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Republic of Senegal

Agriculture and Livestock Competitiveness Programme for Results

Addendum

Project ID:2000002666

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For: Approval

Agriculture and Livestock Competitiveness Programme for Results

Addendum

The attention of the Executive Board is drawn to the following addenda and modifications to the President's report on Agriculture and Livestock Competitiveness Programme for Results (EB 2021/134/R.47). For ease of reference, the changes to the text of the report are shown in boldface, while strikethrough indicates deleted text.

Page iv, financing summary, section "Amount of IFAD loans" should read:

Amount of IFAD loans:	EUR 46.9 17.32 million (equivalent to approximately US\$20 million) under the programme for results modality
	EUR 2.50 million (equivalent to approximately US\$3 million) as additional financing for the ongoing Support to Agricultural Development and Rural Entrepreneurship Programme – Phase II

Page 2, paragraph 11 should read:

11. "The IFAD country programme has contributed to increasing the incomes of the rural poor, reducing gender inequality and empowering rural women and youth. In addition, the programme has contributed to increasing crop yields and agricultural production, as well as marketing surpluses, through agribusiness linkages. As a partner in the design and financing of the PCAE-PforR, IFAD drew on its experience with projects and programmes including: (i) PAFA (2010–2016, US\$~~31.6~~**37.51** million); (ii) PADAER (2011-2020**19**, US\$~~53.5~~**59.12** million); (iii) PAFA-E (2014-2020, US\$~~50.4~~**47.48** million); and (iv) PADAER-II (2018–2024, US\$84.7 million). These investments contributed to transforming traditional subsistence agriculture into market-oriented agropastoral farming systems with significant help from the private sector. Important too was the promotion of a structured dialogue between all value chain stakeholders (so-called interprofessional organizations)."

Page 3, paragraph 18 should read:

18. "IFAD's cofinancing will enhance the focus on diversifying smallholder farming systems and on women and young farmers. An additional 50,000 farmers will be provided with more assets, 50,000 more will adopt improved agricultural technology and a further 450,000 will benefit of the vaccination of their horses and small ruminants. IFAD funding will also give ~~50,000~~**72,000** more farmers access to agricultural insurance. The indicators in the results framework will be disaggregated by gender and age in the monitoring and evaluation (M&E) system, while the capacity of MAER and MEPA to monitor these indicators will be improved."

Page 4, paragraph 20 and 20(i) should read:

20. "Contribution to the disbursement-linked indicators. US\$20 million of IFAD's contribution to the PCAE-PforR will be allocated strategically to further enhance sustainable diversification of farming and livestock systems, and inclusiveness in line with the IFAD core commitments and the 2019-2024

COSOP. The core investments (DLIs 2, ~~34~~, 7 and 10) were identified in the expenditure framework of PRACAS-II and PNDE as follows:

- (i) Under results area 1, DLI 2 and DLI ~~34~~ will be cofinanced, with a focus on diversification and productivity increases in crop and livestock systems. Under DLI 2, IFAD will contribute to the multiplication of quality seeds for crop diversification (millet, sorghum, maize, cowpea, Irish potato, vegetables, sweet potato and fonio). Under DLI ~~34~~, ~~climate-smart agriculture and livestock technologies will be promoted (quality inputs, vaccination for small ruminants and horses, will be promoted CSA practices, and technical assistance to public services and farmers' organizations).~~"

Page 5, table 1 should be replaced with the below:

Table 1
Disbursement-linked indicators and allocation of International Development Association (IDA) and IFAD financing
(Millions of United States dollars)

<i>DLI⁴</i>	<i>IDA</i>	<i>IFAD</i>
Results area 1. Improved crop and livestock productivity and resilience		
1 Quantity of certified groundnut seeds acquired annually (tons)	35.0	-
2 Cumulative quantity of certified seeds acquired for diversification crops (tons)	15.0	6.0
3 Percentage of subsidy targeted to smallholder producers and climate-smart technologies (% of subsidy amount)	20.0	
4 Vaccination coverage rates for small ruminant plague (% coverage)	30.0	7.0
5 Cumulative quantity of certified fodder seeds acquired by the producers (tons)	10.0	-
Results area 2. Improved business environment and market integration		
6 National Interprofessional Committee for Groundnut restructured	10.0	-
7 Number of producers with access to agricultural insurance for crops and livestock (per year)	10.0	5.0
8 Operationalization of the warehouse receipt system in the extended groundnut basin	4.01	-
9 Number of milk collection centres supported and/or equipped and operational	5.0	-
Results area 3. Improved sector governance, coordination and programme management		
10 M&E system at both MAER and MEPA for agriculture and livestock performance in place and functioning	10.0	2.0
Total allocation – DLIs	149.01	20.0
Programme preparation advance (PPA) (not DLI)	0.99	-
Institutional support and capacity-building (IPL, not DLI)	-	3.0
Total	150.0	23.0

