
Republic of Senegal
Support to Food Sovereignty Project
Addendum

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Addendum

The Executive Board is hereby invited to consider the amendments to document EB 2024/142/R.40/Add.1. The changes to the document are reflected as follows: deleted text with strikethrough, added text underlined.

Page iii, financing summary, should read:

Initiating institution:	IFAD
Borrower/recipient:	Ministry of Economy, Planning and Cooperation
Executing agency:	Ministry of Agriculture, Food Sovereignty and Livestock (MASAE)
Total project cost:	US\$235 million <u>(equivalent to EUR 217.029 million)</u>
Amount of IFAD loan 1:	<u>EUR 6.119 million (equivalent to US\$6.625 million)</u>
Amount of IFAD loan 2:	<u>EUR 12.423 million (equivalent to US\$13.452 million)</u>
Amount of IFAD loan 3:	<u>EUR 64.573 million (equivalent to US\$69.920 million)</u>
Terms of IFAD loan 1:	Highly concessional (HC)
Terms of IFAD loan 2:	Blend
Terms of IFAD loan 3:	Ordinary
Cofinanciers:	Italian Climate Fund OPEC Fund for International Development (OPEC Fund)
Amount of cofinancing:	Italian Climate Fund: US\$65 million OPEC Fund: US\$31.5 million
Terms of cofinancing:	US\$95 million: loan US\$1.5 million: grant
Contribution of borrower:	US\$4.25 million
Contribution of beneficiaries:	US\$19.25 million
Financing gap:	US\$25 million <u>(equivalent to EUR 23.088 million)</u>
Amount of IFAD climate finance:	<u>EUR 45.161 million (equivalent to US\$48.901 million)</u>
Cooperating institution:	IFAD

Page 2, paragraph 8 should read:

“Geographical area of intervention. The geographical areas of intervention include the production basins and sub-basins around territorial markets in the areas of the extended Groundnut Basin and southeast Senegal ~~Upper Casamance~~. This intervention area has the dual advantage of: (i) consolidating IFAD's experience in

these areas and capitalizing on the investments of past and ongoing projects; and (ii) being particularly relevant to IFAD's target groups in Senegal.”

Page 4, paragraph 23 should read:

“**Climate finance.** Project components 1 and 2 are counted as climate finance. As per the multilateral development banks’ methodologies for tracking climate change adaptation and mitigation finance, the total IFAD climate finance for this project is estimated at EUR 45,161,000 (equivalent to US\$48,901,000) (54.3 per cent of IFAD financing).”

Page 4, paragraph 24 should read:

“The total cost of the project is estimated at US\$235 million (equivalent to EUR 217.029 million).”

Page 5, table 1 should be replaced with:

Table 1
Project costs by component and subcomponent and financier*
 (Thousands of United States dollars)

Component/subcomponent	IFAD PBAS (blend)		IFAD PBAS (HC)		IFAD BRAM (ordinary)		Italian Climate Fund		OPEC Fund loan		OPEC Fund grant		Financing gap		Beneficiaries		Government, including municipalities (in-kind)		Total		
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	
1. Securing and diversifying the productive base and increasing productivity, sustainability, climate resilience and nutrition	13 184	98	4 028	61	8 142	12	57 340	88	3 510	12	1 500					12 274	64	771	18	100 749	43
1.1. Integrated water and soil management and development	919	7	35	1	7 979	11	27 140	42	-	-	-					-	-	771	18	36 845	16
1.2. Diversification, sustainability and resilience of agricultural production	9 434	70	974	15	163	0	22 638	35	1 284	4	-					12 274	64	-	-	46 766	20
1.3. Improving family nutrition security and supporting women's empowerment	2 831	21	3 019	46	-	-	7 561	12	2 226	7	1 500					-	-	-	-	17 139	7
2. Product enhancement and development of territorial markets	268	2	4	0	53 738	77	-	0	23 042	77	-			25 000		6 975	36	1 568	37	110 596	47
2.1. Territorial market access	268	2			40 573	58	-	0	20 128	67	-			25 000		-	-	1 568	37	87 537	37
2.2. Development of market services related to agricultural production	-	-	4	0	13 165	19	-	0	2 914	10	-			-		6 975	36	-	-	23 059	10
3. Project management, coordination and knowledge management	-	-	2 593	39	8 040	11	7 660	12	3 448	11	-			-		-	-	1 914	45	23 655	10
3.1. Project management and coordination	-	-	2 537	38	6 910	10	2 670	4	3 086	10	-			-		-	-	1 914	45	17 118	7
3.2. Knowledge management	-	-	56	1	1 130	2	4 990	8	361	1	-			-		-	-	-	-	6 537	3
Total	13 452	6	6 626	3	69 920	30	65 000	28	30 000	13	1 500	1	25 000	11	19 249	8	4 253	2	235 000	100	

* IFAD's financing will be provided in euros. The EUR:US\$ exchange rate applied is 1 EUR = 1.0828 US\$.

