

AFRICAN DEVELOPMENT BANK GROUP



EMERGENCY AGRICULTURAL PRODUCTION PROJECT IN BURUNDI (AEFPF-BURUNDI)

PROJECT APPRAISAL REPORT

June 2022

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Translated Document

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CURRENCY EQUIVALENTS

Exchange rate effective as of 20 June 2022

Currency Unit	Equivalent
UA 1	USD 1.35
USD 1	BIF 2,728.02

FISCAL YEAR

1 July -30 June

WEIGHTS AND MEASURES

1 metric ton	2,204.62 pounds (lb)
1 Kilogramme (kg)	2.20462 pounds (lb)
1 meter (m)	3.28 feet (ft)
1 millimeter (mm)	0.03937 inch (‘‘)
1 kilometer (km)	0.62 mile
1 hectare (ha)	2.471 acres

ACRONYMS AND ABBREVIATIONS

AEFPF	African Emergency Food Production Facility
AfDB	African Development Bank
AGI	Africa Gender Index
AWPB	Annual Work Plans and Budget
BIF	Burundi Franc
BPEAE	Provincial Environment, Agriculture and Livestock Bureau
CC	Climate Change
COMESA	Common Market of East and Southern Africa
CRFA	Country Resilience and Fragility Assessment
CSP	Country Strategy Paper
CSS	Climate Safeguard System
DAP	Di-Ammonic Phosphate
DOPEA	Environmental, Agricultural and Livestock Policy Guidance Paper
EA	Executing Agency
EIRR	Economic Internal Rate of Return
ESCON	Environmental and Social Compliance Note
EU	European Union
FAO	Food and Agriculture Organisation of the United Nations
GAP	Gender Action Plan
GBV	Gender-Based Violence
GHG	Greenhouse Gases
IFAD	International Fund for Agricultural Development
IRRI	International Rice Research Institute
ISABU	Institute of Agronomic Sciences of Burundi
MINEAGRIE	Ministry of Environment, Agriculture and Livestock
NPK	Nitrogen, phosphorus, and potassium
NPV	Net Present Value
PADCAE-B	Agricultural and Livestock Value Chains Sustainable Development Support Project in Burundi
PAR	Project Appraisal Report
PATAREB	Support to Agricultural Transformation in the Bugesera Natural Region
PCN	Project Concept Note
PEA	Preliminary Economic Assessment
PEAPPJF	Youth and Women Agro-Pastoral Entrepreneurship and Professional Development Project
PMP	Pest Management Plan
PMU	Project Management Unit
PNIA	National Agricultural Investment Plan

PND	National Development Programme
PNSEB	Burundi National Fertilizer Subsidy Programme
SDG	Sustainable Development Goals
STD	Sexually Transmissible Diseases
TAAT	Technologies for African Agricultural Transformation
TFP	Technical and Financial Partners
TSF	Transition Support Facility
UA	Unit of Account
USD	United States dollar
WFP	World Food Programme

PROJECT BRIEF

CLIENT INFORMATION

Project Name:	Emergency Agricultural Production Project in Burundi (AEFPF-Burundi)
Sector(s) :	Agriculture
Borrower/Grant Beneficiary:	Republic of Burundi
Instrument(s):	TSF Grant- Pillar I
Executing Agency :	Ministry of Environment, Agriculture and Livestock (MINEAGRIE)

NATIONAL AND STRATEGIC CONTEXT

Country Strategy Paper period:	2019-2023
Priorities of the Country Strategy Paper supported by the project :	Agricultural development and transformation
Government Programme (PRSP, PCN or equivalent) :	<ol style="list-style-type: none"> 1. Burundi National Development Plan (2018-2027) 2. Burundi's Agricultural Policy, adopted in 2022 3. Environmental, Agricultural and Livestock Policy Guidance Document (DOPEAE) (2020-2027)
Project Classification:	Agriculture: Strengthen resilient production systems through access to agricultural inputs
	SDGs <ul style="list-style-type: none"> • SDG 1 (End poverty) • SDG 2 (End hunger) • SDG 5 (Achieve gender equality) • SDG 13 (Take urgent action to combat climate change)
	Selectiveness priorities: <ul style="list-style-type: none"> • End hunger and ensure food security • Promote sustainable agriculture
Country performance and institutional assessment:	2.8
Risky projects in the country portfolio:	0% as of 21 June 2022.

PROJECT CATEGORISATION

Environmental and social risks categorization	The project is classified as Category 2. This environmental categorization was validated by SNSC on 14 June 2022.
Will the project involve forceful resettlement?	No
Categorization of climate protection measures	Category 2
Assessment of the fragility and resilience lenses	Yes
Categorization of the Gender Marker System:	GENDER Category II

KEY ADF/AfDB FINANCIAL INFORMATION

Interest Rate	N/A
Service Charge :	N/A
Commitment Fee:	N/A
Tenor:	N/A
Period:	August 2022 – December 2024

Source	Amount		Financing Instrument
	UA	Other Currency	
Transition Support Facility (TSF)	4,000,000.00	-	TSF Grant
Government's counterpart contribution	443.301,00	-	Contribution in kind
Total project cost:	4,443,301.00	-	

PROJECT DEVELOPMENT OBJECTIVE AND COMPONENTS

Project development objective:	Strengthen the Burundi population's (M/F) food security in face of the world food crisis aggravated by the Russia-Ukraine conflict.
Project components	Component 1: Intensification of agricultural production (Estimated budget: UA 4.20 million (94.54% of project cost))
	Component 2: Support for gender-sensitive policies on access to agricultural inputs (Estimated budget: UA 0.06 million (1.34%))
	Component 3: Project coordination and management (Estimated budget: UA 0.18 million (4.12% of total budget))

TIMETABLE FOR PROCESSING THE PROJECT FOR BOARD APPROVAL

PCN approval:	Not applicable.
Appraisal mission :	13-17 June 2022
Board presentation	14 July 2022
Effectiveness	21 July 2022
Project implementation period:	August 2022- December 2024
Mid-term review:	Not applicable
Project closing date	31 December 2024

1 INTRODUCTION

1.1. Management hereby submits the following report and recommendation on a proposed UA 4 million Grant to the Republic of Burundi to finance the Emergency Agricultural Production Project (AEFPF-Burundi). The project results from a request from the Government of Burundi submitted in June 2022 to support its efforts to mitigate the impact of global shocks aggravated by the war in Ukraine on the national economy and to preserve resilience. It is designed as part of the African Emergency Food Production Facility (AEFPF), approved by the Board of Directors on 20 May 2022. It will contribute to strengthening the food security of the Burundi population (M/F) in the face of the global crisis that has been aggravated by the Russia/Ukraine conflict.

2 COUNTRY CONTEXT

2.1. Economic, Agricultural and Social Context

2.1.1 **Macroeconomic and Fiscal Impact Analysis:** Burundi's economy picked up in 2021 with an estimated real GDP growth rate of 2.2%, compared to a contraction of 1% in 2020 due to the negative effects of COVID-19. This upturn was driven mainly by the agricultural sector on the supply side and public infrastructure investments on the demand side. However, the ongoing Ukraine/Russia war has affected the Burundi economy and could jeopardize the favorable growth prospects through imported inflation in petroleum products, fertilizer, and food.

Mitigating the socio-economic impact of the Russia-Ukraine war on the Burundi economy will deepen the overall budget deficit from 4.5% of GDP in 2021 to 5.2% of GDP in 2022 before declining to 4.2% in 2023 according to optimistic projections. Furthermore, the war will worsen Burundi's budget deficit by three percentage points in 2022 and one percentage point in 2023. The inflationary pressures observed in 2020 due to COVID-19 continued in 2021 with an estimated inflation rate of 8.3% versus 7.5% in 2020. This was due to global supply chain disruptions and international trade distortions caused by the emergence of a parallel foreign exchange market owing to the shortage of foreign currency in Burundi. Global inflationary pressures will push the inflation rate to 9.3% in 2022 with a slight decrease of 8.3% in 2023. According to the African Development Bank, this inflationary surge will be driven mainly by rising food prices, and higher costs of petroleum products and transport.

Table 1: Macroeconomic indicators with scenarios of the impact of the Russian-Ukrainian crisis

	Estimates December 2021			Estimates April 2022			Difference with PEA estimates December 2021		
	2021(e)	2022(p)	2023(p)	2021(e)	2022(p)	2023(p)	2021(e)	2022(p)	2023(p)
Real GDP Growth	2,2	4,5	5,2	2,3	3,6	4,6	0,1	-0,9	-0,5
Real GDP per capita growth	-0,9	1,5	2,2	-0,9	0,6	1,6	0,0	-1,0	-0,6
Inflation	5,7	4,4	4,5	8,3	9,3	8,3	2,6	4,9	3,8
Overall fiscal balance including grants (% GDP)	-7,2	-4,9	-3,1	-4,5	-5,2	-4,2	2,6	-0,3	-1,0
Current account (% GDP)	-15,4	-14,0	-12,9	-15,4	-15,9	-14,8	0,0	-1,9	-1,9

Source: Compiled data from the Statistics Department (ECST) of the African Development Bank, April 2022.

2.1.2 **Agricultural, Food and Nutrition Security Impact Analysis.** Burundi's economy is largely dependent on the agricultural sector, which employs 80% of the population, but

contributes only 40% of GDP (the remaining 60% comes from the tertiary and secondary sectors). Jobs generated in the industrial and services sectors represent only 8% (for a target of 40%) of total employment. The state of food and nutrition security in Burundi is alarming. Burundi ranked 115th (second to last) in the Global Hunger Index¹ in 2021, with a score of 35-49.9². The World Bank reports that 14% of the country's population is severely food insecure. Nearly 2 out of 3 Burundians are unable to meet their daily basic food needs³. In addition to food, the main imports are refined petroleum and pharmaceutical products. Thus, rice imports accounts between 10 and 20% of total supply during the last two years.

The agricultural sector faces several constraints including: (1) climate change, which leads to drought and flooding; (2) insufficient irrigation infrastructure; (3) insufficient agricultural inputs and equipment; (4) poor soil fertility due to erosion and soil acidity; (5) seed degeneration; and (6) post-harvest losses due to inadequate conservation and processing facilities.

In 2013, Government established a fertilizer subsidy system that is functional. Initially, through the Burundi National Fertilizer Subsidy Programme (PNSEB), Government covered 40% of fertilizer costs and farmers 60%. However, since March 2022, with the high cost of fertilizer, Government has decided to subsidize 60% while farmers pay for 40% of costs. A seed subsidy system also exists, but the use of vouchers is not yet operational. The war in Ukraine has exacerbated the shortage of fertilizer and pushed up prices, as many countries including Burundi head into the planting season. Due to the war, farmers are less able to source agricultural inputs, particularly fertilizers whose price per ton has increased by 57.7% and 89.1% for Imbura (DAP) and Totahaza (Urea) respectively. Global oil supply has also reduced. This will further increase the cost of petroleum products in Burundi since the price of petrol and diesel rose by USD 0.1 in mid-February 2022 due to the spike in world oil prices.

2.1.3 Analysis of the social impact: It is estimated that 72.9% of the population lives below the national poverty line of USD1.90 per day. According to the World Bank's Development Indicators database, 89 out of 100 inhabitants live on less than USD3.2 per day (income poverty rate at the international threshold). Considering the national poverty line, more children live in poor households (69%) than adults (64.6%). The trend is the same when considering other poverty lines internationally.

The African Emergency Food Production Facility (AEFPF) aims to support the Government to implement the National Social Protection Policy, which aims to build an inclusive and comprehensive social protection system that focuses on protection, prevention, and transformation aspects. Thus, AEFPF will help to cushion the shock of soaring input and seed prices on the population in general, and vulnerable households in particular, thereby improving the quality of life of the population. Combining AEFPF and the National Fertilizer Subsidy Programme will enable the vulnerable classes to have better access to inputs and create positive impacts seen in an increase in production and income.

3 RATIONALE AND KEY DESIGN ELEMENTS

3.1. Rationale

3.1.1 Link with the Bank Strategy and the Authorities' Food Security Response. This project is aligned with Burundi's 2019-2023 Country Strategy Paper (CSP) particularly its Pillar

¹ The Global Hunger Index (GHI) is a multidimensional statistical tool used to describe the state of hunger in different countries around the world. This index, calculated by the International Food Policy Research Institute (IFPRI), is updated annually. It makes it possible to measure progress and failures in the global fight against hunger. The higher the score, the worse the country's food situation.

² Synopsis: 2021 Global Hunger Index

³ WB, 2020

I: "Agricultural development and transformation". The project is also in line with the Bank's Ten-Year Strategy (2013-2022) and contributes to achieving 2 of its 5 strategic priorities, namely "Feed Africa" and "Improve the quality of life for the people of African". In addition, the project is consistent with (i) the AfDB Strategy for Agricultural Transformation in Africa (2016-2025); and (ii) the Bank's Gender Strategy (2021-2025). It also contributes to the objectives of the Technologies for African Agricultural Transformation (TAAT) Programme aimed at deploying agricultural technologies to boost agricultural productivity and production in targeted sectors. Furthermore, the project will contribute to achieving the Bank's ADF-15 policy commitments, particularly the goal of improving smallholder farmers' access to seeds, finance, agrochemicals, and fertilizers. Furthermore, the project is aligned with the Bank Group's Strategy for Addressing Fragility and Building Resilience in Africa (2022-2026), in particular the priorities of strengthening institutional capacity and building resilient societies.

This project is aligned with the National Development Plan (PND) 2018-2027 – the reference document for Burundi's socio-economic development – particular its Pillar I aimed at developing agriculture and livestock and strengthening food security. The project is also in line with the Environmental, Agricultural and Livestock Policy Guidance Document (DOPEA, 2020-2027), notably in two key innovations: the setting up of outreach centres and communal agriculture and livestock centres. It is also consistent with the new Agricultural Policy adopted in May 2022.

3.2. Collaboration and Coordination with Partners: The Government is working closely with the Technical and Financial Partners (TFPs) to revitalize the Rural Development Working Group, comprising several agricultural sector partners (IFAD, FAO, the World Bank, the European Union, the World Food Programme, UN Women) and bilateral technical cooperation partners including the Netherlands and Belgian Technical Cooperation (BTC). The project was prepared in close collaboration with other development partners (WFP, IFAD, FAO, and the EU) who support the Government of Burundi in the fight against the external shocks caused by the war in Ukraine. This collaboration aimed at strengthening synergy and aligning different programme timelines to ensure timely delivery and create maximum and effective impact. The emergency project will work with a number of farmer organisations, including WFP-supported cooperatives, supporting them to access agricultural inputs, while WFP will provide technical support for post-harvest systems and market access.

IFAD, one of the country's main partners in the agro-pastoral sector, recently granted USD 53.7 million as funding in April 2022 to help reduce poverty and improve nutrition and food security in rural communities in 12 provinces.

4 PROJECT DESCRIPTION

4.1. Project Development Objective. The project's objective is to strengthen the food security of the Burundi population (M/F) in the face of the global crisis, aggravated by the Russia/Ukraine conflict. Specifically, it aims to: (i) intensify cereals production (maize and rice) using climate-resilient varieties; (ii) promote digitization to support farmers and ensure transparency and inclusiveness, particularly with regard to seeds and plant protection products; and (iii) promote gender-sensitive policies by facilitating access to agricultural inputs.

4.2. Project Components. The project is structured around the following three components: (i) Intensification of agricultural production; (ii) Support to gender-sensitive policies targeting the accessibility of agricultural inputs; and (iii) Project coordination and management. Gender and climate change are mainstreamed in all components.

Component 1: Intensification of Agricultural Production

This component aims to sustainably increase agricultural productivity and production in target regions. It comprises two sub-components: (i) Support to maize and rice production; and (ii)

Digitization of the seed and crop protection subsidy system. The project will target cooperatives and model farmers involved in the two selected crops: rice and maize.

Sub-Component 1.1 : Support for Maize and Rice Production. This sub-component aims to increase agricultural production, food security and farmers' incomes through support for agricultural input (resilient and high yield seeds, organic-mineral fertilizers, and plant protection products) availability. Activities will include:

- (i) *Expansion of rice production through irrigated areas.* One of the major constraints of the national seed system in the country is the small quantity of foundation seeds produced at ISABU and the weak technical capacity of seed multipliers. Therefore, the project will support the strengthening of the national seed system through two interventions: (i) build ISABU's capacity for intensive production of foundation seeds; and (ii) provide technical assistance for climate-resilient seed multiplication to 200 seed multipliers (60% women) through IRRI. The expected outcome is that 32,000 rice farmers⁴ (60% of them women) have access to 200 tons of quality rice seed at the end of the project.
- (ii) *Support for the use of resilient, high-yield varieties (hybrid maize varieties).* The demand for hybrid seed in the country is estimated at 2,000 tons per season. Since 1,300 tons of seed are available in the country with a gap of 700 tons for the 2023-A cropping season, the project will finance the acquisition of 700 tons of hybrid seed to fill the identified gap. The expected outcome is that about 15,800 farmers (60% of them women) will access and use 700 tons of resilient, high-yield maize seed via the subsidy system already in the country.
- (iii) *Support for the organic-mineral fertilizer subsidy system* through the Burundi National Fertilizer Subsidy Programme (PNSEB). PNSEB was initiated in 2013 as part of implementation of the National Agricultural Investment Plan (PNIA 2012-2016). One of the expected outcomes of this sub-programme was a 10% yearly increase in the average use of fertilizers in the country over 5 years. The objective of PNSEB is to respond to farmers' need to have good quality fertilizer supplied on a timely basis, in the desired quantity and at an affordable price. The PNSEB operation has four stages, namely: (i) identification of beneficiary households of the subsidy; (ii) payment of the guarantee advance and planning of fertilizers to be imported; (iii) purchase and distribution of fertilizers; and (iv) payment of the balance of the un-subsidized cost and distribution of fertilizers. The subsidized cost has changed and varied in recent years. In 2019, Government subsidized 30% of the cost of fertilizers for all food crops across Burundi, while farmers bore 70% of the cost, prepaid in full. In 2020, the Government decided to raise its subsidy from 30% to 40%. However, due to the current high cost of fertilizer, the Government subsidy has increased to 60%. In total, 1,620 tons of fertilizer will be procured under this operation.
- (iv) *Procurement of plant protection products (pesticides).* The provision of a strategic stock of plant protection products and related equipment will enable farmers to have good quality pesticides needed for the regular control of pests/diseases that destroy their crops and harvests. Personal protective equipment will also be crucial for the preservation of health. The project will finance the

⁴ An estimate: 200,000 kg of seed will be used to plant 8,000 ha (200,000 kg/25 kg of seed per ha). Considering that each rice farmer has a rice field of 0.25 ha, then the 8,000 ha belong to $8,000/0.25 = 32,000$ rice farmers.

procurement of phytosanitary products through the 60%-40% subsidy system to support Government's pest/disease control efforts.

- (v) ***Support for access to finance for smallholders, particularly women.*** On 21 April 2015, Government signed a decree establishing the Impulse, guarantee and support funds (FIGA), a public administrative establishment. The objective was to set up a guarantee fund to support project developers to prepare their business plans so that they can submit bankable projects to banks and thus access much-needed credit. The project will support the following activities: (i) training in management and financial inclusion adapted to the level of farmers to ensure food and economic resilience; (ii) support for women's cooperatives to develop projects that are well studied and therefore bankable to access input financing; and (iii) monitoring and evaluation including sharing of lessons learnt

Sub-Component 1.2: Digitization of the seeds and plant protection products subsidy system.

Activities will include: (i) the configuration by inserting seeds and plant protection products in the existing system of purchase vouchers/vouchers and disaggregating beneficiaries by gender; (ii) printing vouchers to users; and (iii) raising stakeholders' awareness through the extension directorate and BPEAE on the use and adoption of the system.

Component 2: Support for Gender-Sensitive Policies targeting Access to Agricultural Inputs.

This component will support the updating of the gender-sensitive National Agricultural Investment Plan (PNIA.3) as well as measures to mitigate external shocks such as climate change (promotion of green fertilizers, climate-resilient seeds, etc.), the impact of COVID-19, and the war in Ukraine. PNIA will also promote competitive fertilizer production by encouraging investment opportunities for the private sector in the agricultural sector. The steps to be followed to implement this activity will include: (i) stakeholder consultations (>60% women, given their over 80% representation in the sector); (ii) drafting of PNIA; (iii) feedback with stakeholders (including cooperatives, civil society organisations and the private sector); (iv) the African Union's external review through COMESA; and (v) national validation workshop.

Component 3: Project Coordination and Management

This component will support the financing of operational costs, including staff expenses and others incurred by the project financial and environmental audit, the design and implementation of the Pest Management Plan (PMP), the setting up of TOMPRO and TOM Monitoring, and project impact monitoring and assessing.

4.3. Project Cost and Financing Arrangement: The total cost of the project is estimated at UA 4.44 million (BIF 12.12 billion), of which UA 4.00 million excluding taxes financed from the resources of the Transition Support Facility (TSF- Pillar I/ unallocated reserves). Government's counterpart contribution is estimated at UA 443,301.01 (BIF 1.21 billion) and will cover the cost of 14 agronomists in charge of extension activities and supervision of project beneficiaries.

4.4. Project Area, Beneficiaries and Other Stakeholders: The project's direct beneficiaries are estimated at over 48,000 households or about 255,000 people (60% women) living in 14 provinces of the country. The project will support different categories of actors including seed multipliers, rice farmers and maize producers.