⁴ All DLIs except DLI 10 are scalable; in other words, funds will be disbursed annually in line with progress made.

Page 6, table 3 should be replaced with the below:

Table 3
Programme costs by DLI and by year
(Millions of United States dollars)

	2022	2023	2024	2025	2026	Total
DLI 2	0.00	1.58	1.58	1.58	1.58	6.35
DLI 4	0.00	1.76	1.76	1.76	1.76	7.00
DLI 7	0.00	1.16	1.16	1.16	1.16	4.64
DLI 10	0.00	1.00	1.00	0.00	0.00	2.00
Institutional support and capacity-building	2.10	0.51	0.35	0.04	0.00	3.00
Total	2.10	6.01	5.85	4.54	4.50	23.00

Page 6, paragraph 29 should read:

29. "An ex ante economic and financial analysis was prepared to demonstrate the financial and economic soundness of the PCAE-PforR. The economic net present value of the programme is estimated at US\$~~237~~**374** million, and the economic rate of return at ~~20.0~~**24.2** per cent. Sensitivity analysis shows that the results are robust under most scenarios."

Page 9, paragraph 49 should read:

49. "The result framework (appendix II), developed by MAER, MEPA, the WBG and IFAD, will be used for M&E purposes. To monitor IFAD's cofinancing, six indicators were added, while for other indicators the quantitative targets (DLIs 2, ~~34~~, 7) were increased."

Page 10, paragraph 55, the first sentence should read:

55. "A project financing agreement between the Government of Senegal and IFAD will constitute the legal instrument for extending the proposed financing to the borrower/recipient, under the new PforR modality (EUR ~~16.9~~**17.3** million)."

Page 10, the recommendation should read:

58. "I recommend that the Executive Board approve the proposed financing in terms of the following resolution:

RESOLVED: that the Fund shall provide a loan on highly concessional terms to the Republic of Senegal in an amount of ~~sixteen~~**seventeen** million ~~nine hundred~~**three hundred twenty** thousand euros (EUR ~~16.9~~**17.32** million) in order to finance the programme for results modality and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall provide a loan on highly concessional terms to the Republic of Senegal in an amount of two million five hundred thousand euros (EUR 2.5 million) as additional financing to the already existing Support to Agricultural Development and Rural Entrepreneurship Programme – Phase II and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein."

Appendix 2, the Logical Framework should be replaced with the following

Results hierarchy	Indicators ¹					Means of verification			Assumptions
	Name	Baseline	Mid-term	WB Target	End target	Source	Frequency	Responsibility	
Outreach									
	1.Estimated corresponding total number of households members - C.I.-1.b	2,152,000	4,800,000	7,200,000	7,800,000	M&E Survey	Baseline Midterm Endline	TCTs MAER MEPA	Appropriate women and young farmers targeting and inclusion mechanism (based on IFAD funded projects' experience)
	2.Corresponding number of households reached - C.I.-1.a	269,000	600,000	900,000	975,000				
	of which women	0	115,000	100,000	357,500				
	of which young farmers	0	90,000	n/a	130,000				
Project development objective									
To enhance productivity and market access of priority commodity value chains and livestock, in the extended groundnut basin and agro-pastoral areas	Number of households reporting adoption of new or improved inputs, technologies or practices	0	100,000	150,000	200,000	Survey	Baseline Midterm Endline	TCTs MAER MEPA	Better MAER and MEPA Financial Management and staffing
	of which women	0	40,000	60,000	85,000				
	of which young farmers	0	12,500	n/a	25,000				
	Yield increase (metric ton) of diversification crops								
	Maize	2.50	2.70	n/a	3.00				
	Millet	1.00	1.20		1.50				
	Cowpea	0.80	1.10		1.50				
	Irish potato	25.00	29.00		30.00				
Onion	23.00	26.00		27.00					
Sweet potato	38.00	42.00		45.00					
Results Area 1: Improved crop and livestock productivity and resilience									
Sub-Results Area 1.1.a: Increased crop productivity	Metric ton of cumulative quantity of certified seeds acquired for diversification crops (DLI 2)	0	40	53	70	M&E	Annually	MAER	Environmental safeguards plan
Sub-Results Area 1.1.b:	Vaccination coverage rates for African horse sickness (percentage)	35	55	n/a	65	M&E	Annually	MEPA	

¹ To be disaggregated by gender and youth for all "people related" indicators.

Results hierarchy	Indicators ¹					Means of verification			Assumptions
	Name	Baseline	Mid-term	WB Target	End target	Source	Frequency	Responsibility	
Increased livestock productivity	Vaccination coverage rates for pasteurellosis of small ruminants (percentage)	4	25	n/a	30		Annually	MEPA	properly implemented
Results Area 2: Improved business environment and market integration									
Sub-Results Area 2.3: increased access to financial services	Number of persons in rural areas accessing financial services (DLI 7: agriculture insurance for crops and livestock)	269,000	346,000	400,000	472,000	M&E	Annually	Ministry of finance	Continuation of related policy reforms
	of which women	0	115,000	120,000	145,000				
	of which young farmers	0	100,000	n/a	130,000				
Results Area 3: Improved sector governance, coordination, and Program management									
Output 3.1.: policy dialogue on agriculture and livestock strengthened	Coordination platforms of diversification value chains organized by MAER/MEPA	No	Set-up	n/a	Efficient	Reporting	Annually	TCTs MAER MEPA	Efficient technical assistance
	Number of existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification, amendment	0	5	5	8				
Output 3.2.: capacity at MAER and MEPA for program planning, statistics, and M&E enhanced	Monitoring and evaluation system for agriculture and livestock performance (DLI 10)	Draft M&E system at MAER and MEPA	Adequate M&E system to track Program performance		Adopted by central/ decentralized services	Survey	Endline		
	Share of targeted beneficiaries with rating 'satisfied' or above on project interventions / support (Percentage)	0	n/a		85				

Appendix 4 should be replaced as follows:

ILD ^[1]		IDA millions de dollars US	FIDA millions de dollars US
Domaine de résultats 1 : amélioration de la productivité et de la résilience des cultures et du bétail			
1	Quantité de graines d'arachide certifiées acquises annuellement (tonnes)	35.0	0.0
2	Quantité cumulée de semences certifiées acquises pour les cultures de diversification (tonnes)	15.0	6.0
3	Pourcentage de la subvention destiné aux petits producteurs et aux technologies intelligentes du point de vue climatique (% du montant de la subvention)	20.0	0.0
4	Taux de couverture vaccinale contre la peste des petits ruminants (PPR) (% de couverture)	30.0	7.0
5	Quantité cumulée de semences certifiées fourragères acquises par les producteurs (tonnes)	10.0	0.0
Domaine de résultats 2 : amélioration de l'environnement des entreprises et de l'intégration des marchés			
6	Restructuration de l'interprofession de l'arachide (CNIA)	10.0	0.0
7	Nombre de producteurs ayant accès à une assurance agricole pour les cultures et le bétail (par an)	10.0	5.0
8	Opérationnalisation du système de réception des entrepôts (WRS) dans le bassin arachidier étendu	4.01	0.0
9	Nombre de centres de collecte de lait soutenus et/ou équipés et opérationnels	5.0	0.0
Domaine de résultats 3 : Amélioration de la gouvernance, de la coordination et de la gestion des programmes dans le secteur.			
10	Mise en place et fonctionnement d'un système de suivi et d'évaluation (S&E) au MAER et au MEPA pour les performances en matière d'agriculture et d'élevage.	10.0	2.0
Allocation totale DLIs		149.01	20.0
Avance sur la préparation du programme (pas de DLI)		0.99	-
Soutien institutionnel et renforcement des capacités (IPL, pas DLI)			3.0
TOTAL GÉNÉRAL		150.0	23.0

[¹] Tous les DLI sauf le DLI 10 sont extensibles, ce qui implique que les fonds seront déboursés annuellement en fonction des progrès réalisés.