Page 6, table 2 should be replaced with:

Table 2

Project costs by expenditure category and financier*

(Thousands of United States dollars)

Expenditure category	IFAD PBAS (blend)		IFAD PBAS (HC)		IFAD BRAM (ordinary)		Italian Climate Fund		OPEC Fund loan	OPEC Fund grant	Financing gap		Beneficiaries		Government, including municipalities (in-kind)		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	Amount	Amount	%	Amount	%	Amount	%	Amount	%
I. Investment costs																		
A. Works	2 312	17			36 915	53	20 930	32	14 947			23 519					98 623	42
B. Equipment and vehicles	1 200	9	13	0	6 473	9	66	0	1 087								8 838	4
C. Goods and services	4 128	31	4 017	61	11 982	17	28 895	44	10 705	358	1 481				2 339	55	63 905	27
D. Grants and subsidies	5 560	41			7 851	11	8 664	13		1 142			19 249	100			42 466	18
Total investment costs	13 199	98	4 030	61	63 221	90	58 555	90	26 739	1 500	25 000	100	19 249	100	2 339	55	213 833	91
II. Recurrent costs																		
A. Salaries and operating costs	253	2	2 595	39	6 699	10	6 445	10	3 261						1 914	45	21 167	9
Total recurrent costs	253	2	2 595	39	6 699	10	6 445	10	3 261	-	-	-	-	-	1 914	45	21 167	9
Total	13 452	6	6 626	3	69 920	30	65 000	28	30 000	1 500	25 000	11	19 249	8	4 253	2	235 000	100

* IFAD's financing will be provided in euros. The EUR:US\$ exchange rate applied is 1 EUR = 1.0828 US\$.

Page 8, paragraph 25 should read:

"Financing and cofinancing. IFAD will contribute to the project an amount equivalent to EUR 83.115 million (equivalent to US\$89.997 million) (~~US\$20.077 million~~); the Italian Government will cofinance US\$65 million through its Climate Fund; the OPEC Fund will cofinance US\$31.5 million. In addition, US\$19.25 million is expected from the beneficiaries through resources leveraged from the private sector, and US\$4.25 million from the Government."

Page 8, paragraph 26 should read:

"The financing gap of US\$25 million (equivalent to EUR 23.088 million) may be sourced through subsequent PBAS cycles and/or BRAM (under financing terms to be determined, subject to internal procedures and subsequent Executive Board approval) or by cofinancing identified during implementation."

Page 8, paragraph 29 should read:

"Economic and financial analysis. The results of the economic and financial analysis show that, overall, the project's interventions are economically profitable. The economic internal rate of return of the project stands at 19.4 per cent and the net present value, at the opportunity cost of capital of 6 per cent, amounts to EUR 151.2 million (equivalent to US\$163.7 million) over a period of 20 years. These economic results are robust when testing multiple sensitivity scenarios, including implementation delays, cost overruns and reduced benefits."

Page 12, paragraph 56 should read:

"RESOLVED: that the Fund shall provide a loan on highly concessional terms to the Republic of Senegal in an amount of six million one hundred and nineteen thousand euros (EUR 6,119,000) (~~six million six hundred and twenty five thousand United States dollars (US\$6,625,000)~~) 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 blend terms to the Republic of Senegal in an amount of twelve million four hundred and twenty-three thousand euros (EUR 12,423,000) (~~thirteen million four hundred and fifty two thousand United States dollars (US\$13,452,000)~~) 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 ordinary terms to the Republic of Senegal in an amount of sixty-four million five hundred and seventy-three thousand euros (EUR 64,573,000) (~~sixty-nine million nine hundred and twenty thousand United States dollars (US\$69,920,000)~~) and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein."