnering with UNICEF allowed for the delivery of supplements in a far quicker timeframe than would have been feasible under the usual International Competitive Bidding procedures, even if these were accelerated due to the emergency nature of the operation. UNICEF had proven experience in the supply of large volumes of supplements and was able to offer a competitive price. UNICEF was also able to carry out preliminary analysis and testing of supplements to ensure that they had an acceptable taste. Furthermore, UNICEF helped with the identification of target groups for the cash transfers to institutions, as they have an ongoing program on de-institutionalization. The Bank negotiated a new Memorandum of Understanding with UNICEF which was utilized for the program. Multiple central

government agencies, local government agencies, and the banking sector were also important implementation partners.

- **Continue to improve targeting of interventions:** Working through ongoing programs/institutions meant that targeting was reasonable but subject to the limitations of existing systems. Targeting was done through the selection of institutions for the vulnerable, and the identification of beneficiaries for food and nutritional supplements through primary health facilities. A review of a sample of programs carried out by the MOSPFC with consultant assistance revealed some concerns, including reported cases of beneficiaries who did not meet the project criteria. On the whole, however, beneficiaries were vulnerable households with unstable income sources and a high percentage of household expenditures being spent on food. Where there were some concerns about the use or targeting of funds by some institutions, the relevant Ministries followed up directly with them.
- **Logistical challenges with distribution points:** In most cases (95.5 percent), at the local level food packages were distributed to a central point (for example, the mayor's office or the center of the family doctors). Beneficiaries needed to come to the central point to collect the packages themselves. Many beneficiaries, including pregnant women and mothers with small children, reported facing difficulties with collecting their packages. Mothers had to find child care or leave children at home unattended, or in the case of pregnant women they needed to find someone to help transport heavy packages. In the future, more distribution points may need to be established so that communities situated far from the Rayon center would have less difficulty collecting their packages and incur lower transportation costs.
- **Need for better and regular monitoring:** Better monitoring mechanisms were needed to avoid leakages. A recent monitoring survey found that a sizeable number of beneficiaries targeted under the program and included in the distribution lists had not received food packages at the time they were interviewed. This implied that either there were delays with the distribution at the local level or the persons in charge allowed themselves to adjust the distribution lists (prepared four months before the actual distribution). There is also evidence that in many cases, incomplete packages were distributed to beneficiaries. Better monitoring mechanisms are imperative. In addition, from the outset, program monitoring and evaluation mechanisms were not installed which made identification of gaps/inefficiencies in the aid delivery channels impossible and prevented the timely assessment of program impact on final beneficiaries. In particular, there was a delay in contracting consultancies to perform program monitoring which resulted in the termination of the assignment as it was not feasible to monitor impact of food packages distribution and cash transfers with a lag of 18 months.
- **Strengthening medium term programs:** The design of crisis response interventions using ongoing programs has created extra opportunities to strengthen medium-term program results and build resiliency in populations. It has also created further opportunities to identify and address weaknesses in the service delivery systems. In Moldova, government organizations quickly learnt what was needed to implement crisis response programming and where administrative procedures needed improvement. The emergency operation has also provided an opportunity to create a data base to help the MOSPFC monitor future social assistance. The combination of short- and medium-term interventions is likely to increase the sustainability of program inputs, whilst providing much-needed emergency assistance.

B3. Nepal: Social Safety Nets Project

During the first 7 months of FY08, food prices in Nepal grew at an average rate of 8.7 percent as compared to overall inflation of 6.3 percent, but variation of increases across the country was

considerable, as vulnerable districts saw an increase of over 30 percent for cereals prices. Nepal was also facing a serious fuel shortage, heavily affecting transportation costs, one of the most important factors in determining food prices. As a result, over the period May-August 2008, the number of people highly and/or severely food insecure increased due to poor winter harvests in parts of the Far and Mid-West, rise in food prices and transportation costs, market closures due to syndicate strikes, inaccessibility of areas due to monsoon weather conditions, and flooding of agricultural land in the Koshi areas with subsequent loss of crops and destruction of livelihoods. The joint market assessment by WFP and Nepal Development Research Institute (NDRI) identified 2.5 million rural people across Nepal in immediate need of food support due to rising food prices. More than half of those (1.3 million) had been classified as highly to severely food insecure in the 39 WFP Food Security Monitoring and Analysis System (FSMAS) monitoring districts. In urban areas 525,000 vulnerable poor were at risk, and 67,000 of these people required immediate emergency support.

Objectives and activities financed: The project development objective of the Social Safety Nets Project (SSNP) was to ensure access to food and basic needs for vulnerable households in the short term in food insecure districts. The SSNP aimed to enable the Government to improve access to nutritious food for highly food insecure households in the short term, and to create opportunities for improved agriculture production in food insecure districts. Specific interventions under the SSNP included: (i) improving access to nutritious food in vulnerable districts through a food/cash-for-work program; and (ii) supporting the provision of essential inputs (seeds/fertilizer) to remote districts. Aside from meeting the short term food insecurity needs of highly vulnerable populations, the program aimed at improving the capacity of the Ministry of Federal Affairs and Local Development and the Ministry of Agriculture Development¹¹ to monitor and identify appropriate responses for continuing and future needs related to food insecurity and to effectively use agriculture and social safety net responses to address these vulnerable populations.

The total IDA financing for the SSNP was US\$69.5 million, including US\$16.7 million under the original project and a separate additional financing of US\$47.8 million. A grant of US\$5 million was also provided from the FPCR TF. The project started in September 2008 and is now active in 43 districts (out of 75 districts of Nepal). The project particularly supports 28 chronically food insecure districts.

Selected results:

Over the period of implementation, 2008-present, project activities were affected by late budget approvals and authorizations and this has been particularly challenging to the ability of the program to meet food requirements during lean seasons. Despite this, the coordinated efforts between Ministry of Federal Affairs and Local Development and its main implementing partner, the World Food Programme, ensured that most of the affected populations needs were met either partially or fully during the lean season.

Since 2009, the project helped support about 3 million people across the country (FY 08/09: 180,758 HHs; FY 09/10: 226,028 HHs; FY 10/11: 142,434 HHs). As of May 2012, under the food/cash-for-work program, over 22,000 MT of food has been distributed and US\$3.15 million has been distributed as cash. Livelihood activities were promoted through various vocational trainings and project schemes, including the construction of irrigation and drinking water schemes, and the construction/rehabilitation of community buildings, wooden bridges, and rural roads, among others. A total of 851 Km of roads were constructed and rehabilitated (675 km under the original SSNP (2008-09) and 176 km. under additional financing (2010-11)). Irrigation of 8,088 ha of land is now possible due to the construction of irrigation schemes (4,215 ha. during 2008-09 and 3,873 ha. during 2010-11); 16,083 compost pits were constructed; 2,272 ha. of land was covered with plantations; 247 ha. of land was improved for agriculture purposes;

¹¹ The Ministry of Agriculture and Cooperatives is now called Ministry of Agriculture Development and The Ministry of Local Development is now known as Ministry of Federal Affairs and Local Development.

and 405 drinking water schemes were finalized with the project, including 301 schemes during FY08/09 and 104 during FY10/11.

Given the alarmingly high rates of anemia and micronutrient deficiencies among children in Nepal, the program supported the provision of Multiple Micronutrient Powder (MMP) with essential vitamins and minerals for children aged 6-59 months across 33 districts. As of May 2012, MMP sachets were distributed to 12000 children under the original SSNP and to 122,000 children under the additional financing.

Some progress was also made on components that supported strengthening systems for cash transfers and on the “-9+24” community challenge fund (CCF) for nutrition. The Ministry approved an implementation design of the systems strengthening component in mid-October 2011. The pilot will be implemented over the course of one year in twelve districts and will include a variety of activities in three main areas: payments (in 6 districts only), management information systems, and institutional strengthening. This support of US\$3.5 million will improve the efficiency and targeting of Government cash transfers. The CCF on nutrition will start in July 2012 and groundwork is being carried out by the Ministry of Federal Affairs and Local Development in partnership with the Poverty Alleviation Fund.

Component 2 of the SSNP includes a provision of US\$3 million to provide seeds and fertilizers in remote areas by provision of a transport subsidy for fertilizers up to the district headquarters (by road or air) to promote private sector development and distribution in remote districts where transportation costs combined with higher fertilizer prices result in low incentives for private sector engagement.

Support to the production of source seeds (breeder and foundation) and the distribution of seeds and fertilizer to remote districts has started to show results. Since 2008, the project has distributed 7410 tons of fertilizer and 390 tons of seeds of improved varieties of paddy, wheat, and maize in the 23 project districts. Starting in 2010, the Nepal Agricultural Research Centre (NARC) produced 47.7 tons of breeder seeds and 644.7 tons of foundation seeds, including varieties that are better suited to food insecure areas. NARC has been collaborating with farmers in the production of foundation and certified seeds to make the seeds available at the local level. NARC is also working with government organizations, NGOs, international NGOs, community-based organizations, and private/public seed companies to strengthen the seed supply chain.

The project has done well in terms of providing fertilizers, exceeding the target. Seeds distribution is also going well, with 60 per cent already accomplished. One area where the project needs to increase efforts is in identifying and promoting local cultivars for food insecure regions.

Lessons learned:

- **Introduction of system strengthening and CCF sub components:** Although these are relatively smaller interventions from IDA, if successful these components can improve the efficiency of Government’s own resources. The CCF builds on Nepal’s own strengths of community driven development and further empowers community decision making.
- **Reliance on existing mechanisms is useful in situations of high political instability:** Working through established Ministry and donor-supported programs made it possible to have a rapid start-up and implementation of the project even while waiting for formal effectiveness. Numerous discussions up front made it possible to ensure that there was adequate trust amongst implementing partners to start the food and cash-for-work programs as needed. Very low capacity to address broader institutional issues has resulted in slower implementation of other elements of the program, but the

rapid implementation of a critical element of the overall program has made it possible to build necessary capacity in other areas.

- **Strong partnerships and dialogue were crucial:** Partnership with the WFP and dialogue with other agencies, such as UNICEF, allowed the program to be innovative in addressing nutrition, moving to cash-for-work where possible and supporting non-infrastructure related livelihoods programs in some pilot areas. This has made it possible for the program to leverage resources from other agencies and support promising programs carried out by NGOs under other donor supported projects.
- **Emergency operations can leverage dialogue and interest on broader social protection issues:** The inclusion of studies to analyze existing cash transfer programs within the program has helped leverage both dialogue and interest amongst a broader set of donors supporting social protection, and provides the basis for longer term interventions. The support under this project will comprise one element of what is now a much broader and comprehensive approach to understanding and supporting cash transfer systems in the country.
- **Logistical challenges:** Despite the existing partnerships and logistical arrangements, political conditions have thrown up a number of logistical challenges, including those related to transportation delays due to blockades and strikes. In addition, some areas of the country have seen a rise in violence and crime and work in these areas was affected. This suggests a need for more community outreach to ensure that there is support for such programs and that the community can act as a stabilizing force within these vulnerable districts.
- **Need for better linkages with other development programs:** While the monitoring of the food-for-work programs is good, there have been recent complaints about food quality. While this does not actually refer to the food distributed earlier through project financing, it does create a problem for our partner agencies. There is a need to have a better information campaigns and stronger linkages to other programs such as nutrition, water quality, and sanitation to ensure that the limitations of the public works programs in being able to address longer term health requirements are understood.
- **Helping to focus on medium term programs:** The emergency operation has provided a platform to discuss long-term food security issues. This aspect has taken over a year to emerge but the joint efforts of various partners has enabled us now to place this issue front and center of future assistance through this instrument.

B4. Nicaragua: Emergency Food Price Response Project

In the second half of 2008, Nicaragua experienced the highest food price increases in the Latin American region. This was the result of global developments compounded by natural disasters (Hurricane Felix in September 2007 and heavy flooding over the second part of 2007) that dramatically affected domestic food production. The overall annual inflation rate reached 19.8 percent in 2008 (after reaching a peak of 24 percent in August 2008), and 29.4 percent in food items (with a peak of 35 percent also in August 2008). The poor are affected disproportionately by high food prices. Bank analysis indicated that about 90 percent of Nicaraguans are net food consumers – 79 percent in rural areas and 98 percent in urban areas. In Nicaragua’s rural areas, two-thirds of the poor’s income is devoted to food, while the urban extreme poor have limited alternative food sources. Both the rural and urban extreme poor within the Nicaraguan poor faced even higher inflation rates. In 2007, the extreme rural poor and the poorest decile experienced an inflation rate of 3.4 percentage points higher than the average rate (2.6 percentage points for the extreme urban poor). Thus, the poverty impacts of large price shocks were substantial.

In response, the Government of Nicaragua adopted a two-pronged strategy that combined actions to support the most vulnerable groups of the population and actions aimed at expanding the supply of agricultural goods. The Government sought donor support to implement this strategy and the Bank articulated its immediate response in early 2009 through the Emergency Food Price Response Project funded through a US\$7 million grant from the FPCR TF, focusing on immediate relief to the poorest segments of the population. It responded to a specific request by the Government to support two programs aimed at preventing hunger and malnutrition: (i) the existing Integral School Nutrition Program for pre-school and primary school students; and (ii) the ongoing Agro-Seeds Program which provides seeds, fertilizers, and technical assistance to small-scale farmers.

Objectives and activities financed: The project development objectives were to mitigate the negative nutritional impact of the food price increase on pre-primary and primary school children and to promote poor rural households' food security by increasing agricultural production. Specifically, the project aimed at: (i) supporting the provision of school lunches and nutrition training in the most vulnerable municipalities, as well as strengthening the national nutritional strategy; and (ii) distributing certified grain seeds and fertilizers to farmers with small landholdings in the poorest municipalities. It had two components: (i) Support of the Integral School Nutrition Program – *Programa Integral de Nutrición Escolar* (PINE) (US\$4.3 million), and (ii) Support of the Agro-Seeds Program – *Programa Agroalimentario de Semilla* (PAS) (US\$2.7 million).

The project was restructured in March 29, 2010 to increase the scope of Component 1 (PINE). This reallocation was motivated by issues in the implementation of Component 2, as identified in the Government's technical audit: (i) the negative impact of the droughts caused by "El Niño" on the production of the *Postrera* 2009-2010 season in the areas targeted by the project; (ii) the unexpected intensive rain from November 2009 through June 2010 that affected the 2009-2010 *Apante* season and the 2010-2011 *Primera* and *Postrera* season; and (iii) the low take-up of the credit by small farmers, resulting from their lack of confidence in their ability to repay their loans given the adverse climate conditions. The reallocated amounts were US\$6.0 million for Component 1 and US\$1.3 million for Component 2. The project received an overall ICR rating of *moderately satisfactory*.

Selected results:

- **School feeding and nutrition training:** the project provided school lunches to about 236,000 pre-school and primary school children for a period of 120 days; to another 254,000 children for 47 days; to another 99,000 children for 15 days; and to another 20,000 children for 10 days. This represents a total of 609,000 pre-school and primary school children attending different lengths of time. This surpasses the target set when the project was restructured, when the number of children was estimated at about 252,000. The targets for the intermediate outcome indicators for this component were largely achieved. Although not all impact can be attributed to PINE, official reports, such as the National Education Strategy (under preparation), recognized the positive impact of expanding the Program's coverage at the national level since 2008 as a complementary intervention to the "gratuity of education" policy. Achievements include: (i) retention rates in public primary schools in targeted areas increased from 84.8 percent in 2008 to 96.0 percent in 2009 and 98.6 percent in 2010 (targets were 90.0 percent and 91.2 percent for 2009 and 2010, respectively); (ii) attendance rates in public primary schools in targeted areas increased from 78.8 percent in 2008 to 83.0 percent in 2009 and 80.8 percent in 2010 (targets were 83.0 percent and 81.5 percent respectively); and (iii) the number of schools that have received training materials on food security and nutrition reached the targeted 1,624 schools in the Atlantic Coast regions.
- **Input distribution:** The area planted with seeds provided by the project reached 17,597 *manzanas* (1 *manzana* represents 0.7 hectares), exceeding its restructured target of 10,400. However, at project

closing, mixed results were found for the five intermediate outcome indicators: (i) the project benefited a total of 8,810 small farmers compared to the (revised) target of 9,266; (ii) yields of the crops financed under the project reached 1,821 kg/ha for maize and 651 kg/ha for beans (compared with the targets of 1,380 and 754 respectively); and (iii) only 25 percent of the loans were paid back as stipulated during the first cycle. The main reasons why outcomes fell short of the set targets are the adverse climate conditions that affected yields in all planting cycles, and resulted in an increased aversion on the part of small farmers to contract credit in a context where they were not certain of their ability to repay in full and on time.

Lessons learned:

- **High level commitment, both by the Bank and Government, is critical in preparing emergency operations and increasing effectiveness.** In the case of this project, the multi-sector team composition was a strong point. In addition, in the case of emergency projects, there are special considerations of complexity in design and readiness of implementing agency. A simple design of emergency operations, as in Component 1, is a key factor for success. Complexity in the design and low readiness, as in Component 2, posed strong implementation constraints that would eventually lead to re-assessments of the scope of the intervention.
- **An emergency operation is more effective if it finances an ongoing program that can quickly reach beneficiaries,** such as PINE. The project facilitated the continued operation of PINE in the face of critical budget restrictions in Nicaragua during the food price and financial crises. On the other hand, the team also learned that innovations and improvements in programs, specifically those that aim to improve sustainability in the agricultural sector, are probably better evaluated and supported under long-term operations. If the Government decides to use emergency windows for addressing future crisis (caused by climate shocks), adaptations of key operational aspects of agricultural programs such as PAS would need to be introduced to guarantee a more effective implementation. The adaptations might include: (i) considering a credit scheme better tailored for an emergency for poor farmers; (ii) adapting the provision of inputs by using local supplies; and (iii) simplifying the implementation arrangements for emergency operations, among others.
- **Emergency operations may provide an opportunity for crafting longer-term responses to vulnerability.** The project was used as an opportunity to move forward the long-standing agenda for developing emergency responses to food price crisis in a country that constantly faces them and needs a comprehensive long term response. Component 1 proved to be an effective vehicle in a time of crisis to protect the school age population. The lessons learned under Component 2 fed into the design of the Additional Financing to the Second Agricultural Technology Project, supporting the construction of a medium-term response by increasing the sustainable supply of basic grain seed, thereby reducing the chance of future shortages and increasing future agricultural productivity.
- **Overall, sustained and continuous fiduciary capacity building is needed for implementing agencies in Nicaragua since they are critical to implementing emergency operations.** In particular, the procurement capacity of the implementing agencies has to be improved, as well as the coordination on operational aspects among implementing agencies, in order to resolve execution bottlenecks in a timely manner. The technical assistance and intense supervision provided by the Bank has proven to be effective given the short project implementation timeframe.
- **The importance of monitoring and evaluation should not be underestimated in emergency operations.** The project had a strong focus and dedicated institutional resources to monitor the delivery of services on a timely basis. Technical audits proved to be a good mechanism to monitor the

delivery of services, especially when the implementation period is short and to introduce improvements in the program designs. For example, stronger coordination and monitoring efforts put in place to guarantee the timely delivery of the services by different institutions at local level proved to be effective and should continue to be enhanced.

B5. Sierra Leone: Co-Financing of the National Social Action Project

A fragile state recently emerging from brutal conflict, the impact of the food and fuel crisis that hit Sierra Leone in late 2007 and 2008 had the potential to be devastating for the poor. The cost of rice, the country's main staple, rose by about two-thirds from January 2007 to January 2009. Other key food products, such as groundnuts, palm oil, and wheat flour, also saw significant price rises. The official price of petrol increased by 27 percent from June 2007 to June 2008; the government temporarily absorbed some of the impact of rising fuel prices by not fully passing through global prices. The Government also mitigated some of these price increases by reducing import tariffs on rice, flour, and petroleum products. At the time, the Bank estimated that at least 150,000 people could be pushed below the poverty line by the increased cost of rice alone, raising the poverty headcount for rice consumers by at least 3-4 percentage points to around 69-70 percent. The burden was expected to be felt both by net food consumers and producers in urban and rural areas, although in varying degrees. The WFP estimated that 20,000 low-income urban households could be classified as highly vulnerable. Many smallholder farming households failed to cover their own annual consumption requirements and were vulnerable as well. The WFP estimated that 120,000 smallholder farming households produced less than 50 percent of their rice consumption requirement for the year in 2007.

The Bank responded in August 2008 with a US\$4 million additional grant from the Food Crisis Trust Fund (FPCR TF) for the scaling-up of the Cash-for-Work program that had already been piloted under the National Social Action Project (NSAP). However, food prices remained high and in November 2009, the Bank made available a second additional grant of US\$3 million from the Food Price Crisis Trust Fund (with an additional US\$1 million from the Food Price Crisis MDTF). Overall, the World Bank contributed US\$7 million from the FPCR TF for co-financing of the NSAP.

Objectives and activities financed: The project development objective of the entire NSAP was to assist war-affected or otherwise vulnerable communities to restore infrastructure and services, build local capacities for collective action, and assist vulnerable households with accessing temporary employment opportunities, with priority given to areas not previously serviced by the government, newly accessible areas (those which were under rebel control until January 2002), food insecure areas, and the most vulnerable population groups within those areas. The emergency safety net response was delivered through a Cash-for-Work (CfW) program that was added as an additional project component under the existing NSAP Credit Agreement. The Cash-for-Work program aimed at supporting household food access and minimizing the nutritional impact of the crisis through incremental income support. The program consisted of small labor-intensive public works projects in rural, peri-urban, and urban areas with participating workers receiving weekly payments in cash for their labor.

Selected results:

The operation has met its outcome indicators. In total, 39,392 beneficiaries were given temporary employment, exceeding the target of 31,000. This translated into 2,005,128 worker days of total employment. For CfW, 100 percent of sub-projects were targeted to food insecure areas, as defined by the Comprehensive Food Security and Vulnerability Analysis (CFSVA) of 2008. The CfW component's target for attracting and employing women was attained, meeting the CfW requirement of 30 percent participation by women. Female participation in road works was only 28 percent, while female participation in agriculture projects averaged 39 percent in vegetable, cassava, and groundnut cultivation.

The average cash transfer earned by a CfW beneficiary was US\$105. Earnings were primarily used to purchase food for the household. Female participants used a portion of the wages to pay for school and medical expenses. In a few cases, some women were able to save a portion of their income and set up small businesses. The Beneficiary Impact Assessment also found that the Information, Education, and Communication campaigns had adequately informed target communities of such CfW details as eligibility, targeting, implementation, and community involvement. Over 75 percent of households indicated adequate knowledge about the CfW and requested scaling up of the program.

Lessons learned:

- **Importance of pre-existing, scalable safety nets for crisis response.** The pilot rural public works program proved very useful in laying the foundation for IDA to respond promptly to evolving country priorities and scale up safety nets support in the face of shocks. This underscored the importance of having scalable safety nets systems in place before the onset of shocks in order to respond effectively and in a well-targeted manner.
- **There is an important role for institutions like National Commission for Social Action (NaCSA) in low-income, post-conflict states.** NaCSA proved a good alternative to NGO execution of development and recovery activities in Sierra Leone. From the institutional perspective, the project played a catalytic role in building NaCSA's capacity as a relevant development organization. The project provided the opportunity to expand NaCSA's role in delivering small infrastructure investments within the country's evolving decentralization agenda. The project also strengthened NaCSA's capacity in community mobilization and participatory local development planning, as demonstrated by the range of government and donor-financed projects it currently implements.

B6. Togo: Emergency Food Crisis Response Program: Community Development Project

Among Sub-Saharan African countries, Togo was one of the hardest hit by the 2008 food and fuel price crisis. A 2008 study on food security in Togo suggested that the price developments are part of a longer period trend especially for staple foods such as maize, sorghum, and rice. For example, in the case of maize, which makes up 65 percent of total staple production, prices increased by almost 42 percent in 2007 alone. These food price spikes have been exacerbated by flooding in 2007 in the North of the country and in 2008 in the South. An assessment by WFP showed that because of the combined effect of higher food prices and loss of agricultural production due to floods, 13 percent of households in the Savanes were severely food insecure and more than a third of the households in the Savanes, Kara and Plateaux regions were at risk of losing their livelihood (300,000 people). The study also showed that coping strategies include adults reducing their daily food intake in favor of children, downgrading the nutritional quality of the main meal, eating seeds stocked for the next season, and selling livestock. The crisis was having a particularly negative impact on Togo's children. According to a UNICEF study, in the three most affected regions -- Maritime (excluding LomC), Kara and Savanes -- approximately 50,000 children under five were suffering from malnutrition and the rate of severe malnutrition in this group exceeded the critical level set by the World Health Organization (>10 percent). Similar percentages were also found among children attending the first two years of primary school. Given that malnutrition has long-term effects on children's learning capacity and cognitive skills, this situation raised serious concerns.

The Bank responded to the food crisis in Togo by providing a US\$7 million additional financing grant from the FPCR Trust Fund for the Community Development Project (CDP).

Objectives and activities financed: The project development objective was to provide poor communities with improved basic socio-economic infrastructures and income generating activities by financing, among others, at least 350 subprojects to be identified and implemented directly by communities. The original CDP included three components: (1) Community subprojects (US\$12.5 million) to improve access to education, health, water and sanitation, and other socioeconomic infrastructures as well as to create income generating opportunities; (2) Training (US\$1.7 million) at community, regional and national levels; and (3) Management, operating costs and audits (US\$3 million). As part of the additional financing under GFRP, a new school feeding sub-component was introduced under component 1 of the original project and a fourth component was added to enhance cereal production. The school feeding sub-component (US\$2 million) consisted of the preparation and distribution of daily lunches to 16,800 primary school students in 84 schools, over two school years, beginning with the 2008-2009 school year. The new Enhanced Cereal Production component (US\$5 million) aimed at enabling production of 14,000 additional tons of maize by the end of 2009 by procuring and distributing 4,275 metric tons of fertilizer and of 356 tons of commercial improved seeds. The additional financing was approved in October 2008.

Selected results:

School feeding component: Since February 2009, the project has reached 92 schools, providing a daily hot meal to 21,000 pupils (exceeding the initial targets of 84 schools and of 16,800 children). Schools located in communities affected by high food prices and communities affected by the 2007 and 2008 floods in the Savanes, Maritime, and Plateaux regions have been given priority. The pilot has been assessed and results show a significant impact on poor families, school enrollment, and overall health conditions. In particular, the program has been very popular, increasing enrollment rate up to 13 percent in some cases and contributing significantly to the local economy. It is, in fact, estimated that more than US\$1,500 a month has been injected in communities as a result of the project approach to meal preparation, which relies on the local community, local food products, and the work of village women. The project has provided a net transfer to household estimated at about 20 percent of households' yearly food consumption. A follow-up to the school feeding pilot has been prepared. Under the new operation, financed by the Crisis Response Window, and approved in July 2010, about 40,000 children will benefit from daily meals for the next two school years.

Enhanced Cereal Production component: Fertilizer distribution started on April 14, 2009 and 4,275 tons of fertilizer has been distributed to 13,774 farmers to date. Three hundred and twenty-five tons of improved seeds have also been distributed (311 tons of commercial seeds and 15 tons of foundation seeds). Technical assistance has also been to the Ministry of Agriculture. This component had significant savings due to the substantial drop in the international price of fertilizers and the Bank team is discussing reallocation options with the Government.

Lessons learned:

School feeding component

- **Existing informal, village-based systems can be strengthened and scaled-up to provide an effective safety net for the most vulnerable.** The school feeding component is based on the existing informal system of the *mamans*. Children are usually given a small allowance by their parents to buy meals prepared and sold by members of the community (referred to as *mamans*). Instead of running formal canteens, the project finances the preparation and distribution of those meals. The informal system of the *mamans* has proven far less expensive than building and running formal canteens and has the added benefit of generating additional income that stays within the community. Under the GFRP project, the existing systems were strengthened through the provision of additional training and

sensitization by NGOs and through the careful planning of menus to ensure they meet the nutritional needs of children.

- **The close involvement of Parent Teacher Associations (PTAs) and NGOs has been significant to ensure smooth implementation of the school feeding activities.** Five NGOs have been recruited under the project to organize and train communities and transfer funds to the Schools/PTAs targeted under the program. More than 200 local women prepare meals for students. Every two weeks, a meeting is held with the PTA, the NGOs, and the *mamans*, during which weekly menus are planned and agreed to. Each day the teachers count how many children attend class and through the school director and the PTA, inform the *mamans* how many meals will need to be prepared and distributed. The frequent supervision by PTAs and NGOs of resource management to maintain quality and quantity of served meals is an important feature of the project, which relies on the simple, and yet powerful fact that parents want the best possible quality (and quantity) of meals for their children. The multi-level efforts to ensure timely disbursement of funds to NGOs and schools and the compliance with safeguards requires significant training of partners and involvement of local actors with strong knowledge of local cultural and social dynamics.
- **The involvement of government authorities, in particular the Ministries of Education and Health, has been essential for the success of the project.** Regional branches of the Ministry of Education and of the Ministry of Health participated in field visits to supervise overall project implementation and control hygiene standards. These ministries and the WFP also took part in the preparation and validation of the school feeding procedure manual.

Enhanced cereal production component

- **As in the case of the school feeding component, reliance on local groups of farmers and existing farm practices can be very efficient and bear significant results, provided that actors are adequately trained and supported by specialized technical agencies.**
- **In the current situation of high price variability of inputs (the international price of fertilizers has dropped significantly since the project was declared effective), project design may require higher degrees of flexibility.** Lower than expected international fertilizer prices have resulted in significant savings under this project. These savings will be used for: (i) the production of improved seeds for next crop years; (ii) supporting improved procedures to certify the quality of seeds and rice; (iii) development of improved fertilizer distribution systems based on a study of innovative mechanisms to ensure efficient and competitive availability of inputs; (iv) setting up a monitoring and evaluation mechanism to monitor agricultural input systems in Togo; and (v) the preparation of a plan to utilize the resources recovered through the subsidized sale of fertilizers and seeds. However, even with these measures, the savings under this component will be significant and given that there is no request for the purchase and distribution of additional quantities of fertilizers, the team and the Government will discuss a proposal to reallocate part of the savings towards the school feeding component.

B7. West Bank and Gaza: Social Safety Net Program

Soaring food prices, falling incomes, and growing unemployment was jeopardizing the livelihoods of Palestinians, leading to heavy debt and changes in family eating habits. The Palestinian Central Bureau of Statistics estimated that the consumer price index for food had risen from March 2007 to the end of April 2008 by 14.6 percent in the West Bank and 16.3 percent in Gaza. Moreover, the price of wheat flour

increased by 73 percent in the West Bank and 68 percent in Gaza. Thirty eight percent of the population was food insecure (compared to 34 percent in 2006). The recent food shock was compounded by two additional shocks: the closure of Gaza and the late frost and on-going drought leading to large fluctuations in the price of locally grown products. A third of Palestinians had reported a fall in income in 2008 - the poor suffered most with a 40 percent drop in income. Thirty seven and 27 percent of breadwinners were unemployed in Gaza and the West Bank respectively. Consequently, the dependence ratio was high (8.6 dependents per employed person in Gaza and 5.6 in the West Bank). Economic conditions continued to deteriorate, especially in Gaza, which was virtually closed off from the outside world since June 2007. Households were using excessive negative coping mechanisms. Having already sold disposable assets, 59 percent of households were relying on credit to buy food. However, this coping mechanism was increasingly diminishing and only available to those with steady incomes. Also, half of the surveyed population decreased their spending on food. Families could not afford to compensate for the lack of protein and vitamins.

The West Bank and Gaza Social Safety Net Reform Project (SSNRP) provided an opportune mechanism for the Bank to respond in a quick and flexible manner to the Palestinian Authority's (PA) request for financing in response to the food price crisis and received additional funds of US\$5 million from the FPCR Trust Fund. The grant gave the Palestinian Authority (PA) an opportunity to further scale up its cash transfer program to benefit the poorest and most vulnerable population groups in the West Bank and Gaza. The SSNRP became effective in 2005. The SSNRP spearheaded reforms of the Palestinian Authority's (PA) Cash Transfer Program to make it more effective and better targeted in order for it to be easily scaled up during crisis situations. The FPCR Trust Fund was instrumental in testing the readiness of the PA's cash transfer system and the ability to channel resources to households adversely affected by the recent food crisis.

Objectives and activities financed: The project development objectives were to: (i) mitigate the impact of the continued socio-economic crisis on the subset of the poorest and most vulnerable households, and (ii) strengthen the Ministry of Social Affairs' (MOSA) institutional capacity to manage the cash transfer programs. The grant was approved in November 2008 and financed a one-time payment of US\$200 to about 25,439 of the poorest households that were adversely affected by the increase in food prices. The first payment to about 16,439 beneficiary households was paid in August 2009. The second payment for about 9,000 households was paid during the month of December 2009, following the satisfactory findings of the second eligibility review which was carried out by an external consulting firm confirming the reliability of the SSNRP targeting process.

In March 2010, an additional US\$ 3.4 million was approved from the FPCR TF and provided the PA with another opportunity to scale up its existing safety net instruments to respond to the food and fuel crisis. The support consisted of providing a one-time cash payment of US\$135 to approximately 25,000 of the poorest households negatively affected by the recent food and fuel crisis. The beneficiary households were those that received a cash payment of US\$200 in 2009 under the previous additional financing grant from the FPCR TF, as these were the households in the SSNRP database with the lowest poverty levels.

Selected results:

An impact evaluation was carried out to assess the outcomes of the US\$5 million disbursement from the Global Food Crisis Response Program, and in particular whether the funds were utilized by poor households to buy foodstuffs. This impact evaluation used a statistical analysis based on the Regression Discontinuity Design (RDD). It was based on the design of a household survey that was developed to collect information from beneficiary and non-beneficiary households at one point in time after the program intervention. The evaluation focused on two components. The first was an administrative process evaluation: the extent to which the MOSA has the capacity to expand and administer a large social safety

net program. The second is the households' level impact evaluation: the extent to which households used the proceeds of the US\$200 one-time payment to purchase food stuffs.

The use of the RDD was limited by the questions asked in the questionnaire. Main findings showed evidence that grant beneficiaries were poorer than non-beneficiaries, and that they needed more help to cover their financial needs according to the RDD estimator. With regard to quality and quantity of food, these households were consuming the same level of food as non-beneficiaries' households.

Comparison using current SSNRP beneficiaries and new beneficiaries using simple Average Treatment Effect estimator: The current beneficiaries of the SSNRP grant received a monthly payment in the range of US\$85-\$130, based on the result of the Proxy Means Testing (PMT) formula which took into consideration, among other variables, the household size and the welfare status. In summary, current beneficiaries of the SSNRP grant had different choices to spend the grant than new beneficiaries' households. The larger share of current and new beneficiaries used the grant to buy food, and statistically the share of households that bought food was not different. However, current beneficiaries were more likely to buy clothes than new beneficiaries, while the latter were more likely to use the grant to pay bills. In addition, current SSNRP beneficiaries' households were more likely to report that they had consumed same number of meals prior to the grant; they were more likely to be satisfied with the food intake, quality of food, and quality of water than new beneficiaries.

Therefore, the outcomes presented here indicate that current beneficiaries are "better off" compared to new beneficiaries despite the fact that they have similar levels of income and consumption. This fact can be related to the monthly benefit received by the current beneficiaries that has helped them smooth their consumption level over time, and as a consequence the grant could be used to buy products like clothes or pay for education instead of pay bills.

Lessons learned:

- **The lesson learned is that social safety net instruments such as cash transfer schemes need to be in place and tested before the advent of a crisis in order to be quickly scaled up to provide assistance during the crisis.** Furthermore, the targeting modalities need to be transparent in order to give confidence to donors that the necessary safeguards are in place so that the poorest and most vulnerable households receive the needed assistance. The proxy means test formula used in the West Bank and Gaza has proven to be a transparent way to select poor households.
- **Structural reform of social safety nets, as demonstrated through this project, is necessary and important.** Essential reforms include, for example, ensuring the use of an effective and transparent targeting mechanism with a proven track record. Such mechanisms as well as the implementation of other reforms might be useful as prerequisites to the establishment and implementation of cash transfer programs such as this one. This highlights the need for the Bank to stress, in discussions with the government, the importance of undertaking such reforms upfront during periods of relative stability.
- **This intervention revealed that the Bank can provide emergency assistance effectively when the appropriate structures and mechanisms are in place -- even in an environment characterized by weak governance.** The Bank is highly knowledgeable on how to design an effective social safety nets and, more specifically, is knowledgeable of those structures which are effective for the administration of cash (or conditional cash) transfer programs.

- **Extra efforts and resources in such settings are required to ensure that individuals in the lowest income tiers of the population receive priority assistance.** The PMT formula used by the project, despite its transparency, can create unease among governments where political agendas also come into play. To ensure that assistance reached those most in need in the context of this project, the Bank required the use of the PMT formula for all FPCR TF proceeds.
- **Sustainability remains a key concern.** Governments should carefully consider the costs associated with maintaining such programs in the long-term as donor assistance may not be provided for extended periods of time. In such cases, well-targeted and cost-effective programs (even if relatively small in size), are preferable to large and costly programs which governments might not be able to fund.

B8. Yemen: Third Social Fund for Development Project

Yemen was suffering from multiple challenges in 2008, which were compounded by the global food crisis. Drought conditions, combined with energy, fertilizer, and food price increases, imposed great hardship and rising expenses on the Yemeni population, particularly in rural areas. The sharply rising prices of imported food and fertilizers, in particular grain, exacerbated the difficulties for the poor. The country faced significant food shortages and high food prices. Domestic cereal production covers only 18 percent of the country's cereal consumption. With an average 2.5 million tons of cereals imported every year, wheat prices increased from US\$196 per ton in June 2007 to the US\$440 per ton by mid-2008. A large share (73 percent) of the population lives in rural areas and most of them (90 percent) are farmers – and yet net buyers of cereals. Because Yemen is a country highly dependent on wheat as a staple, this resulted in increased vulnerability to unstable food prices.

The rise in international food grain prices in the context of meager per-capita growth in Yemen had the potential to reverse the reduction in poverty achieved in the last ten years. The doubling of the wheat prices, compounded with the increase in prices of rice and maize, if not mitigated with income transfers, had the potential to increase the share of the population living in poverty over the 1998 level. Estimated per-capita real consumption growth indicated a decline of 1 percent per year in the two years before project approval. This was taking place in a context of already severe child malnutrition (32 percent of poor children were severely stunted and 14 percent were severely underweight). Yemen needed the Bank's support to cope with the crisis because of the limited potential for supply response, the impact of food prices on poverty, and the increasing risk of food riots. In this context, the Government requested Bank support in a letter dated May 18, 2008. In response to the Government's request, additional financing of US\$10 million from the FPCR TF was provided to support a workfare program implemented by Social Fund for Development (SFD) that channeled cash into the hands of the poor to help them cope with the food price emergency. In parallel, a small component of the project supported the improvement of a sustainable cash-based safety net that would further mitigate risks, including the adverse impacts of high and more volatile food prices on poverty.

Objectives and activities financed: The project development objective was to improve the range of services and economic opportunities available to the poorer segments of the population through the carrying out of community development, micro-finance and capacity building programs. The project had two main components: (i) community-based labor-intensive works (US\$9.1 million) that was expected to transfer cash to help mitigate the impact of increased food prices through temporary work opportunities; and (ii) capacity building of the Social Welfare Fund (US\$0.9 million) that would support (a) a national survey to identify the poorest and most vulnerable in the society in order to improve targeting and expand the program; and (b) complete a revised targeting system increasing the share of cash transfers received by the poorest beneficiaries to improve the ability of the program to reduce poverty immediately.

Selected results:

- **Community-based labor intensive works:** 98 labor-intensive works (LIW) projects were implemented in eight governorates, providing temporary jobs to 36,000 individuals and benefitting 16,800 households. A total of US\$6.6 million in wages was paid, corresponding to 899,361 days worked (6,200,000 hours). Labor-intensive techniques were used to implement projects in the water/environment and roads sectors, including support for Integrated Intervention Programs for which more than 50 percent of funds were allocated.
- **Capacity building of the Social Welfare Fund:** As part of the capacity building support for the Government of Yemen's Social Welfare Fund, this component financed (i) goods to support the national survey, including information technology support to various branches of the SWF; and (ii) consultancy services to develop the monitoring and evaluation system and carry out the assessment of the field work phase of the Social Field Survey, including related monitoring of the processing and documentation of the 2008 survey data and results.

The majority of beneficiary households (94 percent) used the funds to bridge their consumption gap. The results of this program helped the country to mobilize more funds from other donors such as EU and DFID, who are currently supporting the program. The LIW Program is being scaled up under SFD4 and the lessons learned from these earlier program interventions are continuously being incorporated for improvement in sub-project design and the management of the program.

Lessons learned:

- **Commitment by Local Authorities to Civic Engagement.** Building working relationships based on trust and confidence with local authorities at governorate and district levels is essential to the decentralization process and to SFD's efforts to promote effective civic participation in local development. Clear communication of the distinct roles and functions of local government and civil society and the way in which they are brought together in a participatory process is essential to bring about recognition and legitimacy of the bottom-up approach of development process.
- **Building governance structures.** Building the capacity of government apparatus and of communities to play a responsible role and demanding accountability from the government are key elements for building governance structures at decentralized and community levels. SFD's capacity building interventions and proven instruments that provide for a demand-driven approach, pro-poor allocation of resources, use of verified data for decision-making, participatory approaches, and transparency at all levels help promote solid systems of governance that underscore state building.
- **Social Funds can be effective mechanisms for delivering social risk management functions.** As an autonomous and flexible institution, SFD was uniquely positioned to deliver a range of social risk management functions for the poor and vulnerable within a changing country context and the evolving needs of the government. SFD contributed to strengthening local institutions (risk mitigation); increasing access to basic services (risk reduction), and assisting groups affected by external shocks through a public works program (risk coping).
- **The articulation of clear and measurable performance indicators and robust monitoring and evaluation mechanisms are necessary for monitoring (and further strengthening) program effectiveness in achieving development objectives.** Performance indicators that are sufficiently defined at the outset help to focus on the "development effectiveness" of project interventions. Robust monitoring

and evaluation systems help to monitor and scale up program effectiveness, and inform policy decisions that may be required to ensure satisfactory achievement of development objectives.

- **Measurement and methodologies must be appropriately defined to assess targeting performance of demand-driven community development programs.** Use of different measurements and methodologies during different phases of a program such as the SFD lead to distorted results. For example, use of proxy for household consumption and observed household income weakens the direct comparability between household income and proxy means result. Proxy focuses on household consumption and does not predict household. In the case of Yemen, income and consumption are not highly correlated.

- **Implementation of innovative pilots can help refine methodologies, provide incentives for stakeholders to become active partners in the pilot, and provide lessons for scaling up activities.** SFD pilots to promote rural girls' education, inclusive education for groups with special needs, and integrated intervention programs all contribute to broader education sector goals and priorities for improving equitable access to education. Similarly, SFD's pilot of the public workfare program has helped to provide a safety net to mitigate the effects of food price increases on poor households, while at the same time enabling the creation of physical infrastructure investments that become community assets.

C. Agriculture Productivity Interventions

C1. Afghanistan: Food Crisis Response Project

The Afghan food crisis of 2007/2008 derived mainly from: (i) the large global food price increases together with the dependence on imports to meet domestic demand; (ii) increasing restrictions on wheat exports by Pakistan (source of about 60 percent of Afghanistan's food imports), including an export ban and crackdown on unofficial exports; and (iii) a sub-normal wheat harvest in the country reflecting below average harvest and late spring rains that particularly affected rain-fed wheat. The Agriculture Prospects Survey from the Ministry of Agriculture, Irrigation, and Livestock estimated that drought reduced the rain-fed crop by 80 percent, while early snow melting reduced wheat yields on irrigated lands by 30-40 percent. Moreover, the food price increases were having a serious impact on poverty levels in the country, mainly because the average per-capita income is very low and food makes a very large part of the consumption basket (Afghan household spends between 70-80 percent of total household income on food). As a result, poverty rates were high, ranging from 33 percent in the high food consumption season to 42 percent in the lean season.

In order to expedite the delivery and target beneficiaries effectively, the Bank decided to implement the GFRP-funded Food Crisis Response Project (FCRP) through an existing program – the Second National Solidarity Project (NSP II). The NSP was a Community Driven Development (CDD) project initiated in 2003 under the Ministry of Rural Rehabilitation and Development (MRRD), with support from a consortium of international donors coordinated by the World Bank. At the time of GFRP design, the NSP II was already addressing the irrigation rehabilitation needs of relatively smaller schemes identified and implemented by local communities with a relatively short implementation period (<2 years). Moreover, there were 2,523 irrigation rehabilitation subprojects prioritized by communities that were not yet funded under the NSP II. It was agreed that the FPCR TF would fund 500 of these unfunded irrigation projects in provinces that were most severely affected by the food price crisis. The project received an overall ICR rating of *satisfactory*.

Objectives and activities financed: The Afghanistan Food Crisis Response Project was funded through a US\$8 million grant through the FPCR TF. The objective was to enhance wheat and other cereal production by supporting small-scale irrigation at the community level through increase of irrigated land area and capacity building of communities to implement and maintain irrigation sector sub-projects that address community needs. The operation had three components: (i) Block grant disbursement (US\$7 million) towards building or rehabilitating small-scale irrigation projects in the most vulnerable provinces; (ii) Community Facilitation and Capacity Building (US\$0.6 million) financed Facilitating Partner (FP) costs, including goods, services, and operations costs of NSP FPs; and (iii) Implementation and management support (US\$0.4 million).

Selected results:

The operation has shown significant progress toward achieving its project development objective. About 95 percent of the 500 targeted communities have benefited from schemes financed by the FCRP. About 84 percent of the targeted irrigation schemes have been completed: 474 schemes were financed, of which 420 were completed. Block grants for the remaining 54 unfinished sub-projects were fully disbursed to the communities' bank accounts. Most of the ongoing schemes were near completion at the time of the drafting of the implementation completion report, with slower implementation progress due to insecurity and/or internal conflict situations in the field.

According to the NSP Management Information System (MIS), the FCRP financed schemes are benefiting about 84,000 families (more than 5 times the targeted 15,000 families). However, this figure should be taken with caution, since it may represent the total number of families in the recipient villages, and not all of them are benefited by the improved irrigation systems. There is no M&E or MIS data on the irrigated area or productivity increases in the FCRP improved schemes. However, a sample of 29 similar NSP II sub-projects analyzed in 2008 showed an actual 32 percent increase in irrigated area due to rehabilitated irrigation infrastructure, and a 55 percent increase in crop productivity, resulting in average income increase of more than 64 percent. The estimated ERRs for all sub-projects varied from 20 percent (north western region) to 31 percent (central region). Overall ERR in all 29 sampled irrigation sub-projects was 24 percent. Similar results are expected from FCRP schemes.

Lessons learned:

- **The NSP experience illustrates the vital importance of strong and sustained commitment and vision on the part of key high level Government officials.**
- **In a country like Afghanistan with scattered communities and harsh terrain, a robust three-tier structure for implementation is needed.** NSP had a headquarters in Kabul under the MRRD, providing oversight to the program and ownership by the Government of Afghanistan; the NGOs as Facilitating Partners (FPs) at the local level mobilized communities, facilitated elections, and monitored the program at the district/community levels; and the communities themselves selected their council members by universal, secret ballot, prioritized projects, and implemented the sub-projects with assistance from the FPs.
- **In a large program, it is essential to build in multiple layers of monitoring and supervision, building on the strengths of each part of the three-tier structure.** For example, the NSP headquarters located at MRRD carries out its own implementation and post implementation monitoring. NSP's Provincial Offices monitor the quality of facilitation provided by the FPs. The communities themselves monitor the work of their elected Community Development Councils through community participatory monitoring processes, which allow them to make improvements during implementation. Finally, the Bank itself established a strong supervision team in Kabul, which

provides intensive day-to-day support along with formal supervision. Donors and other stakeholders are routinely involved in this process, thus ensuring buy-in and coordination in an extremely crowded donor field.

- **Decentralized task teams are essential, especially in post-conflict/fragile state situations where continuous and intensive implementation assistance/supervision is needed.** It facilitates greater support to communities, expedites sub-project preparation to completion cycle, and strengthens project results monitoring on the ground.

C2. Benin: Emergency Food Security Support Project

Following a steep rise in food prices in late 2007, price of maize rose by about 200 percent from October 2007 to July 2008, and the price of rice rose by 20 percent from July 2007 to July 2008. The Government of Benin took a number of measures to contain prices including: (i) establishing price control mechanisms for specific food products, including wheat, rice, and maize; (ii) reducing customs duties on specific products; and (iii) subsidizing the National Agency for Food Security to form a buffer stock and sell grain at an affordable price to the poor. However, even with all of these measures taken since November 2007, the government was grappling with a social crisis.

In early 2008, the government launched its Emergency Food Security Program (PUASA), aimed at enhancing domestic production of food staples (cereals, roots and tubers, animal and dairy products, and fish) in the short- and medium-term. For rice and maize, the program's objective was to improve the food balance by growing an additional 42,000 tons of rice and 45,000 tons of maize in 2008, mainly by supporting small farming enterprises in the main river valleys where water supplies are assured during most of the dry season. Overall costs for the program were estimated at about US\$145 million. The government requested its technical and financial partners to support these efforts. By establishing the Emergency Food Security Support Project (EFSSP) under the Global Food Crisis Response Program (GFRP), the Bank was one of the first donors to respond to Benin's efforts to mitigate the food price crisis through a grant of US\$9 million from the FPCR TF. The EFSSP was the first concrete response focusing on enhancing domestic food production.

Objectives and activities financed: The project development objective was to increase domestic production of cereal crops (maize and rice), in order to mitigate the short-term impact of increasing prices on households and to expand food crop farmers' access to agricultural inputs in the medium- and long-term. The operation had two project components: (i) provision of fertilizer to enhance domestic food production in the short term (US\$8.2 million); and (ii) support to Project Management Unit and design of institutional mechanisms for the delivery of inputs to food crop framers (US\$0.5 million).

The project planned to target 50,000 beneficiaries (44,750 maize and 5,250 rice growers), selected by the local agricultural service centers (Centre Communal pour la Promotion Agricole) with assistance from the Project Management Unit (PMU) and farmer organizations. To ensure increased production, the EFSSP targeted relatively large-scale producers with more than two hectares (this group constituted 60 percent of producers), as well as smaller-scale producers (the remaining 40 percent), especially women and youths, in the Oueme, Mono, Niger, and Couffo River valleys.

Selected results:

The overall achievement of the project development objectives is satisfactory. Due to the late arrival of fertilizers in 2009, distribution focused on the Central and Northern Regions, where farmers apply fertilizers mostly in July, rather than the South, where farmers tend to apply fertilizers earlier. Because the average size of small agricultural holdings in these regions, particularly the Northern Region, is about

1.5–2 hectares higher than the national average of 1 hectare, fertilizers were distributed to a lower number of farmers (37,543) than originally envisaged (50,000).

Maize production increased by an additional 53,897 tons, representing 99.8 percent of the target. Rice production increased by an additional 10,860 tons, representing 180 percent of the set target. The provision of the additional 10,860 tons of rice and 53,897 tons of maize onto the market eased food prices of maize and rice. On average in 2008, maize was CFAF 35,000 per 100 kilogram bag and rice was CFAF 44,000. In 2009, maize was CFAF 15,000 per 100 kilogram bag and rice was CFAF 25,000.

In addition, the study of new agricultural input delivery mechanism was commissioned through the project and the report is endorsed by the government. The proposed new mechanism was based on the warehouse receipt approach supported with a guarantee fund that would allow farmers access to credit and enable them to purchase their inputs using cash. The mechanism would be tested on maize, sorghum, and rice in Alibori, Collines, and Atacora Provinces for a pilot phase of five years before being extended to other provinces.

Lessons learned:

- **Reinforcing the capacity of public institutions with decentralized actions involving communes, farmer organizations, and the private sector can yield satisfactory development results,** even in an agricultural emergency such as Benin’s food crisis. Unlike many isolated donor actions implemented amid concern that food aid or other resources will not reach beneficiaries, the EFSSP showed that strengthening the capacity of public institutions and involving key stakeholders in the process can yield good results. This approach also builds capacity within the country to address similar emergencies in the future.
- **Designing institutional mechanisms for delivering inputs to food crop farmers is the key to achieving food security.** Many countries lack a strategic plan and the corresponding mechanisms to deliver inputs to food crop farmers. Key elements for such mechanisms to succeed may include, for example, harmonizing input subsidy schemes in all government-promoted projects to ensure that they are free from political considerations, making provisions to recover input credits, and establishing effective linkages with markets, financial institutions, and the private sector.
- **Considering a value chain approach, even in the design of emergency food security projects, is instrumental to lasting project impacts.** Most often, emergency food security projects focus on production and give little emphasis to other segments of the food crop value chain. The risk is that a huge production surplus will be obtained but that no mechanism will be developed to manage it.
- **Improved procurement procedures are required for emergency food security projects.** Procurement procedures for emergency food security projects still need to be improved, especially for delivering time-sensitive goods and services. In some instances, procurement took more than six months, although the process was supposed to be concluded within three.
- **In Bank-supported emergency food security projects, effective and visible gender mainstreaming will lead to more focused actions and better achievement of Project Development Objectives.** The absence of a gender mainstreaming framework was partly responsible for women’s limited involvement in some EFSSP activities, including the provision of input credits and capacity building.