4.5. Policy Dialogue: The adopted project measures form the core of the dialogue with Burundi's authorities on how to mitigate the impact of the war in Ukraine and preserve resilience. Per the National Agricultural Investment Plan, the dialogue will focus mainly on: (i) continuing the implementation of specific measures to boost national agricultural

productivity, and improve food accessibility, availability, quality, and safety; (ii) strengthening social measures targeting the country's most vulnerable classes; and (iii) pursuing structural reforms to build a resilient economic sector through private sector development. The Bank will also support the digitization of a subsidy system for fertilizers and phytosanitary products.

4.6. Promotion of Gender Equality and Women's Empowerment: The project outcome (Outcome 2) contributes to increasing farmers' incomes. Since it targets women's cooperatives and women (at least 60% of the beneficiaries), it promotes gender equality by improving women's economic empowerment. It is proposed that the project be classified in the **GEN II category** of the Bank's Gender Marker System. Although representing the vast majority of the agricultural workforce, Burundian women farmers are less productive than male farmers (UN Women, 2019). In addition, due to a customary patrilineal law that does not allow women to access land by inheritance, they do not have collateral allowing them to resort to loans to develop their activities in the sector (only 0.93 % through official finance). This weak representation in the economic sector is reflected in Burundi's Gender Index (AGI) score, which is 0.537 in 2020 despite the progress made on the social dimension. Indeed, the parity gap observed between men and women for the economic dimension is very high (0.472) and only 5.9% of women enjoy paid employment (AfDB, Gender Brief, 2021), given their strong involvement in the informal and agricultural sector. The emergency operation will focus on building the capacity of women's cooperatives and groups (60%), by facilitating their access to production resources (rice and maize seeds, fertilizers) but also to training cooperative committees (at least >60% women) in financial/digital inclusion, the development of bankable projects, and stock management via existing structures (sheds). The operation will also update the PNIA to make it gender-sensitive, with the organisation of inclusive consultations (>60% women) including on access to land. To ensure the implementation of the GAP, a national gender expert will be recruited for the project period. This will not only ensure the gender-sensitive monitoring and evaluation of the project, with systematic collection of gender-disaggregated data, but also strengthen the Ministry's capacity to mainstream gender in its current and future projects.

4.7. Environmental Impact and Climate Change

4.8.1. Impact on the Environment

Categorization. The project is categorized 2 in the Bank's Integrated Safeguard System (ISS) and Law No.1/09 of 25 May amending the Environmental Code of the Republic of Burundi, which stipulates under Section 32 that projects, plans and policies likely to impact the environment are subject to environmental assessment. This categorization stems from the fact that the project will provide farmers with fertilizers and pesticides – chemical agricultural products – that help to degrade the environment. It is justified by the moderate nature of environmental and social risks and the existence of a fairly appropriate legal and institutional framework governing pesticides management in Burundi. Per the provisions of the Bank's ISS for short-term emergency relief operations, and in the case of AEFPPF-supported operations, no E&S safeguard instrument is prepared and disclosed prior to presentation of the project to the Board. However, during the operational phase, a pest management plan (PMP) must be prepared by the Borrower, reviewed by the Bank, approved, and published by the Borrower, then published by the Bank before any risky activity (distribution and use of synthetic chemical inputs) is carried out. The PMP shall be implemented by all stakeholders to prevent and manage environmental risks arising from the use of phytosanitary products and promote sustainable agricultural practices.

Cost of implementing E&S measures: An estimated USD 39,582 has been earmarked to cover the cost of PMP development/implementation and the compliance audit to be performed at the end of the project and before the completion mission. These costs are detailed in the table of project costs.

E&S compliance: Quarterly E&S implementation reports as well as annual E&S performance audit reports will be shared with the Bank and stakeholders. ESCON confirms the project's compliance with the Bank's environmental and social requirements prior to approval; and these requirements are captured in the Financing Agreement.

4.8.2. Climate Change and Green Growth. In view of the above elements, the project is classified under Category 2 of the Climate Safeguard System (CSS). Therefore, it requires close monitoring to ensure that the planned safeguards are implemented and that the carbon impact is minimized. The fertilizers procured and used will likely increase greenhouse gas (GHG) emissions. Nevertheless, the project has planned a number of safeguards to limit the carbon impact and strengthen its resilience to climate risks. These include: the use of green manure and bio-pesticides to limit the project's climate impact and promote green growth; the prioritization of climate-resilient and disease-resistant seeds (short-cycle seeds); the value of local knowledge on organic fertilizers obtained from decomposed organic matter, and agroforestry using fertilizing wood species (legumes, etc.); and the production of information on weather forecasts and provision of such information to beneficiaries.

4.8.3. Opportunities for Strengthening Resilience: Burundi is a State in transition, otherwise called a fragile State. In other words, its overall exposure to internal or external shocks exceeds existing capacities to prevent, respond to and recover from them, creating risks of instability. Fragility in Burundi is generally linked to poverty, unemployment, weak institutional capacity, lack of critical infrastructure, governance deficits, border insecurity, dependence on external aid, the legacy of conflict and political instability, climate change and food insecurity. The agricultural sector in Burundi faces many challenges, including (i) donor coordination; (ii) farmers' limited capacity to use new technologies; (iii) the non-production of seeds in the last three planting seasons; (iv) limited access to and availability of agricultural inputs (fertilizers, seeds, phytosanitary products); (v) limited access to improved seed varieties; (vi) low purchasing power of farmers who cannot afford agricultural inputs; (vii) climatic hazards such as floods and landslides that destroy cultivable land and crops; and (viii) plant diseases and pests. Building the resilience of the sector requires, among other things, (i) facilitation of farmers' access to (climate-smart) seeds, fertilizers and plant protection products; (ii) strengthening of institutional capacity, including digitization of the seed procurement and distribution system; (iii) strengthening of disaster resilience and promotion of climate-smart agriculture; (iv) promotion of irrigation in drought-affected areas; and (v) facilitation of women's and vulnerable groups' access to land.

5 IMPLEMENTATION

5.1. Institutional and Implementation Arrangements. Like for other agricultural projects financed by the AfDB in Burundi (PATAREB & PADCAE-B), the Executing Agency (EA) of this project is the Ministry of Environment, Agriculture and Livestock. The Project Management Unit (PMU) set up under these respective projects will ensure the implementation of the project, subject to necessary adjustments to its composition. The PMU, which ensures the day-to-day implementation of ongoing agricultural projects will be strengthened to include an Accountant and a Gender Specialist, recruited through a call for applications and after the opinion of the Bank. The project implementation team will also be supported by two other experts (Procurement Officer and Socio-economist) currently being recruited.

5.2 Financial Management and Disbursement: Given the results of the recent assessment of both projects which judged the financial management system as unsatisfactory, the PIU will be strengthened by recruiting an experienced accountant, whose CV will be validated by the Bank, and who will be tasked exclusively with the Project's accounting, budgetary and financial management. The recruitment of the accountant will be a condition precedent to the first disbursement on the project.

The project **budget**, captured in the AWPB, will be adopted, and approved by the Bank and MINEAGRIE before the start of the project. It will become enforceable during the operational phase. A clear budgetary calendar will be defined to comply with this provision.

For **internal control**, the accounting and financial procedures manual already used by the PIU can be used for this project.

The **accounting management** of the project will include TOMPRO – the software currently used by the PIU to manage the two ongoing projects (PATAREB & PADCAE) – which will have to be configured and adapted to the management of the facility. Lastly, with regard to **financial reporting**, the PIU will, in addition to audited financial statements, produce half-yearly financial reports that it will transmit to the Bank within 30 days of the closing of the half-year period.

Disbursement: The project will use 3 of the Bank's 4 traditional disbursement methods namely, (i) the direct payment method, (ii) the **revolving fund or special account method** that requires the opening of a bank account in Burundi's Central Bank, (the *Banque de la République du Burundi*), and (iii) the **reimbursement method** involving reimbursement of expenditures incurred by the national counterpart contribution (possible advance procurement undertaken with the Bank's approval). The management of the special account will be backed by monthly reconciliation statements as well as quarterly special account reconciliation statements produced regularly and submitted to the Bank.

External Audit: The Bank adopted two **annual audits** for the project duration. An independent auditor will be recruited whose terms of reference will be approved beforehand by the Bank. The audit period shall be 12 months. The audit report for each fiscal year or the closing year must reach the Bank within 6 months of its completion date.

5.2. Procurement

Arrangements for the Procurement of Goods, Works, and Services.

The Bank adjusted the assessment of the country's procurement system (CPS) to the context of implementation of this Emergency Agricultural Production Project to identify the level of risk associated with its use therein. The results of the adjustment, combined with assessments made

at the sector, project and EA levels, led to the conclusion that the CPS is **unsatisfactory** for the project's implementation since the risk associated with its use is deemed to be **High**. As a result, all project procurements will be carried out pursuant to the Procurement Policy for Bank Group-Funded Operations, approved in October 2015 and particularly, in accordance with the Bank's procurement system ("AfDB System") characterized by the procurement methods and procedures (PMP) described in the Bank Group's Operations Procurement Manual. The Bank's system was chosen given the scale and impact of the weaknesses identified in the CPS. The PATAREB/PADCAE-B team will act as the Procurement Officer for the new emergency project.

5.3. Monitoring and Evaluation. Project monitoring will be based on key performance indicators captured as inputs, outputs and outcomes in the logical framework and Annex 4. Overall responsibility for M&E will rest with the Executing Agency, which will set up an adequate M&E system, monitor all activities and prepare periodic reports, highlighting implementation progress, fiduciary and procurement status, stakeholder participation with particular emphasis on the Ministry of Environment, Agriculture and Livestock, beneficiary participation, and risks and mitigation measures. The Project Management Unit (PMU) will prepare half-yearly progress reports, which will include interim financial reports. The Bank will closely monitor the day-to-day implementation of the project through the East Africa Regional Development and Service Delivery Office and Burundi Country Office and conduct at least two (2) supervision missions (in-country or virtually) per year, including financial management and procurement assessment reviews. In addition, the Bank will prepare a project completion report at the end of the project. The project monitoring mechanism in place will be used on an ongoing basis and TOM Monitoring – the M&E system – will be adjusted at project start-up to include relevant indicators. Monitoring procedures will be defined. The additional M&E needs to be financed include: (i) support to BPEAE for monitoring activities; (ii) coordination and supervision-related costs incurred by the line ministry; (iii) configuration of TOMPRO and Tom monitoring to enable the PMU to closely monitor planned project activities.

5.4. Risks and Mitigation Measures

The project risks and mitigation measures are presented in Annex V.

6 LEGAL INSTRUMENTS AND AUTHORITY

6.1. Legal Instrument

6.1.1. The legal framework of the project will be a TSF Grant Agreement signed between the African Development Bank and the African Development Fund (collectively referred to as the "Fund") acting as administrators of the Transition Support Facility (TAF) on the one hand, and the Republic of Burundi (the "Recipient"), on the other hand

6.2. Conditions Associated with the Bank Intervention and TSF Grant

6.2.1. Conditions Precedent to Effectiveness: The effectiveness of the TSF Grant Agreement shall be subject to its signature by the parties.

6.2.2. Conditions Precedent to First Disbursement of the Grant: The Fund's obligation to make the first disbursement of the grant will be subject to the entry into force of the TSF Grant

Protocol, in accordance with the provisions of paragraph 5.1.7 above, and to proof of the implementation by the Donee, to the satisfaction of the Fund, of the following conditions:

(i) Provide the Fund with proof of the opening of a Special Account with the Central Bank of Burundi in the name of the Project intended to receive Project funds in US dollars and of the opening by the PMU with 'a bank deemed acceptable by the Fund, an Account in BIF in the name of the Project and intended to receive the Grant resources (cf. 5.1.10);

(ii) Provide the Fund with proof of the recruitment of the accountant, whose qualifications will be subject to prior approval by the Fund (5.1.1);

6.2.3. Other conditions: The Donee must also provide the Fund, no later than six (6) months after the first disbursement of the Grant resources:

(i) Proof of the recruitment of the Gender Specialist whose qualifications and experience will have been previously submitted to the Fund for approval (cf. 5.1.2);

(ii) The report on the preparation of the Pest Management Plan (PGP); and

(iii) Agreements with partner structures (IRRI & PNSEB).

Counterpart of the Donee: The Donee shall, no later than six (6) months following the Date of the Agreement or at any other later date acceptable to the Fund, take charge of 14 agronomists who will be responsible for the extension and supervision activities of the beneficiaries of the Project, as its in-kind contribution (the "Consideration") to participate in the costs of the Project.

6.2.3. Compliance with Bank Policies

This project complies with all applicable Bank policies.



☐ There are waivers to Bank policies.

The project will be implemented under the African Emergency Food Facility (AEFPF) approved by the Board of Directors in May 2022. It is in line with the AEFPF's two pillars: (i) Provide certified seed of climate-adapted varieties, fertilizers, and extension services; and (ii) Promote policy dialogue and implementation of policy reforms to address structural factors that prevent modern inputs from reaching farmers in the short and medium term.

7. RECOMMENDATION

7.1. Management hereby recommends that the Board of Directors approve the proposed TSF Grant of UA 4 million to the Republic of Burundi for the purpose and subject to the conditions set out in this report.

ANNEX I: RESULTS-BASED LOGICAL FRAMEWORK

PROJECT NAME: Emergency Agricultural Production Project in Burundi (AEFPF-Burundi) PROJECT SAP CODE: P-BI-AA0-017				COUNTRY/REGION: BURUNDI / East Africa	
PROJECT DEVELOPMENT OBJECTIVE: Strengthen the food security of the Burundi population (M/F) in the face of the global crisis exacerbated by the Russia-Ukraine conflict.					
ALIGNMENT INDICATOR(S): "		(i) Bank priority/sector strategy: <i>Aligned with the Bank's Ten-Year Strategy – food security ; Feed Africa Strategy – increase agricultural productivity, and improve the quality of life for the people of Africa – improve nutrition and health</i>			
		(i) Alignment indicators: (i) <i>Cereals yields (ton/hectare)</i> , (ii) <i>Use of fertilizers (kilograms per hectare of arable land)</i>			
RESULTS CHAIN AND DESCRIPTION OF INDICATORS	CMR/ADOA INDICATOR	UNIT OF MEASUREMENT	BASELINE (2022)	TARGET AT COMPLETION (2024)	MEANS OF VERIFICATION
OUTCOME 1: INCREASED RESILIENCE OF AGRICULTURAL PRODUCTION SYSTEMS					
OUTCOME INDICATOR 1.1: Improved yields for the target crops (rice and maize)		Yields (tons/ha)	Maize: 700-800kgs/ha Rice : 1t/ha	Maize: 2.5 t/ha Rice: 3.5t/ha	<ul style="list-style-type: none">Reports - Agricultural seasonPeriodic progress reports
OUTCOME INDICATOR 1.2: Increase in cereal production (rice and maize)		Total production (tons)	Rice (0) Maize (0)	Maize: 9,000 tons Rice: 28,000 tons	<ul style="list-style-type: none">Reports – Agricultural seasonsPeriodic progress reports
OUTPUT INDICATOR 1.3 Farmers who have adopted modern agricultural practices		Number	0	48,000 (60% women)	<ul style="list-style-type: none">Reports – Agricultural seasonsPeriodic progress reports
OUTCOME 2: FARMERS' INCOMES HAVE INCREASED					
OUTCOME INDICATOR 2.1. Annual income per farmer (M/F)		Average income per farmer (M/F)-BIF/ha	Income of BIF 90,000/ maize season (M/F) Income BUF 171,000F/rice season (M/F)	Income BIF 220,000/ rice season (M/F) Income BIF 350,000/rice season (H/F)	<ul style="list-style-type: none">Reports – Agricultural seasonPeriodic progress reports
OUTPUT INDICATOR 2.2 Farmers in cooperatives that have adopted efficient storage methods such as sheds		Number	0	750 (60% women)	<ul style="list-style-type: none">Reports – Agricultural seasonsPeriodic progress reports

COMPONENT 1: INTENSIFICATION OF AGRICULTURAL PRODUCTION					
OUTPUT 1.1: Production of target crops is strengthened					
Output Indicator 1.1.1: Farmers (including women and young people) trained in modern agricultural technologies		Number (60% F)	0(F)	1,250 (60% women)	<ul style="list-style-type: none"> Periodic progress reports
Output Indicator 1.1.2: Increase in the area planted with new technologies ⁵ , including the portion farmed by women (60%)		Hectare	0	11,800 hectares ⁶ (60% farmed by women)	<ul style="list-style-type: none"> Reports – Agricultural seasons
Output Indicator 1.1.3: Quantity of improved climate-resilient seeds made available to farmers.		Tonnes	0	710 tons of maize and 200 tons of rice	<ul style="list-style-type: none"> Reports – Agricultural seasons Periodic progress reports
OUTPUT 1.2: Resilience mechanisms are supported					
Output Indicator 1.2.1: Subsidies to farmers for the purchase of fertilizer (% F/M, youth)		Total amount granted (F/M, young people)	0	USD 2 million (50% to women)	<ul style="list-style-type: none"> Government reports Periodic progress reports
Output Indicator 1.2.2: Leaders of cooperatives trained in digital literacy, financial inclusion, development of bankable projects		Number	0	600 (60% women)	<ul style="list-style-type: none"> Periodic progress reports
COMPONENT 2 : PROMOTION OF POLICIES AIMED AT FACILITATING ACCESS TO AGRICULTURAL INPUTS					
OUTPUT 2.1: The strengthening of sustainable production systems is promoted through the implementation of resilient policies					
Output Indicator 2.1: The National Gender-sensitive and Climate-Resilient Agricultural Investment Plan is updated		Number of policies supported	0	1	<ul style="list-style-type: none"> Periodic progress reports
COMPONENT 3: PROJECT COORDINATION AND MANAGEMENT					
OUTPUT 3.1: Activities are implemented, monitored, and regularly assessed					
Output Indicator 3.1.1: Additional experts are recruited and join the project team (>30% women): an Accountant, and a Gender Specialist		Number of experts recruited	0	2	<ul style="list-style-type: none"> PMU's periodic progress reports
Output Indicator 3.1.2: A gender-sensitive monitoring and evaluation system is put in place for the emergency programme		Number	0	1	<ul style="list-style-type: none"> PMU's periodic progress reports
Output Indicator 3.1.3: The Gender Action Plan is implemented.		% Disbursed	0	100%	<ul style="list-style-type: none"> PMU's periodic progress reports
Output Indicator 3.1.4: A Pest Management Plan is developed.		Number	0	1	<ul style="list-style-type: none"> PMU's periodic progress reports


⁵ Selected seeds, organic-mineral fertilizers, access to extension services

⁶ 3,600 ha of maize, 8,000 ha of rice, and over 200 ha to be supported for seed multiplication

ANNEX II: THE REQUEST OF THE GOVERNMENT OF BURUNDI

REPUBLICQUE DU BURUNDI

Bujumbura, le 03/06/2022



MINISTRE DES FINANCES, DU BUDGET
ET DE LA PLANIFICATION ECONOMIQUE
CABINET DU MINISTRE

N/Réf. : 540/02/2299/DGP/2022

A Monsieur le Responsable Pays
Bureau pays de la BAD
à
BUJUMBURA

Objet : Requête de financement auprès de la Facilité africaine de production alimentaire d'urgence

Monsieur le Directeur de Cabinet,

A l'instar de la plupart des pays africains, la guerre entre l'Ukraine et la Fédération de Russie tend à limiter les efforts de la République du Burundi, en amplifiant les défis de la production agricole. Les conséquences de cette guerre diminuent la capacité des exploitants agricoles pour s'approvisionner en intrants agricoles et plus particulièrement les engrais.

Le Gouvernement du Burundi a fait des progrès majeurs pour assurer la sécurité alimentaire et nutritionnelle au cours des dernières années, en particulier la production des céréales et le soutien aux chaînes de valeur des produits agroalimentaires.

Cependant, malgré ces efforts, le pays reste dépendant des importations pour s'approvisionner en certains produits alimentaires et de première nécessité. Cette dépendance, notamment aux intrants et aux services de base et autres, a augmenté la capacité d'adaptation aux chocs extérieurs.

L'impact de la COVID-19 sur la production alimentaire et les chaînes d'approvisionnement, exacerbé par les conséquences de la guerre en Ukraine, constitue une menace supplémentaire pour la sécurité alimentaire du pays et rappelle l'urgence d'accomplir cet objectif de sécurité alimentaire. La guerre en Ukraine a aggravé la pénurie d'engrais, a fait grimper les prix alors que de nombreux pays dont Burundi se dirigent vers la saison des semis.

C'est dans ce contexte que le Gouvernement du Burundi met en œuvre un plan de réponse et de résilience pour sécuriser, à court terme, l'approvisionnement du pays en produits de base, et promouvoir des mécanismes politiques pour faciliter l'approvisionnement en intrants et des services de vulgarisation efficaces pour un rendement accru dans le long terme.

Ainsi, pour l'accompagner dans ses efforts, le Gouvernement du Burundi vient par la présente, solliciter auprès de la BAD, un financement d'appui en urgence en 2022 à travers la Facilité d'appui à la transition (TSF), d'un montant de **4 millions d'Unités de Compte**, dans le cadre de la Facilité Africaine de Production Alimentaire d'Urgence (AEPPF).


Le projet se concentrera sur le financement de l'acquisition de matières premières en engrais afin de garantir la fourniture d'engrais aux coopératives et agriculteurs modernes en vue de combler le

déficit d'approvisionnement en engrais et de répondre aux besoins immédiats de liquidités de ces derniers pour se procurer des engrais.

Tout en vous renouvelant nos remerciements pour les appuis multiformes que la Banque Africaine de Développement continue d'apporter au développement économique et social de notre pays, je vous prie d'agréer, **Monsieur le Responsable pays**, l'expression de ma considération distinguée.

