

# **AFRICAN DEVELOPMENT BANK**



## **COTE D'IVOIRE**

### **EMERGENCY FOOD PRODUCTION PROGRAMME (2PAU-CI/AEFPP-CÔTE D'IVOIRE)**

### **APPRAISAL REPORT**

*Translated Document*

**RDGW/ECGF/AHAI DEPARTMENTS**

July 2022



## AFRICAN DEVELOPMENT BANK

**PROGRAMME:**        **EMERGENCY FOOD PRODUCTION PROGRAMME (2PAU-CI/AEFPF-Côte d'Ivoire)**

**COUNTRY:**         **REPUBLIC OF COTE D'IVOIRE**

### APPRAISAL REPORT

**Date: July 2022**

|                       |                         |  |             |                |
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## **CURRENCY EQUIVALENTS**

(June 2022)

|               |   |              |
|---------------|---|--------------|
| Currency Unit | = | CFAF         |
| UA 1          | = | CFAF 826.421 |
| UA1           | = | USD 1.3497   |
| UA 1          | = | EUR 1.25987  |

## **FISCAL YEAR**

1 January - 31 December

## **WEIGHTS AND MEASURES**

|                   |   |              |
|-------------------|---|--------------|
| 1 metric tonne    | = | 2 204 pounds |
| 1 kilogramme (kg) | = | 2.20 pounds  |
| 1 metre (m)       | = | 3.28 feet    |
| 1 millimetre (mm) | = | 0.03937 inch |
| 1 kilometre (km)  | = | 0.62 mile    |
| 1 hectare (ha)    | = | 2.471 acres  |

## ACRONYMS AND ABBREVIATIONS

|                   |   |  |
|-------------------|---|--|
| <b>AEFPF</b>      | : | African Emergency Food Production Facility                       |
| <b>AFD</b>        | : | French Development Agency  |
| <b>AFFM</b>       | : | Africa Fertilizer Financing Mechanism                            |
| <b>ANADER</b>     | : | National Rural Development Support Agency                        |
| <b>BAP</b>        | : | Best Agronomic Practices   |
| <b>CBWAS</b>      | : | Central Bank of West African States                              |
| <b>CFAF</b>       | : | African Financial Community Franc                                |
| <b>CONASEM</b>    | : | National Seed and Seedling Board                                 |
| <b>CSP</b>        | : | Country Strategy Paper   |
| <b>DGPSP</b>      | : | General Directorate of Planning, Statistics and Projects         |
| <b>ECOWAS</b>     | : | Economic Community of West African States                        |
| <b>FAO</b>        | : | Food and Agriculture Organization of the United Nations          |
| <b>GDP</b>        | : | Gross Domestic Product   |
| <b>GMC</b>        | : | Gender Marker System   |
| <b>ICT</b>        | : | Information and Communication Technology                         |
| <b>LDC</b>        | : | Louis Dreyfus Commodities  |
| <b>LOACI</b>      | : | Agricultural Framework Law of Côte d'Ivoire                      |
| <b>MEMINADER</b>  | : | Ministry of State, Ministry of Agriculture and Rural Development |
| <b>NPK</b>        | : | Nitrogen Phosphorus and Potassium                                |
| <b>PAI-Bélier</b> | : | Belier Region Agro-Industrial Pole Project                       |
| <b>PBO</b>        | : | Programme-Based Operation  |
| <b>PND</b>        | : | National Development Plan  |
| <b>PNIA</b>       | : | National Agricultural Investment Programme                       |
| <b>PPAU</b>       | : | Emergency Food Production Programme                              |
| <b>PPP</b>        | : | Public-Private Partnership                                       |
| <b>PURGA</b>      | : | Emergency Agricultural Programme                                 |
| <b>RMF</b>        | : | Results Measurement Framework                                    |
| <b>SME</b>        | : | Small- and Medium-size Enterprise                                |
| <b>TAAT</b>       | : | Technologies for African Agricultural Transformation             |
| <b>TFP</b>        | : | Technical and Financial Partner                                  |
| <b>WAEMU</b>      | : | West African Economic and Monetary Union                         |

## PROGRAMME INFORMATION SHEET

|                         |   |
|-------------------------|---|
| <b>INSTRUMENT</b>       | African Emergency Food Production Facility (AEFPF)<br>[Sector Budget Support] |
| <b>PSO DESIGN MODEL</b> | [Multiple-tranche operation]  |

### PROGRAMME INFORMATION

#### CLIENT INFORMATION:

|                          |  |
|--------------------------|--|
| <b>BORROWER:</b>         | Republic of Côte d'Ivoire  |
| <b>EXECUTING AGENCY:</b> | Ministry of State, Ministry of Agriculture and Rural Development (MEMINADER) |

#### Financing Plan

| Country           | Source of Financing | Amount (UA)         | Amount (EUR)           | Instrument |
|-------------------|---------------------|---------------------|------------------------|------------|
| Côte d'Ivoire     | AfDB                | 120 millions        | 151,184 million        | Loan       |
| <b>TOTAL COST</b> |                     | <b>120 millions</b> | <b>151,184 Million</b> |            |

#### AfDB Window Sovereign Loans Terms and Conditions

|                         |   |
|-------------------------|---|
| Loan Type               | Fully Flexible Loan   |
| Eligibility             | <ol style="list-style-type: none"> <li>1. Regional member countries (RMCs) classified as Blend or AfDB countries and public sector entities with a sovereign guarantee from Blend or AfDB countries.</li> <li>2. Under the 2014 amendment to the Bank's Credit Policy, ADF countries accessing AfDB resources on a case-by-case basis will also use the Fully Flexible Loan.</li> </ol> |
| Loan Currency           | USD, EUR, ZAR, JPY or any other approved Bank lending currency.   |
| Tenor                   | Up to 25 years, including the grace period.   |
| Grace Period            | Up to 8 years   |
| Average Loan Maturity * | Depending on the maturity, grace period and amortization profile.<br>Up to 17 years.  |

|                                    |  |
|------------------------------------|--|
| Repayments                         | Consecutive half-yearly and equal payments after the grace period or as otherwise customized, if necessary.  |
| Payment Date                       | 1 <sup>st</sup> or 15 <sup>th</sup> of each month, excluding 1 <sup>st</sup> January   |
| Interest Rate                      | Base rate + Funding margin+ Lending margin + Maturity premium, reset to zero.  |
| Base Rate                          | Floating Base Rate: <ul style="list-style-type: none"> <li>- For USD: SOFR compounded daily;</li> <li>- For EUR: 6-month EURIBOR reset on 1 February and 1 August every year;</li> <li>- For ZAR: 3-month JIBAR reset on 1 February, 1 May, 1 August and 1 November every year (with a free base rate fixing option).</li> </ul>   |
| Funding Cost Margin                | The Bank's funding margin as determined for each loan currency every 1 January and 1 July and applied to the base rate on 1 February and 1 August.   |
| Lending Margin                     | 80 basis points (0.8%) since 1 September 2016.   |
| Maturity Premium                   | To be determined: <ul style="list-style-type: none"> <li>- 0%, if the weighted average maturity of the loan <math>\leq</math> 12.75 years;</li> <li>- 0.10%, if 12.75 years &lt; the weighted average maturity of the loan <math>\leq</math> 15 years;</li> <li>- 0.20%, if 15 years &lt; the weighted average maturity of the loan <math>\leq</math> 17 years.</li> </ul> |
| Front-end Fee                      | 0.25% of the loan amount payable latest 60 days from the date of loan effectiveness and before any disbursement, with an option to pay the front-end fee from loan resources. Once the loan becomes effective, the front-end fee is due and payable, even if the loan is cancelled.  |
| Commitment Fee                     | 0.25% per annum of the undisbursed loan amount, commencing 60 days after the date of signature of the Loan Agreement and payable on agreed payment dates (including the grace period and before any disbursement). The commitment fee shall cease to accrue upon full disbursement or cancellation of the loan.  |
| Base Rate Conversion Option**      | In addition to the free base rate fixing option, the Borrower may revert to the floating base rate or reset it for all or part of the disbursed loan amount. Transaction fees apply.   |
| Cap or Collar Base Rate Option**   | The Borrower may cap or collar (or a combination of both) the base rate for all or part of the disbursed loan amount. Transaction fees apply.  |
| Loan Currency Conversion Option ** | The Borrower may change the currency of all or part of the undisbursed and/or disbursed loan amount into any Bank loan currency during the life of the loan. The new loan currency shall apply for the remaining/full maturity of the loan or for the chosen shorter tenor upon acceptance of such request by the Bank. Transaction fees apply.                            |

|                              |   |
|------------------------------|---|
| Conversion Termination Costs | Any costs incurred by the Bank in adjusting or terminating the conversion shall be borne by the Borrower. |
|------------------------------|---|

\*A calculator is available to allow borrowers to simulate different amortization profiles and determine Average Loan Maturity. Please contact [FIST2@afdb.org](mailto:FIST2@afdb.org).

\*\*The conversion options and transaction fees are governed by the Bank's Conversion Guidelines available [online here](#).

#### **Timeframe – Key Milestones (expected)**

|                                 |               |
|---------------------------------|---------------|
| Programme Preparation/Appraisal | June 2022     |
| Programme Approval              | July 2022     |
| Effectiveness                   | August 2022   |
| Completion                      | December 2023 |
| Last Disbursement               | December 2023 |



## I. INTRODUCTION

Management submits the following report and recommendation concerning a proposal to grant an AfDB loan not exceeding EUR **151,184 millions** to the Republic of Côte d'Ivoire to finance the Emergency Food Production Programme under the African Emergency Food Production Facility (2PAU-CI/AEFPF). This programme appraisal was carried out in June 2022 in response to the Government's request No. 0582/MPD/CAB-00/CT-CA/arts of 8 June 2022. The programme design took into account best practice principles (ownership of measures and reforms by the country, realistic expected outcomes, etc.). It aims to strengthen the country's food sovereignty by reducing its dependence on imports of staple cereals and starchy food products. The specific programme objective is to reduce the country's dependence on imports of staple cereals (rice and maize) in the short and medium term and to boost cassava production. The main expected outcomes are a 30% increase in food production by (i) establishing a digital platform for the supply of climate-resilient seeds and quality fertilizers as well as extension and agro-climate information services; (ii) financing the supply of inputs (fertilizers and improved seeds); and (iii) strengthening the institutional framework of agricultural input quality control services.

## II COUNTRY CONTEXT

### 2.1 *Economic, Agricultural and Social Context and Outlook*

2.1.1 The country's real GDP growth rate, which had slowed down to 2% in 2020 due to the effects of COVID-19, rebounded to 7.4% in 2021. Inflation rose to 4.2% in 2021, up from 2.4% in 2020, due mainly to a hike in the price of edible products. The budget deficit stood at 5% of GDP in 2021, down from 5.6% in 2020. The public debt sustainability analysis carried out by the IMF in April 2022 confirmed that Côte d'Ivoire faces a moderate risk of debt distress. Public debt increased from 38.8% of GDP in 2019 to 51.7% of GDP in 2021, fuelled by the financing needs of the National Development Plan and especially COVID-19-related expenditure. Despite this increase, the country's debt ratio remains below the WAEMU community threshold of 70%.

2.1.2 The impact of the Russia-Ukraine war could adversely affect the 2022-2023 economic outlook, particularly via international trade. Growth is therefore expected to slow down to 6.9% in 2022 before rebounding to 7.2% in 2023. The budget deficit is expected to rise to 5.7% of GDP owing to measures to support the price of energy and some specific products (bread, oil, agricultural inputs, etc.) and then fall to 4.8% of GDP in 2023 due to ongoing reforms to strengthen tax revenue mobilization. According to the IMF, the risk of public debt distress would still be moderate, and its stock is expected to stand at 51.6% of GDP on average during the 2022-2023 period. Inflation would rise to 4.5% in 2022 and then fall to 2% in 2023. The deterioration of trade would lead to a worsening in the current account balance to 4.2% of GDP in 2022 and then an improvement to 3.8% of GDP in 2023.

2.1.3 **The agricultural sector** is dominated by small farm producers (about 1.8 million small farms constitute a source of livelihood for 11 million people, or 47% of the country's population). Extensive and rain-fed farming are the main crop production systems, with limited agricultural inputs (fertilizers and improved seeds), excluding cash crops (cotton, oil palms and pineapples) and irrigated rice. Food crop yields are low and highly vulnerable to climate change. The current maize deficit, coupled with rising soybean meal prices, has a significant impact on chicken and meat value chains. The current sector demand for maize<sup>1</sup> is 250 000 tonnes and is expected to increase to 750 000 tonnes by 2030. To address the effects of the COVID-19 crisis, as well as the impact of the Russia-Ukraine crisis, the Ivorian Government designed the Emergency Agricultural Programme dubbed "PURGA 1" (2020-2021), followed by "PURGA 2" (2021-2022) in order to develop agricultural production areas through input support (seeds, fertilizers and pesticides). The agricultural sector is still largely underfunded, representing only 3.2% of public expenditure, compared with the 10% target set by the Maputo Commitments.

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<sup>1</sup> Poultry Inter-profession of Côte d'Ivoire (IRPAVI).

2.1.4 **Social impact analysis:** the war in Ukraine is hitting the most vulnerable households hard as a result of the soaring prices of staple products such as cereals and fuel. Rising fertilizer prices are also expected to further weaken small farmers in rural areas, thus reducing their income and exposing them to food insecurity. Planned actions such as the National Social Inclusion Programme and this proposed Emergency Programme should focus on this segment of the population to mitigate the effects of these successive crises. According to the Harmonized National Framework Report (March 2022), the analysis of hazard-prone areas and food- and nutrition-insecure populations helped to identify five (5) regions over the eight (8) regions analysed are in the minimal pressure phase and three (3) regions in the “under pressure” phase. This emergency programme will enable the Government of Côte d’Ivoire to provide assistance to people in crisis situations and to launch programmes to build their resilience and reinforce means of livelihood.

2.1.5 **Governance:** good governance is a pillar of government action. It is reflected in the establishment of several bodies, including: (i) the High Authority for Good Governance which is an independent administrative authority; and (ii) the Good Governance Promotion, Capacity Building and the Anti-Corruption Ministry. In addition, reforms launched within the framework of the Government’s national development plans and initiatives such as the G20 Compact with Africa and the Millennium Challenge Corporation have helped to improve economic and financial governance. Consequently, the country’s overall AfDB Country Policy and Institutional Assessment (CPIA) score improved from 3.8 in 2018 to 3.9 in 2020. Furthermore, Côte d’Ivoire gained two spots (104<sup>th</sup>) on the 2021 Corruption Perceptions Index (CPI) ranking, though its score remained the same at 36 out of 100. The fight against corruption is one of the three top priorities assigned to the Government in 2022 by the President of the Republic.

### **III PROGRAMME RATIONALE AND KEY DESIGN ELEMENTS**

#### **3.1 Programme Rationale**

3.1.1 **Rationale for the choice of the sector budget support instrument:** this operation has been designed as a budget support allowing for greater flexibility in the use of funds.

3.1.2 To meet its food needs, Côte d’Ivoire imported 1 113 000 tonnes of rice, representing about 50% of its rice needs, 105 214 tonnes of maize, and 694 176 tonnes of wheat in 2020. The COVID-19 pandemic led to the first wave of rising food and agricultural input (seeds and fertilizers) prices and the disruption of trade. This was followed by a second wave of rising prices in February 2022 as a result of the outbreak of the Russia-Ukraine conflict. To address this situation, Côte d’Ivoire has initiated a policy to revive rice, maize and cassava production to ensure food security, bridge the wheat flour supply gap by adding value to cassava flour, preserve livelihoods, and strengthen the rural population’s resilience.

3.1.3 The proposed Programme actions are aligned with the pillars of the AEFPP which aim to stimulate local cereal production as the most effective and efficient way of building the resilience of Africa’s food systems. The programme will contribute to implementing the Bank’s Ten-Year Strategy 2013-2022 through its High5s: Feed Africa and Improve the quality of life for the people of Africa. It is aligned with Pillar 2 of the Country Strategy Paper (CSP 2018-2022) aimed at developing agro-industrial value chains for inclusive and sustainable growth. The programme is consistent with the Bank’s Multi-Sectoral Nutrition Action Plan 2018-2025, Gender Strategy 2021-2025, and Climate Change Action Plan 2016-2022.

3.1.4 The programme is perfectly aligned with the Second General National Agricultural Investment Programme (PNIA II 2018-2025), whose overall objective is to stimulate sector growth to reduce poverty by half, and to reach “zero hunger” target by 2025. More specifically, PNIA II seeks to achieve three strategic objectives, namely to: (i) develop agricultural, silvicultural, pastoral and fisheries value added; (ii) strengthen environmentally friendly agricultural, silvicultural, pastoral and fisheries production systems; (iii) promote inclusive growth that guarantees rural development and the well-being of the population.

#### **3.2 Collaboration and Coordination with Other Development Partners**

The Bank actively participates in three levels of the TFP Consultation Mechanism (DC-PAD), namely (i) the Ambassadors and Heads of Mission Consultative Framework; (ii) the Heads of Cooperation Committee; and

(ii) Thematic Groups. The “Agriculture, Rural Development and Environment” Sector Group was set up in 2010 to facilitate and ensure better aid coordination and effectiveness in the agricultural sector. The Food and Agriculture Organization of the United Nations (FAO) and the French Development Agency (AFD), which are the lead donors, hold regular consultations with the community of TFPs and the Bank. The TFPs met during the preparation/appraisal mission expressed interest in the programme and underscored the need for concerted monitoring of ongoing sector reforms.

### **3.3 *Fulfilment of Eligibility Criteria***

Côte d’Ivoire fulfils all the Bank’s budget support eligibility criteria. The Government has reaffirmed its commitment to implement structural reforms aimed at boosting growth and promoting poverty reduction through the National Development Plan (PND 2021-2025). The country enjoys macroeconomic and political stability following the appeasement measures taken as a result of the post-election crisis in 2020. Lastly, the fiduciary risk, including financial management and procurement, is considered “moderate” (Annex A).

### **3.4 *Good Practice Principles for the Application of Conditionality***

This operation is aligned with best practices on conditionalities, namely ownership by the country, sharing of responsibilities, disbursement predictability and realism of the measures retained, in keeping with global consensus on best practices, as reflected in the Bank Group Policy on Programme-Based Operations (PBOs). The Bank’s financing is based on conditionalities discussed and shared with the other TFPs, in the absence of a common matrix of measures. All the measures retained by the programme were proposed by various public entities and validated by the authorities after their feasibility was verified. Disbursement predictability is guaranteed by the pledge of the amounts of the two budget support tranches.

### **3.5 *Lessons Learned from Previous Operations***

The programme design takes into account lessons learned from the Bank’s emergency operations (Independent Development Evaluation, IDEV, May 2022). The successful implementation of this programme is based on the following elements: (i) a simple programme design will depend on three sub-sectors, namely seed and fertilizer supply, as well as advisory services; (ii) the country’s wide experience in the domain and existing institutional capacity for programme implementation; (iii) a results framework with a coherent results chain and a functional monitoring and evaluation mechanism; (iv) clear strategic guidelines and the prioritization of investments through the National Agricultural Investment Programme (PNIA); (v) effective collaboration and partnerships with other technical and financial partners operating in the sector covered by this operation; and (vi) involvement of strategic partners in programme implementation in order to strengthen the supply of breeder seeds to seed growers (CNRA, AFRICA RICE, TAAT Maize Compact) as well as advisory support (ANADER).

## **IV THE PROPOSED PROGRAMME**

### **4.1 *Programme Goal and Objective***

The programme goal is to cushion the impact of exogenous shocks and strengthen the country’s food sovereignty. Its specific objective is to reduce imports of staple food products by increasing rice, maize and cassava production.

### **4.2 *Programme Content***

4.2.1 The programme comprises three components (see detailed programme description in Annex N).

#### **Component 1: Improving Access to Certified Seeds and Advisory Support**

4.2.2 Context and challenges: the food crop seed system has weaknesses, particularly regarding the regular supply of breeder and foundation seeds, seed quality control and the absence of an interprofessional organization of sector actors. The main challenges facing the seed sector in the short and medium term include: (i) the development and strengthening of quality seed production and multiplication systems; (ii) the

improvement of the seed control and distribution system; and (iii) the promotion of the use of quality seeds by producers.

4.2.3 Measures taken by the Government: the Government plans to strengthen the sector information and data management system. It has introduced institutional reforms in the seed sub-sector and launched a programme to build seed production and packaging centres. The implementation of the Emergency Agricultural Programme (PURGA 1 and 2) has helped to: (i) supply certified high-yielding hybrid seed varieties; (ii) support extension services in disseminating best farming practices; and (iii) support to the operationalization of CONASEM and revise the National Seed Sector Policy.

4.2.4 Programme-backed measures: the programme will support the following measures: (i) supply of certified climate-resilient hybrid seed varieties: including 2 279 tonnes of quality maize seeds, 3 539 tonnes of certified high-quality rice seeds and 134 449,792 cassava stem cuttings obtained from local seed producers; (ii) establishment of a communication platform for maize, rice and cassava seed sector actors, in order to set up networks involving all stakeholders; (iii) support for access to information and setting up of an agro-climatic early warning system for 800 000 producers (at least 30% of them women) in flood-prone areas; (v) support for the production of breeder rice seeds through an agreement with the National Agricultural Research Centre of Côte d'Ivoire (CNRA); (vi) technical assistance provided by the Technologies for African Agricultural Transformation (TAAT) programme for the introduction of innovations through the TAAT Maize Compact (Annex G); and (vii) the revision of the National Seed Sector Policy.

4.2.5 Expected outputs/outcomes: the expected outcomes are: (i) additional production of 546 987 tonnes of maize, 796 323 tonnes of rice and 1 million tonnes of cassava in 2023; (ii) recruitment of an ICT service provider; (iii) operational reinforced extension services for the dissemination of best farming practices; (iv) access to agro-climate information and to the agro-climatic early warning system by 800 000 producers in flood-prone areas; (v) materialization of a TAAT/MEMINADER partnership through the TAAT Maize Compact; and (vi) revised National Seed Sector Policy.

## **Component 2: Improving Access to Fertilizers**

4.2.6 Context and challenges: a fertilizer distribution system for small food crop producers, similar to those for cash crop producers, is yet to be established. The absence of legal guarantees and remedies prevents compliance with sales contracts, inducing producers to resort to informal markets. Despite some initiatives, most financial institutions are reluctant to finance the activities of food crop producers. The challenges to be met are: (i) Ensure the availability and access by small food producers to fertilizers in sufficient quantity and quality; (ii) Ensure the quality control of fertilizers produced and marketed; and (iii) Create conditions conducive to the professionalization of actors and the promotion of the private sector and a fertilizer industry.

4.2.7 Measures taken by the Government: the Government intends to support the establishment of a coherent, operational institutional and regulatory framework and a sustainable system for promoting the rational use of fertilizer. Many operations, particularly the emergency operation (COVID-19), have helped to meet the country's fertilizer requirements. Following the outbreak of the crisis in Ukraine, the Government designed an emergency action programme for the: (i) procurement and distribution of 52 590 tonnes of fertilizers for small food producers; (ii) strengthening of mechanisms for accessing agricultural input financing; and (iii) establishment of a directorate in charge of seeds and fertilizers. To align the sub-sector with community regulations, the Government has adopted the ECOWAS fertilizer sub-sector regulatory framework, in keeping with the Agricultural Framework Law. The government also engaged with the private sector with a view to adopting reforms aimed at revising the import tax rates for fertilizers

4.2.8 Programme-backed measures: the programme will support: (i) the procurement of 56 096 tonnes of Nitrogen Phosphorus and Potassium (NPK) and 28 048 tonnes of urea; (ii) the strengthening of mechanisms for accessing agricultural input financing; (iii) the migration of the existing farmer, fertilizer and seed supplier and agro-dealer databases to the ICT platform; (iv) the digitization of the fertilizer distribution system, taking into account the achievements and lessons learned from the agricultural services digitization platform being set up under 2PAI-Belief.

4.2.9 Expected outputs/outcomes: (i) plant 246 870 hectares of rice, maize and cassava to produce 546 987 tonnes of maize, 796 323 tonnes of paddy rice and 630 233 tonnes of cassava in 2023; (ii) supply a sufficient quantity of high-quality fertilizers to 1 008 373 tonnes of cassava by 2023, (ii) supply 500 000 farmers with quality and sufficient quantities of fertilizer; and (iii) migrate the existing farmer, fertilizer and seed supplier and agro-dealer databases to the ICT platform; (iv) strengthen producer capacities

### **Component 3: Improving Governance and Implementation of Agricultural Sector Public Policies**

4.2.10 Context and challenges: the Government adopted the Second Generation National Agricultural Investment Programme (PNIA 2) for the period 2018-2025. However, the allocation of 3.2% of public spending to the agricultural sector remains below the Maputo commitment target. To achieve NPJA's objectives, it is necessary to increase the share of public spending allocated to the agricultural sector by making reasonable progress towards the 10% target, taking into consideration future budgetary constraints.

4.2.11 Measures taken by the Government: the Government adopted the Agricultural Framework Law (LOACI) of Cote d'Ivoire N° 2015-537 dated 20 July 2015. In 2009, it embarked on the alignment of the law with Directive No. 06/2009/CM/UEMOA on the Appropriation Act of the West African Economic and Monetary Union (WAEMU) relating to financial resource management reforms, thus allowing for greater transparency and efficient and effective financial management. More specifically, to improve the institutional framework for the control and monitoring of the seed and fertilizer sub-sectors, a central directorate in charge of seeds and fertilizers was set up within MEMINADER. The directorate is being operationalized and the adoption of an approval procedure for private operators involved in fertiliser distribution

4.2.12 Programme-backed measures: i) the improvement of the institutional framework for the control and monitoring of the seed and fertiliser sub-sectors through the operationalisation of the Central Directorate in charge of the regulation of seeds and fertilisers; and ii) the increase in budgetary resources allocated to the agricultural sector for the 2023 financial year by at least 15% compared to 2022

4.2.13 Expected outputs/outcomes: operationalization of the Central Directorate of Seed and Fertilizer Licensing, Certification and Quality Control to accelerate alignment with community (WAEMU and ECOWAS) regulations.

## **4.4 Financing Needs**

The table below presents the government's financing needs for the period 2022-2024. In 2022, total revenue is projected at CFAF 6 327.0 billion compared with total expenditure of CFAF 8 792.2 billion. The financing gap is therefore CFAF 2 465.2 billion. It is covered by external financing amounting to CFAF 1 587.7 billion, including budgetary support from the Bank (PARES III of CFAF 20.6 billion and PPAU of CFAF 99.2 billion). Domestic financing will amount to CFAF 711.9 billion, including bank financing of CFAF 528.8 billion and non-bank financing of CFAF 183.1 billion. The financing gap in 2022 is therefore CFAF 165.6 billion. Insofar as the expected financing (budgetary support from other partners) amounts to CFAF 174 billion, there is therefore a positive gap of CFAF 8.6 billion for the year 2022

**Table 1: Financing Needs for the 2022-2024 Period (in CFAF billion)**

|          |   | 2022           | 2023            | 2024            |
|----------|---|----------------|-----------------|-----------------|
| <b>B</b> | Total revenue                             | 6 327,0        | 7 405,5         | 8 090,9         |
|          | Total expenditure                         | 8 792,2        | 9 657,6         | 10 090,1        |
|          | <i>Including interest payments</i>        | 975,7          | 1 098,9         | 1 219,4         |
|          | <i>Including investments</i>              | 2 934,1        | 3 464,4         | 3 610,5         |
| <b>C</b> | <b>Overall budget balance</b>             | <b>2 465,2</b> | <b>-2 252,1</b> | <b>-1 999,1</b> |
|          | Domestic financing                        | 711,9          | 812,1           | 56,1            |
| ..       | External financing                        | 1 587,7        | 574,8           | 11,9            |
|          | <b>Financing gap</b>                      | <b>86,2</b>    | <b>33,6</b>     | <b>2 043,3</b>  |
|          | <b>Expected financing</b>                 | <b>165,6</b>   | <b>865,3</b>    | <b>0</b>        |
|          | <i>Including AfDB (PARES-II and PPAU)</i> | <i>174</i>     | <i>0</i>        | <i>-</i>        |
|          | <i>Others</i>                             |                |                 |                 |
|          | <b>Residual financing gap</b>             | <b>8,6</b>     | <b>-865,3</b>   | <b>2 043,3</b>  |

*Source*: Ministry of Economy and Finance (TOFE 2019-2024)

## 4.5 Programme Beneficiaries

The main programme beneficiary groups are rural and vulnerable populations, smallholder farmers, youths and women, and agricultural input aggregators, distributors and vendors.

## 4.6 Conditions Precedent to Disbursement of Tranches or Triggers

**Table 2: Actions and Triggers**

| Measures  | Evidence  |
|---|---|
| <b>Measures precedent to submission of the appraisal report to the Board of Directors</b>   |   |
| Establishment of an institutional framework for the revision of the National Seed Sector Policy.  | Copy of the order appointing the Task Force (including women or persons with gender expertise) in charge of the revision of the National Seed Sector Policy   |
| Signing of a framework agreement/contract with CNRA for the production of breeder seeds (maize and rice).   | Copy of the signed framework agreement  |
| Setting up by MEMINADER of a directorate in charge of seed and fertilizer regulation.   | Decree on the organization of MEMINADER providing for the setting up of a directorate in charge of seed and fertilizer regulation.  |
| <b>Second tranche triggers</b>  |   |
| The budgetary resources allocated to the Agriculture Sector for the year 2023 have increased by at least 15% as compared to 2023-2022   | Finance Appropriation Act 2022<br>Finance (Amendment) Appropriation Act 2022<br>Finance Appropriation Act 2023  |
| Supply to producers (at least 30% of them women) of 912 tonnes of maize seeds and 1416 tonnes of certified high-quality rice seeds and 54 millions of cassava cuttings (representing 40% of the programme's overall objective).   | The Minutes of receipt of seed supplies and MEMINADER's activity report on the distribution of certified seed of maize, rice and cassava cuttings.  |
| Adoption of the draft decree laying down the terms and conditions for the application of Regulation No. C/REG./13/12/12 on fertilizer quality control within the ECOWAS space, in keeping with the provisions of Chapter 4 (Sections 72, 73 and 74) of the Agricultural Framework Law (LOACI) relating to agricultural inputs and services. | Reference of publication in the Official Gazette of the Republic of Côte d'Ivoire.  |
| Posting on the website of the Ministry of Finance of the list of seed and fertilizer contracts awarded during the 2022 crop year, indicating the actual beneficiaries.  | Copies of the lists of seed and fertilizer contracts awarded during the 2022 crop year, indicating the actual beneficiaries, and the letter attesting to their publication (must include the functional link of the publication). |

## 4.7 Policy Dialogue

The main issues concerning agricultural policy dialogue under this programme are: (i) frameworks for public-private sector consultation for the harmonization of operations in the seed and fertilizer sub-sectors in Côte d'Ivoire; (ii) the update and implementation of a long-term strategy to meet seed and fertilizer needs; (iii) mainstreaming of gender issues in sector policy design and implementation; (iv) the digitization of the agricultural sector in general; (v) the inclusion of impact assessment in project design; (vi) the operationalization of the PNIA 2 monitoring mechanism; (vii) rural land tenure; and (viii) agricultural statistics.

## 4.8 Impact on Gender and Underprivileged and Vulnerable Groups

**4.8.2 Gender equality and women's empowerment:** the programme is classified under Gender Outputs (GEN II), according to the African Development Bank's Gender Marker System (GMS) as it includes a number of outputs and triggers that will contribute directly to promoting gender equality and women's empowerment. The operation will ensure that the potential financial, operational, human resource, market access and human security risks faced by the women producers targeted with access to fertilizers and seeds are minimized through the "Response" approach of the Guide to Relief, Recovery and Resilience of Women Entrepreneurs from Fragility in Africa and in line with Pillar I of the Bank's Gender Strategy 2021-2025 concerning women's access to financing and markets. Regarding measures precedent to submission of the appraisal report to the Board of Directors, the programme will ensure that at least 30% of the members of the Task Force for the Revision of the National Seed Sector Policy are women or people with expertise in gender issues. Concerning triggers for disbursement of the second tranche of loan resources, the supply of 912 tonnes of maize seeds and

1416 tonnes of certified, high-quality rice seeds and 54 million of cassava cuttings should benefit at least 30% of women producers.

#### **4.9 Impact on Other Sectors**

4.9.1 **Environment:** given the absence of physical activities, the programme has not been classified under any environmental category, in line with Decree No. 96-894 of 8 November 1996 relating to the environmental impact assessments of development projects. However, the availability of seeds and chemical fertilizers poses the risk of pesticide use to control pests. As a result, the use of chemical inputs (fertilizers and pesticides) to improve crop yields may pose a low to moderate risk of soil and water pollution in production basins. The programme is therefore classified under Category 2 of the Bank's Integrated Safeguards System. The beneficiary will develop and submit a Pest Management Plan (PMP) to the Bank for review and approval during programme implementation, that is before the distribution of seeds and fertilizers to producers.

4.9.2 The expected positive impacts of the programme are: (i) control of soil degradation and biodiversity loss; (ii) control of the effects of climate change; (iii) improvement of soil productivity; and (iv) control of poor farming practices through rational management. However, the poor management of chemicals and their empty packaging may pose the following low and moderate risks: (i) soil and water pollution in production basins; (ii) production of solid wastes, particularly a large quantity of contaminated containers (plastic bags and bottles); (iii) risk of intoxication of the population; and (iv) risk of eutrophication of aquatic environments. The PMP will propose an integrated control strategy and a plan to build the capacity of actors.

4.9.3 **Social:** the positive impacts of the programme will include: (i) protection of the Ivorian population against rising food prices; (ii) contribution to improving the living conditions of the people; (iii) contribution to ensuring the food security of the population as a whole and vulnerable groups in particular; and (iv) diversification and increase of production and incomes of the people. In contrast, the implementation of the programme will pose low and moderate risks and generate negative impacts, particularly: (i) health risks (intoxication of the population) through the consumption of contaminated water or plant products; and (ii) risk of conflicts arising from the distribution and sale of inputs or the selection of beneficiaries. Since the programme is classified under Category 2 of the Bank's Integrated Safeguards System, MEMINADER will prepare and submit quarterly environmental and social performance monitoring reports to the Borrower on a regular basis, and ensure that an annual environmental and social compliance audit is carried out in December of the year concerned by the audit.

4.9.4 **E&S compliance:** quarterly reports on the implementation of E&S measures as well as annual E&S performance audit reports will be prepared and sent to the Bank and stakeholders. The Environmental and Social Compliance Note (NOCES) for the programme confirms its compliance with the Bank's environmental and social requirements prior to its approval. The requirements are reflected in the Financing Agreement.

4.9.5 **Climate change:** the programme is classified under Category 2 according to the Bank's climate safeguards system. It may be affected by climatic hazards such as insufficient rainfall, droughts, heat stress and flooding, particularly in lowlands with a high rice and maize production potential. These climatic conditions could endanger farms, particularly lowland production systems like rice and maize farming systems. Consequently, the programme will have to strengthen agro-meteorological surveillance and information systems, as well as the flood risk early warning system in flood-prone agricultural production zones.

4.9.6 **Fragility:** Côte d'Ivoire has made significant progress since the post-election crisis of 2010-2011. The country has the necessary potential to become a major contributor to peace and security, as well as an engine of economic growth and prosperity in the region and beyond. The COVID-19 pandemic and, more recently, the conflict between Russia and Ukraine, have exerted additional economic pressures on the country. At the present time, it is necessary to invest in actions to build Cote D'Ivoire's resilience in the long-term because fragility can affect any country at any time. To build resilience, the programme should prioritize institutional capacity building by investing in local and national institutions, the involvement of the private sector and the mobilization of private investment. It will also meet the needs of the most vulnerable segments of the population, including women, youths and rural communities.

## **V. PROGRAMME IMPLEMENTATION AND LEGAL INSTRUMENT AND AUTHORITY**

### **5.1 Programme Implementation, Monitoring and Evaluation**

5.1.1 The General Directorate of Planning, Statistics and Projects (DGPSP) of MEMINADER will coordinate the implementation, monitoring and evaluation of various programme activities, in conjunction with stakeholders.

5.1.2 A robust monitoring and evaluation framework is essential for the programme which is fully aligned with the objectives of the AEFPPF. Accordingly, the programme indicators already defined will be used. Result monitoring indicators include productivity, production, food security and nutrition indices and agricultural financing. Similarly, programme monitoring and evaluation tools will be systematically used, allowing for the aggregation and monitoring of the objectives of the AEFPPF.

### **5.2 Financial Management, Disbursement and Procurement**

5.2.1 **Disbursement arrangements:** the loan will be disbursed in two tranches:

This loan will be disbursed in two (2) tranches. The funds disbursed by the Bank under the loan will be transferred to an account opened in the name of the Treasury with the BCEAO. Upon entry into force of the loan and if the conditions precedent for the release of the first tranche are met, the said tranche shall be disbursed. The second tranche will be disbursed subject to the effective satisfaction of the conditions relating to the said tranche, in accordance with the loan agreement.

5.2.2 **Financial management and audit mechanism:** the programme financial management is based on the sector budget support provided to MEMINADER, implying that the public financial management system used in the Ministry will be applied. The Bank's control and supervision will therefore focus on the opening of a Treasury account, after implementation of measures and conditions precedent to first disbursement. The Audit Office will ensure external control through an annual audit of financial flows. The audit report, including the special Treasury account flows, shall be submitted to the Bank within six months after the close of the financial year under review.

The external audit shall be carried out by the Court of Auditors through an annual audit of the financial flows carried out in accordance with terms of reference previously agreed with the Bank. The audit report on the flows of each instalment must reach the Bank no later than six months after the end of the financial year in which the disbursement of the said instalment was made and must retrace the flows that transited through the special account opened with the Treasury. In addition, as part of its prerogatives of external control of public expenditure, the Court of Audit will examine the budget execution reports and the draft Settlement Acts of each financial year during which a disbursement was made, in order to formulate its opinion of conformity. The Settlement Law for the period under review and the Court of Auditors' opinion of conformity shall be sent to the Bank by 31 December of the year following that in which the disbursement in question was made

5.2.3 The Ministry of Economy and Finance shall provide to the Bank, within 30 days of receipt of funds, evidence of transferring the funds to the Treasury account, indicating the amount received, the exchange rate applied, and the dates of receipt and transfer.

5.2.4 **Procurement:** given that the operation being prepared is a sector budget support, Bank and Treasury resources will be fungible and used to cover recurrent expenses and procurements of in the agriculture sector in Côte d'Ivoire, in keeping with the national procurement system (Ordinance No. 2019-679 of 24 July 2019). In line with the country fiduciary risk assessment (CFRA) presented in Annex B, the national procurement system will be used to ensure the judicious use of the resources allocated under the operation through the proper conduct of procurement procedures, as well as a control mechanism considered as satisfactory.

5.2.5 **Procurement audit requirement:** MEMINADER and agencies under its supervisory authority shall be audited during the financial year in which the tranche(s) of resources earmarked for the operation is (are)



disbursed and used. In this regard, the Audit Office shall prepare and submit an agricultural sector procurement compliance audit report. The report will be an excerpt from the main audit report for the financial year(s) under review. The agricultural sector procurement audit report shall be submitted within six months after the close of the financial year under review.

### **5.3      *Legal Instrument and Authority***

**Legal instrument:** the legal instrument to be used under this programme is a Loan Agreement that will be signed between the Republic of Côte d'Ivoire (the "Borrower") and the African Development Bank (the "Bank").

### **5.4      *Conditions for Bank Intervention***

**5.4.1 *Presentation of the programme to the Board:*** based on the dialogue held with the Government of Côte d'Ivoire, it was agreed that the Borrower will implement the measures precedent to presentation of the programme to the Bank's Board of Directors. The measures are presented in Table 2 in Section 4.6.

**5.4.2 *Effectiveness: Effectiveness of the Loan Agreement shall be subject to fulfilment by the Borrower,*** to the Banks satisfaction, of the conditions set out in Section 12.01 of the General Conditions Applicable to Bank Loan Agreements and Guarantee Agreements.

**5.4.3 *Conditions precedent to disbursement of the first tranche of the loan:*** besides the effectiveness of the Loan Agreement, in keeping with Section 5.4.2 above, disbursement of the first tranche of the loan shall be subject to fulfilment by the Borrower of the following conditions:

- (i) Provide the Bank with proof of the existence of a Treasury account of the Borrower in the books of the Public Treasury at BCEAO) into which the Loan resources will be transferred.
- (i)     Submit to the Bank, an audit report on the financial flows of the COVID-19 Crisis Response Budget Support Operation prepared by the Audit Office, considered satisfactory to the Bank;
- (ii)    Provide the Bank with evidence of including the Loan in the 2022 State Budget;
- (iii)   Provide the Bank, within 30 days of receipt of funds, with evidence of transferring of the funds to the Treasury account, indicating the amount received, the exchange rate applied, and the dates of receipt and transfer.

#### **5.4.4      *Conditions Precedent to Disbursement of the Second Tranche of the Loan***

The disbursement of the second tranche of the loan shall be subject to fulfilment by the Borrower of the following conditions:

- (i)     Provide evidence that the budgetary resources allocated to the Agriculture Sector for the year 2023 have increased by at least 15% compared to the year 2022;
- (ii)    Supply 912 tonnes of maize seeds and 1 416 tonnes of certified high-quality rice seeds (representing 40% of the overall programme objective) and 54 million of cassava cuttings to producers (at least 30% of them women);
- (iii)   Adopt the draft decree laying down the terms and conditions for the application of Regulation No. C/REG./13/12/12 on fertilizer quality control within the ECOWAS space, in keeping with the provisions of Chapter 4 (Sections 72, 73 and 74) of the Agricultural Framework Law (LOACI) relating to agricultural inputs and services);

#### **5.4.5 Other Commitments:**

- (i) Confirm to the Bank, within 30 days of receipt of funds, the transfer of funds to the Treasury account indicating the amount received, the exchange rate applied, and the dates of receipt and transfer.