C3. Ethiopia: Emergency Food Crisis Response Program: Fertilizer Support Project

The Ethiopia Food Crisis Response Program was comprised of an additional financing grant in the amount of SDR 16.75 million (US\$25 million equivalent) for the Productive Safety Net Adaptable Program Loan II Project, an IDA grant in the amount of SDR 85.5 million (US\$127.5 million equivalent), and an IDA credit in the amount of SDR 82.1 million (US\$122.5 million equivalent) for a Fertilizer Support Project. The program was approved on December 10, 2008, and the Fertilizer Support Project was closed on July 31, 2010, having disbursed 98 percent of the approved funds. The section below focuses on the results of the fertilizer project.

The Fertilizer Support Project in Ethiopia sought to increase the likelihood that crop production in 2009-2010 would remain on or near the growth trends of recent years. The project had two components: (i) the quick-disbursing fertilizer component of US\$249.6 million; and (ii) the M&E component of US\$0.4 million. The project achieved its main development objectives, yet the IEG rated the overall project's outcome as moderately unsatisfactory due to several concerns about project relevance, efficacy, and efficiency as described below.

Selected results:

By the project's closure, 510,370 (metric) tons of fertilizers, including diammonium phosphate (DAP) and urea, were procured under the Project. This was more than the 420,000 tons planned at appraisal, due to the decrease of international prices of fertilizers. As prices moved from peaks in August 2008 to lower prices in October 2008, it was unknown whether they would remain low, and the risk of undersupply would have been substantial. With additional funds available, the Government decided to procure more fertilizers for carry-over stocks for use in the next season. This decision was, however, criticized by IEG as a waste of funds that could have been used for other purposes during the crisis, though it was made clear by the team that these funds could not have been used for any other purpose than purchasing fertilizers. Congestion at the port of Djibouti and associated transport challenges to central warehouses were of significant concern during the early importation period, but these problems were solved by a Government coordinated intervention.

As part of the Monitoring and Evaluation Component, the project undertook regular monitoring of fertilizer procurement, import, and sales throughout the country. It also monitored price, timeliness, quality, etc. of fertilizer distribution through a monthly report of selected *woredas* (districts). Finally, an impact evaluation survey was undertaken in the Tigray, Amhara, Oromiya and Southern Nations, Nationalities, and People's regions. These regions together accounted for 99 percent of national fertilizer consumption by smallholder agriculture in the 2008/09 season. The main findings are as follows:

- Farmers in these regions used 368,637 tons in the 2009/10 season on grain crops. This was a decrease of 2.1 percent compared to 2008/09, an increase of 4.8 percent compared to 2007/08, and an increase of 14.6 percent compared to 2006/05. Farmers and regional experts attribute the consumption decline in 2009/10 compared to the previous year to inadequate and erratic rainfall and difficulty in accessing fertilizer credit.
- The level of intensification of fertilizer use increased in 2009/10 compared to 2005/06. Application rates for three cereals — teff, maize, and wheat — which are usually prioritized by farmers for fertilizer allocation and account for 92 percent of crops in the four regions, increased by 14 percent, 11 percent, and 7 percent respectively compared to 2005/06.
- Field evidence suggests that fertilizer distribution has been more timely in the project year than in previous years, which can be attributed to early and efficient tendering supported by the project. About three-quarters of farmers reported timely delivery, although no quantitative benchmark is

available. The supply of complementary inputs, such as improved hybrid seed, appears to have been below market demand.

- Estimates of the impact of increased fertilizer use on aggregate crop (cereal) production range from a low 0.05 up to 0.35, depending on growing conditions and availability of improved seed. The availability of improved seed was reported to be a constraint during the crop season that the project was active, but recent (2008–09) household survey data from the International Food Policy Research Institute point towards a fertilizer production elasticity of above 0.2 in Ethiopia. This information suggests that the use of fertilizer has a substantial impact on aggregate crop production.
- According to official data, overall grain production appears to have increased by 5.6 percent with associated average yield increases of 2.6 percent. An indicative benefit-cost analysis suggests that the application of fertilizer has been profitable and economically efficient, both at the farm and aggregate level. The weighted average value-cost ratio of three representative crops is 2.4 and the overall benefit-cost ratio is 3.8. The economic welfare impacts are likely to be related to increased or stabilized cereal production, which protect the most vulnerable groups from price increases, in particular the poorer urban population.
- Official data from the Central Statistical Agency (CSA) suggests an increase in grain production of 5.2 percent during project implementation (from 17.2 million tons to 18.4 million tons). In contrast, estimates from the Food and Agriculture Organization (FAO) and the World Food Program (WFP) crop and food security assessment mission suggest that there was a 4.7 percent decrease in aggregate grain production. The well-known lack of consensus¹² and concerns about the reliability of agricultural statistics in Ethiopia pose a challenge in assessing whether the fertilizer project achieved its broad development objective. Even so, FAO and WFP also report that based on the five-year average production level, in 2009–10 Ethiopia recorded a 7 percent increase in grain production (FAO/WFP 2010). Either way, the available data suggests that the project may have helped avoid a significant decline in grain production.

Lessons learned:

- **Revisit demand estimates for fertilizer, which appear to lead to systematic overestimates of fertilizer supply.** Consequences are inefficiencies in fertilizer storage and distribution, in use of foreign exchange resources, etc. Demand for fertilizer is estimated through a Government-led system from the development agents, i.e. public extension workers, upwards. The system is unreliable due to an inherent bias to overestimate as criticized by IEG. A more market-oriented system in which the traders/distributors of fertilizer compete with each other and determine demand would likely increase efficiency, but shifting to this way of delivering inputs at a time of crisis was not a feasible option.
- **Upfront identification and planning for potential bottlenecks in transport and communication services can accelerate delivery.** A thorough assessment of potential infrastructure service bottlenecks and logistical challenges would address implementation delays. But it should be noted that rationing may still be required even under excellent coordination. During early 2009, the project experienced congestions at the port of Djibouti and associated challenges of transporting fertilizer to central warehouses and throughout the country in time for the application season. While these problems were solved by a Government-coordinated intervention, facilitating smooth and accelerated

¹² FAO and WFP report data for the calendar year based on their own estimate, whereas CSA reports data for the Ethiopian agricultural year (July–June) based on crop-cut samples.

offloading of ships, bagging, and truck loading, a more thorough assessment could strengthen the system and prevent such events from reoccurring.

- **Improving the technical efficiency of fertilizer use and promoting sustainable use.** Farmers and agricultural advisory services (development agents, cooperatives, agro-dealers, etc.) need continuous information and training to build knowledge and experience for efficient fertilizer use within an integrated soil/plant nutrient approach. Complementary activities are needed to ensure that fertilizer use is sustainable. The value for money from investing in fertilizers increases along with: (i) strengthened technical and marketing capacities of the distribution network and technical services for timely availability of required quality inputs at competitive prices; (ii) delivery of technical services to promote economically and technically optimal use and efficiency of agricultural inputs; (iii) strengthened on-farm research services to fine-tune recommendations for appropriate fertilizer management, by agro-ecological zones, regions and crop/crop combinations; (iv) promotion of integrated soil nutrient and water management and conservation farming techniques along agro-ecological zones and farming systems requirements, including conservation farming and minimum tillage; (v) development and diffusion of appropriately adapted varieties tolerant to weather variability (drought) to reduce farmers risks for productivity losses; and (vi) improved linkages between input supply and social safety nets to enhance the production assets of the poorest and promote their potential access to inputs. During crisis the team may need to take a simple approach of making sure fertilizers are available in time, but sustainability should not be ignored either.
- **Improving agricultural input systems.** While the availability of fertilizer under the current distribution system appears to be overall satisfactory, considerable inefficiencies remain in agricultural input systems. This is most obvious for seed, where much demand remains unmet. However, there is also scope for improving the efficiency of fertilizer supply, distribution, and application; currently the only chemical fertilizers available to smallholders are DAP and urea. The distribution of inputs is the domain of the public sector and cooperatives and competitive engagement of other private sector stakeholders in the marketing of agricultural inputs remain limited, as pointed out by IEG. The Bank has been working with the Government on these issues. For instance, the Rural Capacity Building Project has strengthened the extension system and is making it more demand-driven. As part of the preparation for a new Agricultural Growth Program, a study on formal seeds systems has been carried out. However, it needs to be stressed that emergency operations such as the Fertilizer Support Project are not good vehicles for market reforms, which needs to be kept in mind during the review of such operations.

C4. Kenya: Agricultural Input Supply Project

The food and fuel price crises have had major economic and agricultural impacts in Kenya. Between January and April 2008, fertilizer prices increased by more than 200 percent. As a consequence of high input prices and the post-election crises in early 2008, only 75 percent of the usual farm area was planted with maize during the main growing season in 2008/09. The short rain season was poor in most of Kenya, resulting in poor harvests. Kenya's national maize production was estimated to be only 2.43 million metric tons (MT), against an estimated national consumption of 3.15 million MT. The country faced a maize shortfall for about four months before its next big harvest in October 2009. Rising food prices and the costs of fuel and transportation were the main drivers of inflation, which increased from 12 percent in December 2007 to 31.5 percent in May 2009. Consequently, most of the poor in both rural and urban centers could not afford to buy maize flour. This situation prompted the Government to intervene in December 2008 by providing subsidized maize to selected millers, who were then expected to reduce the retail consumer price of maize flour. Thus, the food crisis also had a significant impact on the Government of Kenya's budget. Given the production shortfall, there was an urgent need to boost

production in the 2008/2009 season, thereby ensuring adequate supply in the coming year. Although input markets are well developed, most poor and vulnerable smallholders could not afford the seeds and fertilizer to guarantee good yields to boost production. The FPCR TF-funded GFRP operation was therefore designed to enhance the supply and access of inputs to the poor smallholder farmers.

Objective and activities financed: The Agricultural Inputs Supply operation financed through a US\$5 million grant from the Food Price Crisis Trust Fund (FPCR TF), aimed at reducing the gap between domestic production and consumption in 2009. The objective of the Project was to increase access to agricultural inputs and technologies among targeted smallholder farmers in the six main producing districts. The project had one component, which supported the scaling-up of a Government of Kenya program, the National Accelerated Agricultural Inputs Access Program (NAAIAP). The project targeted 50,000 smallholder farmers through an input voucher scheme.

Selected results:

The grant achieved most of its objectives and received an ICR rating of “Satisfactory”. The grant enabled 55,131 targeted smallholder farmers to access improved seed and fertilizer (and advisory services) during the 2009 and 2010 long rains planting seasons. This resulted in an incremental production of 30,000 tons of maize in the 2009 season, short of the target of 45,000 tons in that season (due to poor rains). The shortfall was partially compensated for in the following season when cost savings allowed distribution of additional vouchers to approximately 8,000 farmers with incremental production of 10,800 tons of maize. The value of aggregate incremental production is estimated at US\$11.8 million for the expenditure of US\$5 million. Farmer groups established approximately thirty cereal banks in 2009 and over 100 in 2010.

Due to low rainfall in 2009, average yields in the target area were depressed. Production levels reported in the evaluation study indicate a realized yield of 13 bags per acre (2.8 tons per hectare), which was below the target yield of 15 bags per acre. The reported yield is nonetheless roughly twice the baseline yield. In 2010, good rains coupled with timely input distribution due to improvements in the system resulted in an observed increase of average yields in that season to 21 bags per acre (4.5 tons per hectare), which was above the targeted yield.

An independent evaluation carried out in April 2010 found that, despite the poor rains in 2009, the grant had a positive impact on smallholder farmers in the target area. The farmer selection process was largely successful in identifying the intended beneficiaries. It is reported that vulnerable groups, including internally displaced persons and others affected by the post-election violence were selected. The requirement that one acre of land be prepared for maize production was intended to target the productive poor, excluding the extremely poor who were more suitable for safety nets and relief programs.

Forty-seven agro dealers participated in the voucher scheme. The participation of private agro dealers was predicated on meeting training and registration criteria, which many small dealers could not meet. As a result, 64 percent of vouchers were handled by two large organizations, the Kenya National Federation of Agricultural Producers and the Kenya Agricultural Commodity Exchange. These organizations used smaller dealers within their network to assist them in distributing inputs. Agricultural Market Development Trust trained dealers in business management skills. Dealers who participated in the input scheme reported positive impact. Their clients formed stronger relations with them, and their access to credit was enhanced.

Lessons learned:

- **Vouchers can be used effectively in a post-conflict setting if the necessary organizational structures for retailing and redemption of coupons are intact.** Targeted areas were those most

affected by post-election violence. Over 100 returning Internally Displaced Persons (IDPs) who received inputs were able to produce enough maize and retain a small surplus after their household requirements were met. The public meetings concerning the voucher scheme involved local peace committees, which integrated messages on peace and food production. The grant also influenced NGOs working with displaced people to structure their support using similar methodologies.

- **Private dealers can and will participate effectively.** Use of the private sector has proven effective, despite the constraints. Agro dealers reported that demand for hybrid seed and appropriate fertilizer increased in the season following the voucher distribution.
- **An exit strategy through linkage with credit markets is highly desirable.** The linkage of the voucher scheme with the credit market is critical. The success of the voucher scheme is evident as smallholder farmers are able to access credit for inputs through the complementary component of NAAIAP, Kilimo Biashara.
- **Targeting and flows of funds constitute major challenges in implementation.** Without strong mechanisms of social accountability, selection of beneficiaries under such schemes can be subject to fraud and corruption. Constraints in the flow of funds to districts and to agro dealers can undermine confidence that the vouchers will be redeemed or that product will be available in a timely manner, and can reduce effectiveness of the program.
- **A well-managed voucher program can forestall return to public intervention in supply and distribution of fertilizer, and build essential private presence in the sector.** Support to a relatively small grant scheme has informed design of the larger government program and has had influence on the overall government policy towards input supply.
- **Scaling-up an existing program rather than designing a new one can greatly accelerate implementation.** The success achieved within a short period was mainly due to the deliberate choice made to scale-up an ongoing government program. There is, therefore, merit in emergency situations to review and scale-up, where appropriate, ongoing programs rather than attempting to design new ones.

C5. Kyrgyz Republic: Agricultural Investments and Services Project

The Kyrgyz economy faced a sharp increase in consumer prices (20.1 percent) between 2006 and 2007. This was reflected in the increase in food prices that make up about 46.6 percent of the official Consumer Price Index. On main food items, the price escalation reached 62.6 percent (e.g. flour and bakery products). In addition to food items, fuel prices increased up to 36.7 percent. The crisis negatively affected the terms of trade as the country is a net importer of both wheat and fuel. In addition, the rising food prices generated significant distributional and poverty impacts, especially among the most vulnerable. More than 40 percent of the Kyrgyz population lived in poverty and 7.2 percent in extreme poverty. The Kyrgyz Government was concerned and asked for Bank support to help implement its short- and medium-term response. The additional grant through the Agricultural Investments and Services Project (AISP) helped finance the costs associated with interventions required on an emergency basis to address the food price crisis.

Objectives and activities financed: The objective of the Kyrgyz Republic Agricultural Investments and Services Project (AISP) was to: (i) contribute to reducing domestic grain price volatility; and (ii) supporting grain productivity growth to ensure an adequate food supply response. The project was approved on June 12, 2008, and included the following components: (i) food security (US\$3.85 million);

and (ii) project management (US\$0.6 million). The first component would improve management of grain storage and also support agricultural productivity through facilitation of farmers' access to quality seeds, fertilizers, and extension services to increase crop yields and quality. Access to quality seeds and fertilizer is a well-recognized constraint to food security in the Kyrgyz Republic and mechanisms exist to enhance the quality and quantity of seeds on an urgent basis to increase yields.

The GFRP additional financing for the AISP (US\$4.0 million) was provided to further develop the community seed funds (CSF) program, which has proven to be a sustainable institutional arrangement to ensure community-driven access to quality seeds for farmers. The CSF program was recently profiled at the World Bank innovation fair as an effective approach for giving farmers access to improved seeds. The GFRP financing was used to establish additional CSF throughout the country. The program was coordinated through the National Federation and a number of local NGOs and in cooperation with a German Organisation for Technical Cooperation (GTZ)-funded project which has helped some CSFs to evolve into full-fledged rural service cooperatives, and the Swiss Development Cooperation Village Health Project. Most CSFs received wheat seed, but on demand they could also instead receive maize, oilseeds, vegetables (the latter especially focused on women's groups) and fodder crops such as lucerne, sainfoin as well as barley and oats. These CSFs also received high-quality seeds, fertilizer, and related training which was distributed among their members. Each year, 120 percent of the seed and fertilizer value received must be returned to the CSF for subsequent distribution to new members.

Selected results:

The National Federation of Community Seed Funds (CSF) has mobilized 147 food crop CSFs benefiting over 6,000 farmers¹³. Since fall 2008, these have been provided with 990 tons of wheat, 300 tons of barley and 700 tons of seed potatoes. Fifty-one groups of 301 women received vegetable seeds. At the expected yield ratio of at least 1:8, each family will get about 320 kg of potatoes to cover their food and nutritional needs. These CSFs also received a fertilizer package in their first year of operation, consisting of ammonium nitrate and ammonium phosphate. All seed distributed to CSFs was procured from local seed farms, properly treated and bagged, was of varieties listed by the State Commission for Variety Testing, and was tested and certified by the Republican State Seed Inspectorate.

As illustrated by the table below, a comparison between the yields of farmers who are members of CSFs, with those who are not and with the national average yields from the National Statistics Committee (NSC), shows impressive benefits from CSF membership in 2011. Yield differences for wheat and potatoes of 47 percent to 62 percent for members compared to non-members are a result of the use of improved seed, fertilizer application, and basic agronomic training which was also provided to the CSF members under the program. Some individual farmers reported even higher yields, reaching 7.5 tons of winter wheat per hectare of irrigated land in previous years.

Restructuring was countersigned and became effective on September 6, 2010. The restructuring revised the project development objectives and reduced inputs for activities deemed to be unnecessary to meet the new PDO, specifically the removal of community based grain storage, as it was assessed that grain storage was better dealt with through private mills. Processing delays were overcome and the project implementation is now on schedule. At the request of the Ministry of Agriculture, the emphasis has been on helping farmers in the south of the country that have suffered from the June 2010 events. Apart from targeting beneficiary farmers, these activities are providing business opportunities to local seed farms and input suppliers. The tender for the above mentioned procurement has attracted 14 local seed farmers and 6 local inputs traders. Technical assistance has been provided to the State Material Reserves to identify

¹³ Based on the successful experience of the GFRP funded CSF, the program has now been expanded with other sources of funding to provide seed for fodder crops.

needs for quality management and laboratory testing of wheat, which is distributed to vulnerable households as part of a social safety net program. A tender for equipment resulted in non-responsive bids and is currently being retendered.

Overall, 98 percent of funds have been disbursed and 100 percent of funds committed for goods and services procured before June 30th 2012.

	CSF	Non-CSF		NSC	
	Yield (t/ha)	Yield (t/ha)	Percent difference compared to CSF members	Yield (t/ha)	Percent difference compared to CSF members
Winter wheat	2.59	1.6	62%	2.44	6%
Spring wheat	2.38	1.62	47%	2.11	13%
Spring barley	2.01	1.44	40%	1.92	5%
Potato	26.42	16.34	62%	16.08	64%

Lessons learned:

The project incorporated successful approaches from previous projects such as the CSFs — the concept for which was developed and supported under previous World Bank financed projects and the GTZ. Donor consultations and cooperation identified approaches not considered in the design period including distribution of vegetable and potato seeds through the village health committees of the Swiss Development Cooperation Village Health Project. The CSFs proved to be an effective distribution mechanism for seeds and fertilizer and provided the additional input of training and extension to optimize the use of these inputs.

C6. Niger: Emergency Food Security Support Project

The rise in international oil and food prices, low cereal production in 2007 because of drought, and increased demand for cereals and other agricultural products in neighboring countries -- namely Nigeria -- contributed to a sharp increase in food prices in Niger in 2008. In June 2008, the early warning system of the joint Government-Donors' Food Crisis Prevention and Management Framework (FCPMF) stated that about three million people were living in areas identified as vulnerable to soaring food prices. Around one million people were affected by serious food insecurity, implying an urgent need for relief measures to prevent another human disaster three years after the 2005 crisis. The Government responded swiftly to the food price crisis. In June 2008, the Parliament adopted a supplemental Budget Law which included tax exemptions on rice, wheat flour, edible oil, sugar, and milk, which led to a loss of tax revenues of CFAF 12.4 billion (about US\$30 million), equivalent to 0.56 percent of GDP. The Government also requested the Bank to help with its efforts to mitigate the impact of the crisis, resulting from sharply rising global food prices, to which the Bank responded by providing US\$7 million through the FPCR TF for the Emergency Food Security Project.

Objectives and activities financed: The objective of the project was to support the Recipient's efforts to mitigate the impact of the food price crisis by: (i) increasing the production of the rice in irrigated farmlands; and (ii) enhancing its capacity to respond adequately to future food security threats. The project financed the costs associated with: (i) urgent procurement of 4,000 metric tons of fertilizers and their distribution at affordable prices to irrigated rice producers (US\$6.5 million); and (ii) the provision of

technical assistance to the country's Food Crisis Prevention and Management Framework (FCPMF) to improve the monitoring of the country's food security and prepare a social safety nets program (US\$0.5 million). The GFRP project was approved in August 2008.

Selected results:

The project received an overall ICR rating of "Satisfactory". Fertilizer was distributed at subsidized prices primarily to rice producer cooperatives. Most of the fertilizer (86 percent) was used during the off-season in 2009 and the remaining quantities were sold for the main 2009 season. Thirty three cooperatives, involving 20,784 rural households accessed the fertilizer and applied it on about 9,265 hectares.

Specific surveys in rice production were conducted, taking into account both irrigated areas cropped by rice producer cooperatives and individuals who received fertilizers procured under the project for the first 2009 season (January-June cycle, during which 86 percent of the fertilizer was distributed), and the rainfall season (July-December cycle, during which 14 percent of the fertilizer was distributed). At the end of the project, rice yields in irrigated plots treated with the recommended dose of fertilizer was 5.4 tons/ha on average, thereby exceeding the baseline yield of 2.5 tons/ha (without fertilizer) by 116 percent and outpacing the project's target of 3.5 tons/ha by 54 percent. According to the stakeholders interviewed during the Implementation Completion and Results Report (ICR) mission, the difference in yield came from the availability of quality fertilizers at the very beginning of the cropping cycle, while all other production parameters, including irrigation conditions, planting materials, and labor, remained the same. Because rice response to minerals is almost linear up to a limit of productivity, timely availability of fertilizers augmented yield per hectare

For component two, the preparation and implementation of a safety net program was led by the Food Crisis Coordination Unit, studies were completed and a pilot safety net program was launched. Regular reporting on relevant food prices and national food security system stocks was conducted by Food Crisis Prevention and Management Framework (FCPMF) and the FCPMF information system (including data collection and dissemination aspects) is effective with an improved bulletin published by the Communication and Information Center in April 2010.

Lessons learned:

- **Build on country capacity for rapid response.** Since emerging from a severe food crisis in 2005, Niger has improved its institutional framework to prevent and respond to adverse events. The Bank's rapid response to the client's request for assistance was met by a strong commitment and a high level of preparedness on the part of the counterpart. Thus, limited funds were able to provide timely and critical resources and technical assistance to develop an action plan to strengthen the government's current programs and assess the feasibility of new pilot programs to respond to the needs of poor and vulnerable people.
- **Bank operational procedures, namely procurement-related matters, can adapt to emergency situations** to allow for fast-track delivery of goods and services, if all relevant World Bank and government parties get involved in the process from inception. The Bank procurement team, including HQ, the hub coordination, and the country procurement specialist played a critical role for this to happen.
- **Close collaboration between government and implementing partners is critical.** In spite of delays by the awarded firm to deliver fertilizer, overall project activities have been implemented according to plan. This was a result of close coordination among government agencies as well as the inclusion of beneficiary representatives in project preparation and negotiations (the apex organization of

farmers' cooperatives (FUCORPI) representatives participated in discussions during preparation and negotiations). All parties agreed on the targeting procedures, level of subsidies, selling prices, assessment of cooperatives solvency, and technical status of the perimeters, as well as arrangements with the *Central d'Approvisionnement* (CA) for delivery and payments. They also led the communication campaign to inform member cooperatives in the field together with CA and the Department of Agriculture.

- **Sector work helps to inform project preparation.** A 2008 study on food security prepared in collaboration with the government and other development partners provided consensus and ownership, as well as sufficient knowledge and a receptive environment for the timely preparation of the project. Availability of analytical work on risks and safety net schemes in Niger facilitated the design and preparation of the operation.
- **High level commitment, both by the Bank and Government,** is instrumental in increasing the effectiveness and speed of preparing emergency operations.
- **A simple design of emergency operations is a key for success.** The design of the project, which rightly focused on responding to the Government's short-term priority and to the urgent needs of the beneficiaries, was a key factor in the project's successful implementation.
- **An emergency project should not undermine governance issues.** There were substantial governance-related risks associated with the procurement of a large amount of fertilizers. Involving a competent third party, namely the Joint Government–Donors Food Crises Committee, in the procurement process and getting beneficiaries involved in critical steps of the project cycle helped safeguard transparency and ensured accountability.
- **Emergency operations may provide an opportunity for crafting longer-term responses to vulnerability.** The Project was used as an opportunity to move forward the longstanding agenda for developing safety nets in a country which definitely needs a comprehensive and long-term response to recurrent food crises and chronic food insecurity.
- **Sustained and continuous capacity building is needed for implementing agencies** in their learning curve regarding Bank procedures during preparation and implementation. This technical assistance was provided by the Bank team and has proven to be demanding, given the short project implementation time frame. Supplementing government agencies with personnel with adequate skills and experience of Bank operations and procedures would contribute to improving project execution.

C7. Somalia: Rapid Response Rehabilitation of Rural Livelihoods Project

The Somali economy is heavily dependent on trade, including food imports, which account for about 60 percent of cereal consumption. The urban areas, particularly in central and northern Somalia, usually prefer imported wheat and rice. As import prices increased in 2008, people turned to local cereals such as maize and sorghum, which were negatively affected by the poor Gu rains. As a result, current prices increased 200-300 percent over previous year's prices. This extremely high inflation, exacerbated by a contemporaneous collapse of the Somali Shilling, reduced the purchasing power of Somali households, making them even more food insecure. The global economic challenges, especially the increase in prices of commodities and services, had a negative impact on the well-being of Somali diaspora households, which were likely to decrease remittances, which are central to Somalia's economy and the survival of its households.

In line with the strategies developed under Reconstruction and Development Program (RDP) and the Interim Strategy Note, the Bank proposed to assist Somalia by addressing the existing food crises that were triggered by: low agricultural productivity, high food prices, the deterioration of irrigation and flood control infrastructures, and the lack of agricultural services to farmers. The gravity of the food crises in the country and the need to address immediately the challenges posed by these crises provided the Bank the rationale for its engagement in Somalia through the US\$7 million Rapid Response Rehabilitation of Rural Livelihoods Project (RRRRLP) financed from the FPCR TF.

Objectives and activities financed: The project development objective was to increase crop and livestock production in areas affected by the food crisis. The project activities built on ongoing projects in Somalia to assist in addressing the crisis. The project components included: (1) improving food production capacity (US\$3.7 million), which included the sub-components: (a) increased food production through distribution of improved inputs (US\$1.96 million); and (b) increased food production through rehabilitation and improvement of crop production infrastructure (US\$1.7 million); and (2) support strategies for using livestock resources to address the current food crisis, which included the sub-components: (a) support to fodder production and marketing; and (b) improving slaughter houses with value addition services.

Selected results:

The project received an overall rating of “Satisfactory”. The project has made an important contribution to the short- and medium-term development aspirations of the concerned communities and has reached about 74,000 households, or some 444,000 individuals. The key outcome indicators were percent increase in crop production in the project area affected by the food crisis and percent increase in meat production in project area that meets standards.

- With regard to crop production, the project has collected data from the field and confirmed that significant increase in production has been achieved, as shown below. The increased production refers to the results of the input distribution program only.

Area covered under input distribution and estimates of incremental production

Crop	Area cultivated (ha)	Production prior to project intervention (tons)	Production at project completion (tons)	Balance (tons)
Maize	12,000	8,100	36,000	27,900
Sorghum	18,000	7,450	45,400	37,950
Total	30,000	15,550	81,400	65,850

- A dramatic increase in sorghum production has been observed due to improved seeds and a good response from TSP application on alkaline soils, which led to higher yields. Figures collected by the project indicate that sorghum yields varied from 0.25 to 0.65 tons per ha before project intervention, but increased to a minimum of 1.6 and a maximum of 5.8 tons per ha with project support. In the case of rainfed maize, these varied from 0.55 to 0.9 tons per ha, against 1.6 to 3.2 tons per ha with project intervention.
- The above production figures do not include the 16,000 ha of newly irrigated land that was added as a result of canal rehabilitation in lower Shebelle. This area, which is normally cultivated at least one season under maize, would generate about 40,000 tons of maize, assuming a conservative yield of 2.5 tons per ha in one season. This addition would raise total output in the major season to some 105,850 tons.

- Within the livestock sector, about 640 ha of land has been cultivated for fodder by project farmers for their own livestock needs and for the market. In addition, fodder seed production on about 320 ha of land has been carried out and individual farmers have been bulking the improved seeds and selling the hay straw on the market at prices that varied from US\$350 to US\$450 per ton. Sixty-three water catchment areas were rehabilitated by the project, and these have contributed to extending the period of water availability by a few months, thus facilitating livestock trade.
- With regard to the improvement of slaughter houses and the production of quality meat, achievements so far are the closing of two inefficient and environmentally unsound facilities and the establishment of two modern facilities, along with a pioneering management set up, i.e., the Public-Private Partnership (PPP). In terms of actual meat production, however, the slaughter houses only started operations in March 2011.
- The project has also established a farm produce market place, following a strong request by the communities. This outcome was not foreseen under the project, but is now a functioning facility operated by a market committee organized by the project.
- In view of the incremental production mentioned above (105,850 tons), and assuming a per capita consumption of cereals of 130 kg per person, it can be deduced that the project contributed to the annual cereal needs of about 815,000 people. The increased availability of crops has helped in stabilizing food prices. According to project management, there was about a 15 percent drop in food crop prices in the project area recorded in 2009, an indication of improved supplies and market confidence, some of which was likely due to this project.
- The impact on the livestock sector is equally significant. The project is credited, in part, for contributing to the doubling of livestock exports to over 4 million heads in 2010, by virtue of increasing fodder production and water availability. Regrettably, the benefits from the slaughter houses are deferred due to implementation delays.
- Gender was an important factor in the project design. The project has succeeded in enabling about 30 percent of female-headed households to become beneficiaries of the distribution of improved agricultural inputs. In addition, about 5,000 women were trained in nutritional well-being, and up to 25 percent of employment in the canal and water catchment rehabilitation activities was dedicated to women, thereby ensuring cash income from the civil works. Parallel to the general nutrition training, women were sensitized on the importance of offal –the most affordable category of meat – and in the supply of vital nutrients that can help in reducing malnutrition-related diseases such as anemia. The bulk of the training program on meat quality assurance was imparted to women, although this was open to both the genders. This training will be beneficial to the general public, as the retail meat market is dominated by women. The project has, therefore, made serious efforts to benefit and involve women in the project.

Lessons learned:

- **In instances where security and governance situations are precarious due to civil strife, it is advisable to assign project implementation and management responsibilities to reputable and experienced institutions that are operating in the country.** The timely implementation of the project has a lot to do with the familiarity of FAO and its implementing partners with the project area, as well as the good relationship established with the local communities and authorities.

- **There is much to be gained by designing project activities that build upon ongoing programs, as this allows the utilization of knowledge accumulated over time by staff of different organizations, local communities, and the private sector.** This, in turn, leads to expeditious planning and implementation of project activities, especially of repeater programs; reduced costs of planning; and smooth implementation of activities due to well-established relationships with the local authorities, communities, and project beneficiaries. Involving the communities in the identification of target beneficiaries (e.g. resource-poor farmers and women-headed households) has enabled the project to assist the intended and deserving people.
- **The perception and understanding in the different regions that the project was a genuine support to the population induced people from all factions of the society to accept it as a useful undertaking with no political motivation.** This meant that there was a sense of collective project ownership and implicit and explicit backing for its successful implementation. This explains why the project was allowed to operate as intended, not being affected by any political faction, in a milieu where different political and clan factions fight to impose their views on others.
- **In an unstable setting such as in Somalia, where normal trading is disrupted, it is important to base emergency recovery and rehabilitation programs on the production of traditional crops.** These crops substituted for imported foods in the local markets, thus reducing the impact of soaring global food prices on consumers.
- **As demonstrated by the project, there is a good opportunity for sustainable cooperation between the public and private sector under a PPP arrangement.** However, in high risk country situations like this, appropriate sequencing of the establishment of PPP companies and the construction of the facilities that they are supposed to operate is of paramount importance. It is important to carry out a thorough assessment of the potential local partners for the facilities' management and, based on this assessment, adjust the timing of the establishment of the PPP to encourage the best possible sets of investors by reducing their risk or risk perception. This should be done by providing potential participants with sufficient information on the operation of the PPP and enough confidence that the project will move forward, and then adjusting sequencing to their needs.
- **The emergency project paper rightly indicated that undertaking financial or economic analysis in an unstable social, political, and economic environment, where the exact project areas are not even identified, becomes difficult, if not impossible.** However, once the farmers and project areas are known, and arrangements for collecting data are made available under the M&E system, deliberate effort should be made to collect farm management information that can allow some farm income analysis. The collection of data under the project did not focus on this aspect, but the second phase project should aim at collecting data on farm management or operation.

C8. Tajikistan: Food Security and Seeds Import Project

Tajikistan was suffering from multiple stresses, compounded by the global food crisis. The extremely harsh winter of 2007-08, combined with power shortages and high energy prices, imposed great hardship and rising expenses on the population, particularly in rural areas. The sharply rising prices of imported food exacerbated the difficulties for the poor. The country faced a food shortage, high food prices, and a locust infestation. A UN Flash Appeal was conducted to address the humanitarian crisis following the severe winter, including measures to address the food crisis. FAO, WFP, and UNICEF also conducted a needs assessment which identified urgent priorities including: (i) nutrition (special emphasis on children); and (ii) providing agricultural inputs to the most needy and vulnerable the country. The Government made an urgent plea for support from the international community and the World Bank responded

through the Tajikistan Food Security and Seeds Import Project funded through a US\$5 million grant from the FPCR Trust Fund.

Objectives and activities financed: The objective of the project was to increase domestic food production and reduce livestock losses to help at least 28,000 of the poorest households in a timely manner. This was to be achieved by providing essential inputs including high quality winter seeds, alfalfa seed, and fertilizer to the poorest farmers and female-headed households in Khatlon and the Rasht Valley. These regions were chosen based on an assessment by FAO in March 2008, which identified high levels of severe food insecurity in these regions. The operation had three components: (i) support for agricultural inputs (US\$2.7 million); (ii) improvement of livestock health and husbandry (US\$1.8 million); and (iii) project management (US\$0.5 million). The grant amount has been fully disbursed.

Selected results:

Rapid implementation of the agricultural inputs component of the project was critical to ensure winter wheat and fertilizer would be distributed by October 2008, in time for the winter planting season. By the end of 2008, winter wheat and alfalfa seed, together with fertilizers, had been distributed to around 87,000 food insecure households in Khatlon province. Project savings have been used to support over 15,000 additional households, including 5,000 households affected by the earthquake at the beginning of 2010.

An impact evaluation survey for the project was conducted between May and June 2009. The survey covered a total of 2,143 farming households divided into two groups: 726 “project” households receiving inputs from the project and 1,417 “non-project” households that did not receive inputs from the project (the control group). Initial results from the impact assessment indicate that:

- The project effectively targeted poorer households by distributing project assistance to households who are female-headed and to those which have less land and livestock.
- Ninety-nine percent of randomly chosen “project” households reported receiving both seed and fertilizer, while 99.5 percent of randomly chosen “non-project” households did not receive inputs from the project. Virtually all “project” farmers evaluated the planting advice they received from the project as useful. The project seeds distributed by the project were generally planted “on their own”, without mixing with other varieties (86 percent of project farmers), and 85 percent of project farmers characterized the variety received from the project as better than the variety normally used.
- The findings also confirmed that the beneficiary households reported receiving their inputs in full i.e. on average 17 kg of seeds and 30 kg of carbamide per household. The “project” households overwhelmingly reported that they used the project-supplied seed and fertilizer for growing wheat on their own land, with small quantities diverted for farming on other land and virtually none sold to outsiders.
- The irrigated wheat yields in project households increased from 3.19 ton/ha in 2008 to 3.43 ton/ha in 2009, while the yields in non-project households *decreased* from 3.51 ton/ha in 2008 to 3.15 ton/ha in 2009. Since the non-project farms constitute a control group that characterizes the general background conditions (including climatic and regional factors), it is reasonable to conclude that the project prevented the general decline in yields that hit the entire farming population and it actually produced a slight increase in yields compared to the previous year.
- The positive impact of the project is represented by the significantly lower number of project households complaining of difficulties related to low seed quality and fertilizer shortages than the

number of non-project farmers. By this measure, the project has definitely achieved its goals of improving availability and quality of seeds and fertilizer to poorer households.

While 76 percent of households planted wheat not later than one month after the optimal month for their locality and 95 percent of respondents had delays not exceeding 2 months, it was not possible to make conclusions about the effect of seed delivery delays on yields.

Lessons learned:

- **Coordination and ownership by government was key.** Close coordination with government greatly benefited project implementation and resulted in a strong sense of ownership. Support from the Ministry of Agriculture proved critical in issues such as customs clearance, testing of seed and fertilizer and liaison with Oblast governments.
- **Monitoring by NGOs.** Local NGOs employed to monitor project implementation made a strong contribution to project monitoring and liaisons with local officials. In particular, NGOs were useful in monitoring beneficiary selection and distribution of farm inputs by *jamoats*.
- **Stimulus to local seed market.** The procurement of locally procured wheat and alfalfa seed by the project has been an important stimulus for the local seed market. The superiority of varieties has raised awareness among progressive farmers (not necessarily project beneficiaries who have high poverty rates and hence, are unlikely to buy improved seeds on a regular basis) of the potential for higher yield from good quality seeds. National project procurement has also raised awareness among seed producers of the need to improve quality and respect international norms.
- **Adequate attention to institutional capacity building during preparation despite the emergency nature of operations is essential.** The project over-estimated the capacity and willingness of local government officials to assume responsibility for beneficiary selection and distribution and underestimated the level of support needed from local governments. Approximately 20 percent of beneficiaries initially selected by *jamoat* officials were ineligible, and up to 20 percent of the beneficiaries did not plant their wheat seed until after end November 2008. But these problems were recognized and corrected before further implementation of the project.
- **Short-term emergency projects that reach large numbers of beneficiaries may impinge, to some extent, on existing, long-term activities of other agencies.** Coordination with other agencies active in the country on the selection of target areas and beneficiaries can reduce these conflicts. Several donors were critical of the project citing three main concerns: (i) that emergency seed aid was a disincentive to development of sustainable markets for farm inputs; (ii) the project had compromised similar activities by other agencies; and (iii) there was a general lack of coordination. However, the high poverty levels of project beneficiaries meant that they were unlikely to purchase improved seed on a regular basis, let alone after a food crisis. In fact, very few Tajik farmers buy seed. In this context, donor concerns that the project compromised overall input markets appear exaggerated. The project affected some donors' longer-term activities but the impact was more local rather than general and in some regions the number of farmers' affected was relatively small. In both cases, these problems could have been mitigated with better donor coordination.

The project has been granted Additional Financing in the amount of US\$6.25 million from the Russia Food Crisis Rapid Response Trust Fund (Russia FPCR TF) and an extension through 2013 in order to maintain progress despite the unexpected collapse of the existing fertilizer supply chain. The additional financing, combined with a restructuring, has scaled up the original grant and added new activities,

providing agricultural inputs, supporting creation of community production groups (CPGs), targeting the most vulnerable, and promoting private commercial farming. This has also led to some institutional changes, as the domestic Project Management Unit (PMU) took over the implementation role that FAO had previously held, for the remaining period. With an increasing role of domestic actors, the project hopes to reinforce and increase the capacity and experience of institutions and mechanisms that support a move towards a more diversified agricultural system driven by producers with freedom to choose how they use their land, what they produce, and where they sell, through the provision of improved seed and fertilizer.

The goals of the additional financing are on track to be met by the closing date in 2013. As of the most recent Implementation Status and Results report, 1278 functioning community production groups, including 865 crop CPG and 413 livestock CPGs (363 poultry and 50 rabbit groups) have been established, with more than 20,700 families in 1,070 villages having received seed and other benefits through these groups, and 10,000 people have been trained in extension programs. Yields achieved by the CPGs are generally higher than the national averages. For example, wheat averaged 3.5 tons/ha compared with the national average (based on data of the State Statistical Agency) of 2.5 tons/ha; maize yield averaged 5.0 tons/ha compared with 3.8 tons/ha; and potatoes 25.7 tons/ha compared with 17.2 tons/ha. This yield benefit can largely be attributed to a combination of high quality seed, fertilizer applications, and training and support in crop production technologies. Most hens have started laying and have produced around 785,000 eggs with 1,395 chicks have been hatched. At this stage, some 83 percent of the groups have distributed chicks to the other group members. The Veterinary Association (VA) has completed a two-course vaccination campaign for New Castle disease for over 1.8 million chickens in all 24 districts of Khatlon Region and 3 districts of Soghd Region.

The mid-term evaluation showed that the additional net revenue of about TJS 815 per household as a result of the project far exceeds the average income of TJS 87 per month before the project. In addition, in order to revive and stabilize fertilizer supply networks, especially for non-cotton fertilizer supply, a network of private dealers is being established with the setting up of a temporary revolving to import fertilizers for non-cotton crops to be channeled through merchants.

Annex 2: List of Board Approved Bank-Funded Operations

Region	Country	Instrument Type	Project ID	Project Name	Financing			
					FPCR TF (\$ m)	IDA (\$ m)	IBRD (\$ m)	Total GFRP Amount (\$ m)
SAR	Afghanistan	IL	P113199	Food Crisis Response Project	8			8
SAR	Bangladesh	DPO	P112761	Bangladesh Food Crisis Development Support Credit Project		130		130
AFR	Benin	IL	P113374	Emergency Food Security Support Project	9			9
AFR	Burundi	DPO	P113438	Food Crisis Response Development Policy Grant	10			10
EAP	Cambodia	DPO	P117203	Cambodia Smallholder Agriculture and Social Protection Support operation		5		5
AFR	Central African Republic	IL	P113221	CAR Food Response Project	7			7
AFR	Comoros	IL	P114740	Services Support Project (Co-Financing and Restructuring)	1			1
MNA	Djibouti	DPO	P112017	Djibouti - Food Crisis Response Development Policy Grant	5			5
AFR	Ethiopia	IL	P113156	Ethiopia – Fertilizer Support Project		250		250
AFR	Ethiopia	IL	P114683	Ethiopia – Second Productive Safety Nets Project (FY09) : additional financing		25		25
AFR	Guinea	DPO	P113625	Guinea Food Crisis Response Development Policy Grant	2.5			2.5
AFR	Guinea	IL	P113268	Emergency Agricultural Productivity Support Project	5			5
AFR	Guinea	IL	P113608	Labor Intensive Public Works – Additional Financing for Third Urban Development Project Phase II	2.5			2.5
AFR	Guinea-Bissau	IL	P113468	Guinea-Bissau – Food Price Crisis Response Trust Fund Program Project	5			5
LCR	Haiti	DPO	P112133	Second Economic Governance Reform Operation (EGRO II) Development Policy Grant	10			10
LCR	Haiti	IL	P113623	Strengthening the Management of Agriculture Public Services (GFRP)		5		5
LCR	Honduras	DPO	P112023	Food Prices Crisis Supplemental Financing to the First Programmatic Financial Sector Development Policy Credit		10		10
AFR	Kenya	IL	P111545	Kenya Cash Transfer for Orphans and Vulnerable Children		50		50
AFR	Kenya	IL	P116064	Kenya Agricultural Input Supply Program	5			5
ECA	Kyrgyz Republic	IL	P112142/ P084977	Health & Social Protection Project		6		6

ECA	Kyrgyz Republic	IL	P112186/ P096993	Agricultural Investments and Services Project		4		4
EAP	Lao PDR	IL	P114617	LAO PDR: Rice Productivity Improvement Project	3			3
EAP	Lao PDR	IL	P114863	Community Nutrition Project	2			2
AFR	Liberia	IL	P112084	Additional Financing to Second Community Empowerment Project (CEP) - Public Works Program	3			3
AFR	Liberia	IL	P112083	Emergency Agriculture Infrastructure Development Project – Additional Financing	3			3
AFR	Liberia	IL	P112107	Liberia Emergency Food Support for Vulnerable Women and Children	4			4
AFR	Madagascar	DPO	P113224	The Republic of Madagascar – Fifth Poverty Reduction Support Credit : Supplemental Financing	10			10
AFR	Madagascar	IL	P113134	Madagascar – Emergency Food Security and Reconstruction Project		12		12
AFR	Mali	DPO	P114269	Mali – Second Poverty Reduction Support Credit Development Policy Grant Project	5			5
ECA	Moldova	IL	P112908	Health Services and Social Assistance Project : Additional Financing	7			7
AFR	Mozambique	DPO	P107313	Fifth Poverty Reduction Support Credit (PRSC5)	10	10		20
SAR	Nepal	IL	P113002	Social Safety Nets Project	5	16.7		21.7
SAR	Nepal	IL	P114912	Irrigation & Water Resources Management Project		14.3		14.3
SAR	Nepal	IL	P113002	Social Safety Net Project		47.8		47.8
LCR	Nicaragua	IL	P114441	Price Vulnerability (Food Crisis)	7			7
LCR	Nicaragua	IL	P114375	Additional Financing to the Second Agricultural Technology Project		10		10
AFR	Niger	IL	P113222	Niger: Emergency Food Security Support Project	7			7
EAP	Philippines	DPO	P113492	Philippines – Global Food Crisis Response Program Development Policy Operation Project			200	200
AFR	Rwanda	DPO	P113232	Global Food Price Response Program	10			10
AFR	Senegal	IL	P115938	Rapid Response Child-Focused Social Cash Transfer and Nutrition Security Project		10		10
AFR	Senegal	IL	P116301	Agricultural Markets and Agribusiness Development Project		10		10
AFR	Sierra Leone	DPO	P113219	Sierra Leone – Food Crisis Response Development Policy Grant Project	3			3
AFR	Sierra Leone	IL	P113141	Additional Financing for National Social Action Project (NSAP) – Food Crisis Response	4			4
AFR	Sierra Leone	IL	P113141	Additional Financing for National Social Action Project (NSAP) – Food Crisis Response	3			3
AFR	Somalia	IL	P113218	Somalia - Rapid Response Rehabilitation of Rural Livelihoods Project	7			7

AFR	Sudan	IL	P113586	Southern Sudan Emergency Food Crisis Response Project	5			5
AFR	Sudan	IL	P125381	Additional Financing for the Southern Sudan Emergency Food Crisis Response Project	0.7			0.7
ECA	Tajikistan	IL	P112136	Additional Financing for the Community and Basic Health Project	4			4
ECA	Tajikistan	IL	P112157	Emergency Food Security and Seed Imports Project	5			5
AFR	Tanzania	IL	P114291	Tanzania - Accelerated Food Security Project		160		160
AFR	Tanzania	IL	P115873	Additional Financing for Agricultural Sector Development Project		30		30
AFR	Tanzania	IL	P115952	Additional Financing for Tanzania Second Social Action Fund (TASAF II)		30		30
AFR	Togo	IL	P113544	Additional Financing to the Community Driven Development (CDD) Food Crisis Project	7			7
MNA	West Bank and Gaza	IL	P081477	GZ – Social Safety Net Reform Project	3.4			3.4
MNA	West Bank and Gaza	IL	P113117	Food Price Crisis Response Program – Additional Financing to Social Safety Net Reform Project	5			5
MNA	Yemen	IL	P112345	Additional Financing for Third Social Fund for Development Project	10			10
TOTAL APPROVED					203.1	835.8	200	1238.9

Annex 3: List of Externally-Funded Trust Fund Operations

	Country	Instrument Type	Project ID	Project Name	MDTF	Russia	EU	Total
AFR	Benin	IL	P115886	Agricultural Productivity and Diversification Project	15			15
AFR	Benin	IL	P120052	Emergency Support to Enhance Food Security			9.16	9.16
SAR	Bhutan	IL	P087150	Decentralized Rural Development Project	5			5
EAP	Cambodia	DPO	P114790	Smallholder Ag and Social Protection Support	8			8
AFR	Ethiopia	IL	P113220	Productive Safety Net APL III			4.19	4.19
AFR	Ethiopia	IL	P098093	Productive Safety Net APL II			26.98	26.98
AFR	Gambia	IL	P119892	Emergency Agriculture Production			7.47	7.47
AFR	Gambia	IL	P122065	West Africa Agricultural Productivity (WAAPP-1C)	5			5
AFR	Guinea	IL	P128309	Emergency Agricultural Productivity Support Project	20			20
AFR	Guinea Bissau	IL	P120214	Emergency Food Security Support Project			4.05	4.05
EAP	Indonesia TA	TA	P122280	Food Security Policies	0.5			0.5
AFR	Kenya	IL	P119736	Enhancing Agricultural Productivity			26.97	26.97
EAP	Kiribati IL	IL	P118552	Food Crisis Operation	2			2
EAP	Kiribati TA	TA	P127619	Review of Import Levy	0.25			0.25
ECA	Kyrgyz Republic	IL	P118838	Agricultural Productivity Assistance Project		6.85		6.85
ECA	Kyrgyz Republic	IL	P120118	Agricultural Investments and Services Project			9.45	9.45
EAP	Lao Ag	IL	P120909	Upland Food Security Improvement			4.74	4.74
EAP	Lao SP	IL	P120495	Community Nutrition Project			2.03	2.03
AFR	Mali	IL	P095091	Fostering Ag Productivity project			20.64	20.64
AFR	Mauritania	IL	P128994	Agri. Development and Food Price Response Project	5			5
ECA	Moldova TA	TA	P124627	Food Security AAA	0.32			0.32
SAR	Nepal	IL	P105860	Poverty Alleviation Fund	10			10
AFR	Niger	IL	P123567	Emergency Food Security and Rural Development	15			15
EAP	Samoa	IL	P115351	Agriculture Competitiveness Enhancement Project	5			5
EAP	Samoa TA	TA	P120701	Agriculture Response to Food Crisis	0.32			0.32
AFR	Senegal	IL	P115938	Rapid Response Child-focused Social Cash Transfer Project	8			8

AFR	Sierra Leone	IL	P118226	National Social Action Project	1			1
EAP	Solomon Islands	IL	P121631	Rural Development Program	3			3
SAR	Sri Lanka	IL	P124091	Warehouse Receipts Project	6.5			6.5
AFR	South Sudan	IL	P130396	Emergency Food Crisis Response Project	3			3
AFR	Sudan	IL	P113586	Emergency Food Crisis Response Project	1.5			1.5
ECA	Tajikistan	IL	P115954	Emergency Food Security and Seed Imports Project		6.25		6.25
ECA	Tajikistan	IL	P119690	Public Employment for Sustainable Agriculture			10.46	10.46
ECA	Tajikistan TA	TA	P120550	Role of Govt in Improving Agriculture Sector		0.5		0.5
EAP	Timor Leste TA	TA	P127404	Responding to Low Food Production	0.26			0.26
AFR	Togo	IL	P118045	Agriculture Sector Support Project	9			9
EAP	Vietnam TA	TA	P115519	Food Security and Rice Supply Chain	0.25			0.25
AFR	West Africa	IL	P117148	West Africa Agricultural Productivity Project	19			19
MENA	Yemen	IL	P117038	Emergency Social Safety Net Enhancement Project			24.67	24.67
AFR	Zimbabwe	IL	P117212	Emergency Agricultural Input Project	7			7
TOTAL APPROVED					149.9	13.6	150.81	314.31
EAP	Tonga	TA		Tonga TA	0.16			0.16
AFR	Guinea Bissau	IL	P113468	Emergency Food Security Support project	7			7
AFR	Senegal	IL	P129164	Agricultural Markets and Agribusiness Program	20			20
SAR	Sri Lanka	IL	P123632	Conditional Cash Transfer Pilot Project	3			3
TOTAL PIPELINE					30.16	0	0	30.16
TOTAL					180.06	13.60	150.81	344.47