**LE MINISTRE DES FINANCES, DU BUDGET
ET DE LA PLANIFICATION ECONOMIQUE**

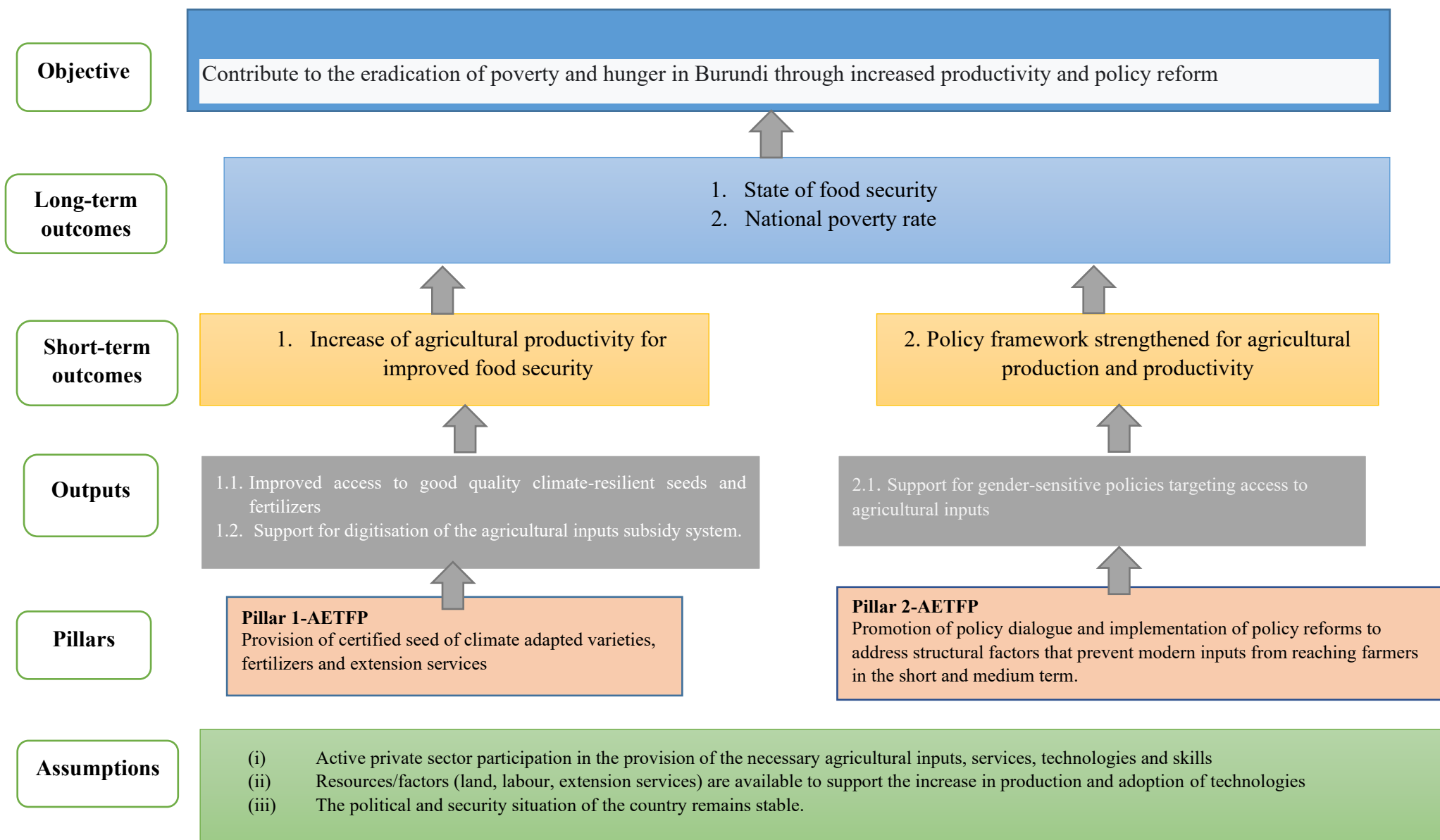
Dr Domitien NDIHOKUBWAYO



C.P.I. à :
-Monsieur le Ministre de l'Environnement, de l'Agriculture et de l'Elevage
-Directeur Général de la Planification ;

B.P 2000 Bujumbura Tél. : 257 22 32 38 86 - 257 22 32 27 75 Fax 257 22 32 38 27 Email: burundi@afdb.org Site web: www.afdb.org/burundi

ANNEX III: Theory of Change



ANNEX IV: OUTCOMES MONITORING PLAN

A.	B. Alignment Indicator						
Indicator	Definition/description	Source	Baseline and Targets (if possible)				
Cereals yields (ton/hectare)	Improvement of the target crop yields (rice and maize)	Periodic progress reports	Baseline (2021) : Maize: 700-800kgs/ha; Rice: 1t/ha; Target (2023) : Maize: 2.5 t/ha ; Rice: 3.5t/ha				
Consumption of fertilizer (kilograms per hectare of arable land)	Quantity of fertilizer used per hectare per beneficiary	Periodic progress reports	Baseline (2021) : 0 ; Target (2023): Imbura (DAP) : Maize: 45kgs/ha ; rice: 270Kgs/ha Totahaza (Urea) : Maize: 25kgs/ha ; rice : 25Kgs/ha				
C.	D. Outcome and Output Indicators (<i>Performance Indicators</i>)						
Indicator	Definition/ Description	Collection Method	Responsibility for Collection	Reporting Frequency	Outcome Planning		
					Baseline (2022)	2023	Completion (2024)
Outcome Indicators							
Yield improvement of target crops (rice and maize)	Increased agricultural productivity due to increased access to resilient and high-yield agricultural inputs (Tonnes/ha)	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Annual	Maize: 700-800kgs/ha Rice: 1t/ha	Maize: 2.5 t/ha Rice: 3.5t/ha	Maize: 2.5 t/ha Rice: 3.5t/ha
Increased production of cereals (rice and maize)	Total production achieved with project support (tons)	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Annual	Maize: 0t Rice: 0t	Maize: 4,500t Rice: 28,000t	Maize: 9,000t Rice: 28,000t
Increase in annual per capita income (%)	Increase in producers' annual per capita income (BIF/ha/season)	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Seasonal	Maize: BIF 90,000/ha Rice: BIF 171,000/ha	Maize: BIF 220,000/ha Rice: BIF 350,000/ha	Maize: BIF 220,000/ha Rice: BIF 350,000/ha

Farmers who have adopted modern farming techniques	Number of farmers who used the agricultural inputs	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0	36,000	48,000
Farmers in cooperatives who stored their production in sheds	Number of farmers who were able to access appropriate storage facilities such as sheds	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0	500 (including 300 women)	750 (including 525 women)
Output Indicators							
Subsidies to farmers for the purchase of fertilizer (% F/M, youth)	Amount of subsidies given to farmers to access fertilizers	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0	USD 1 million (50% to women)	USD 2 million (50% to women)
Cooperative leaders trained in digital and digital literacy, financial inclusion, development of bankable projects	Number of leaders trained in financial inclusion	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0	300 (60% W)	600 (60% W)
Women farmers trained in modern agricultural technologies	Number of people trained on modern agricultural technologies (input use and best agricultural practices)	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0	800 (60% W)	1,250 (60% W)
Increase in area planted with new agricultural technologies (of which women-70%)	Number of plots cultivated using resilient and balanced agricultural inputs (hectare)	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0	7,500 hectares (60% occupied by women)	11,800 hectares (60% occupied by women)
Increase in the use of selected climate-resistant seeds in the country	Quantities of selected rice and maize seeds distributed to farmers (tons)	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0	700 tons of maize and 100 tons of rice	700 tons of maize and 200 tons of rice.
Development of the National Agricultural Investment Plan (PNIA.3)	Number of policies supported/developed under the project	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0	1	1
Additional experts are recruited and join the project team (>30% women): an	Number of experts recruited	Periodic progress reports	PMU	Semi-annual	0	2	2

Accountant, and a Gender Specialist							
A gender-sensitive monitoring and evaluation system is put in place for the emergency programme	Number	Periodic progress reports	PMU	Semi-annual	0	1	1
Gender Action Plan is implemented	Disbursement rate of the Gender Action Plan	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0%	50%	100%
The Pest Management Plan (PMP) is developed	A pest management plan is developed	Periodic progress reports; reports – agricultural seasons	MINEAGRIE / BPEAE, PMU	Semi-annual	0	1	1

ANNEX V: RISK MATRIX

RISK CATEGORY	DESCRIPTION OF RISK	RATING	MITIGATION MEASURES	RISK PILOT (responsible for monitoring the risk)
ENVIRONMENTAL AND SOCIAL RISKS	Agro-climatic shocks such as droughts, floods	<i>Moderate</i>	Agricultural intensification through irrigated swamps with the use of climate-resilient seeds will mitigate this risk in production systems	<i>Country/Beneficiaries</i>
SECTOR STRATEGIES AND POLICIES	The COVID-19 pandemic and the impacts of the War in Ukraine are adversely affecting Government's commitment to the sector.	<i>Moderate</i>	Building community resilience to climate change remains a national priority. The government maintains adequate political commitment to the implementation of the project.	<i>Government</i>
TECHNICAL ASPECTS OF INTERVENTION DESIGN	Procurement delays which may affect the performance and expected results of the project	<i>Low</i>	Advanced procurement action is envisaged to expedite the procurement process. In addition, the PMU is in the process of recruiting a Procurement Specialist who will support project activities.	<i>Bank/Government</i>
FIDUCIARY ASPECTS AND VALUE FOR MONEY	Non-compliance with the Bank's fiduciary guidelines leading to delays in project implementation	<i>Moderate</i>	The Bank will continue to provide fiduciary clinics to ensure capacity building. In addition, the Bank will provide technical support on fiduciary guidelines during the project inception mission.	<i>Country/Bank</i>
	Delay in opening the account or opening the special account in an unrecognized bank	<i>High</i>	Include the opening of the Special Account at the Central Bank as a condition precedent to first disbursement.	<i>Government of Burundi</i>
SOCIAL	Insufficient involvement of women in project activities may be reduced due to community resistance	<i>Low</i>	Gender should be a core principle of the project, with emphasis on supporting the financing of women's cooperatives	<i>Country/Bank</i>
EXECUTING AGENCY'S CAPACITY	PIU's weak implementation capacity	<i>Low</i>	The project will be implemented by the existing PMU. The Bank will also organise annual fiduciary clinics to ensure ongoing capacity-building. The project will also recruit other support staff including an Accountant and a Gender Specialist.	<i>Country/Bank</i>

ENVIRONMENTAL AND SOCIAL COMPLIANCE NOTE (ESCON)



AFRICAN DEVELOPPEMENT BANK GROUP

A. Basic Information⁷

B. Basic Information⁸

Project Name: Emergency Agricultural Production Project in Burundi		Project SAP Code: P- BI-AA0-017	
Country: Burundi	Instrument ⁹ : DI <input checked="" type="checkbox"/> FI <input type="checkbox"/> BS <input type="checkbox"/> CL <input type="checkbox"/> GU <input type="checkbox"/> RSA <input type="checkbox"/> EP <input type="checkbox"/> RBF <input type="checkbox"/>		
Sector: Agriculture		Task Manager: Chantal UMUHIRE	
Ex-ante Evaluation Mission Date: 13-17 June 2022		Expected Date of Board Presentation for Approval: 12 July 2022	
Environmental Safeguard Specialist: Joselyne Lisbeth GODONOU			
Environmental and Social Safeguard Specialist: XXXXXXXXXX			
Environmental and Social Category : 2	Date : 20 June 2022	Type of Operation : OS <input checked="" type="checkbox"/> ONS <input type="checkbox"/> PBO <input type="checkbox"/>	
Is this project prepared in the context of an emergency response to a crisis or disaster?			Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Is this project prepared with a waiver of the Integrated Safeguard System?			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

C. Publication and Compliance Monitoring

B.1. Compulsory Publication

Environmental and Social Assessment/Audit/System/Others (Specify: Pest Management Plan (PMP))	
Was the document(s) published before the ex-ante evaluation?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Date published in the country by Borrower/Client	[Date]
Date on which the Bank received the authorization to publish	[Date]
Date published by the Bank	[Date]
Policy framework/Resettlement action plan/Other (specify:)	
Was the document(s) published before the ex-ante evaluation?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Date published in the country by Borrower/Client	[Date]
Date on which the Bank received the authorization to publish	[Date]
Date published by the Bank	[Date]
Management framework/Action plan for vulnerable groups /Other (specify:)	
Was the document(s) published before the ex-ante evaluation?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Date published in the country by Borrower/Client	[Date]
Date on which the Bank received the authorization to publish	[Date]
Date published by the Bank	[Date]
If publication in the country of any of the above documents is not possible, please provide the legal reasons: <i>Per the provisions of the Facility document approved by the Board of Directors of the Bank, the preparation and publication of the PMP is deferred after approval by the Board. It will be prepared and published before the implementation of the relevant activities.</i>	

B.2. Compliance Monitoring Indicators

Has an appropriate budget and timetable, as well as clear institutional responsibilities, been prepared for the implementation of environmental and social measures?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
Have the costs related to environmental and social measures, including the complaints mechanism, been integrated in the total project cost?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
Is the total amount for the resettlement of affected persons, as incorporated in the total project cost, fully mobilised and available?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Does the project monitoring and evaluation system include monitoring of environmental and social impacts and safeguards?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
Have the appropriate institutional arrangements been agreed with the Borrower/Client and then properly incorporated into the project's legal agreements?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>



D. Approval

Does the project meet the Bank's environmental and social safeguard requirements? Can it therefore be submitted to the Board for approval? Yes ☒ No ☐

⁷ Note: This ESCON shall be appended to project appraisal reports/documents before Senior Management and/or Board approvals.

⁸ Note : This ESCON must be attached to the ex-ante Evaluation Report presented to Top Management, and then to the Board of Directors.

⁹ DI=Direct investment; FI=Financial Intermediary; BS=Budget Support; CL=Company Loan; GU=Guarantee; RSA=Risk Sharing Agreement; EP=Equity Participation ; RBF= Results-Based Financing.

<i>Prepared by:</i>	<i>Name</i>	<i>Signature</i>	<i>Date</i>
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<i>Submitted by:</i>			
Sector Director:	Martin FREGENE		22/06/2022
<i>Approved by:</i>			
Director, SNSC :	Maman-Sani ISSA		23/06/2022