(ii) Confirm to the Bank, within 60 days of receipt of funds, evidence of approval of the Pest Management Plan (PMP) by the relevant national authorities and by the Bank, as well as evidence of publication of the PMP by the Borrower and by the Bank.

(iii) Submit to the Bank, proof of the inclusion of the Loan in the 2022 Amending Budget Act by 31 December 2022;

## **5.5 Compliance with Bank Policies**

5.5.1 The programme is in line with the Bank's High 5s "Feed Africa" by 2025 and "Improve the quality of life for the people of Africa". It aims to sustainably increase food production and reduce the country's dependence on imports. The proposed actions are consistent with the AEFPPF.

5.5.2 The programme is consistent with the Bank's Long-Term Strategy (LTS 2013-2022) and its two main objectives of achieving inclusive growth and transition to green growth, and three thrust areas (gender and women's economic empowerment, agriculture, and food and nutrition security). It is also in keeping with the Technologies for African Agricultural Transformation (TAAT) programme. The programme also plugs into Pillar 2 of the CSP 2018-2022 aimed at developing agro-industrial value chains for inclusive and sustainable growth.

## **5.6 Risk Management**

This emergency programme is a simple operation. However, it must be implemented over a short period, with critical dates corresponding to the beginning of the crop years. Activities must be carried out in strict compliance with the implementation schedule. The main risks are presented in the table on risks and mitigation measures in Annex M.

## **VI. RECOMMENDATION**

Management recommends that the Board of Directors approve an AfDB loan not exceeding **EUR 151.184 million** under the African Emergency Food Production Facility (AEFPPF) to the Republic of Côte d'Ivoire to finance the Emergency Food Production Programme (2PAU-CI/AEFPPF-Côte d'Ivoire) for the purpose and under the conditions set forth in this report.

## ANNEX A: Fulfilment of PBO Eligibility Criteria

| Conditions Precedent                          | Country's Eligibility   |
|---|---|
| <i>Government's commitment</i>                | <b>The implementation of the National Development Plan (PND) 2016-2020 was satisfactory, as evidenced by the significant drop in the incidence of poverty from 46.3% in 2015 to 39.4% in 2020 and the Gini Index, which measures income inequalities, that decreased from 43.2% in 2015 to 35.2% in 2020.</b> The new PND 2021-2025 aims to deepen the structural transformation of the Ivorian economy and to reduce the poverty rate to 31.5% in 2025. The six pillars of the PND 2021-2025 are: (i) acceleration of structural transformation through industrialization and the development of industrial clusters; (ii) human capital development and employment promotion; (iii) private sector development and investment; (iv) strengthening inclusion, national solidarity and social action; (v) balanced regional development, environmental conservation, and fight against climate change; and (iv) strengthening governance, modernization of the State, and cultural transformation. To strengthen actions to combat poverty and inequality, the Government has adopted a second social programme (the Government Social Programme Support Project - PSGouv 2) for the 2022-2024 period.  |
| <i>Macroeconomic framework</i>                | <b>The latest forecasts indicate that economic growth will decelerate due to the adverse impact of the war in Ukraine.</b> Thus, the growth rate is expected to fall to 6.9% in 2022 before rebounding to 7.2% in 2023 as a result of the positive effects of the investments and reforms envisioned in the "Côte d'Ivoire 2030" Strategic Plan and the National Development Plan 2021-2025, as well as a more stable socio-political environment. Inflationary pressures rose from 2.4% in 2020 to 4.2% in 2021 due primarily to rising food prices caused by insufficient local food production. Because of inflationary pressures caused by the situation in Ukraine, the general price level is expected to increase to 4.5% in 2022, reflecting rising food product and oil prices, and then fall to 2%, well below the WAEMU standard of 3%, in 2023. The budget deficit is expected to widen to 5.7% of GDP in 2022, owing to energy and specific product price support measures as a result of the Russia-Ukraine crisis. It is expected to contract to 4.8% of GDP in 2023.  |
| <i>Political stability</i>                    | <b>After the post-election crisis of 2020, Côte d'Ivoire now enjoys political stability.</b> The organization of the presidential election caused socio-political tensions in 2020. However, the post-election dialogue with opposition parties helped to calm down the political climate. The first outcomes of this dialogue include: (i) the release of some political opponents arrested during demonstrations related to the organization of the presidential election; and (ii) the effective participation of the main opposition parties in the 6 March 2021 legislative elections. The continuation of dialogue with the opposition is crucial for creating the conditions for lasting socio-political stability.  |
| <i>Satisfactory fiduciary risk assessment</i> | <p><b>1.4.1 Procurement:</b> the Bank's most recent assessment of Côte d'Ivoire's national procurement system, which focused on Decree No. 2009-259 of 6 August 2009 on the Public Procurement Code that is no longer in force since 1 January 2020, concluded that the procurement risk was moderate. Since then, many initiatives have been implemented to improve the system. The improvements support a positive trajectory pending a new in-depth assessment. These include: (i) the adoption in January 2020 of a new code based on the previous one but including several qualitative adjustments aimed at responding satisfactorily to some of the aspects in the previous code requiring improvements, pending structural reform. The adjustments include: (a) the definition of conditions for the participation of public enterprises in public procurement; (b) the transfer to the Directorate of Public Procurement - DMP - (to ensure greater efficiency) of the responsibility of issuing authorizations for the use of derogatory regimes, initially entrusted to the Minister in charge of public procurement; (c) the establishment of a legal framework for preliminary review procedures in public procurement; and (d) the consideration of information technologies.</p> <p>(ii) the launch, in 2022, of the procurement system assessment process using the MAPS2 methodology, paving the way for a more in-depth structural reform to better align the Code with new requirements of international standards. The process is being carried out with Bank support.</p> <p><b>1.4.2 Financial management:</b> the financial management risk is considered moderate. The programme budget, which has been implemented since the 2020 financial year, is functioning well in all government services. Training is being provided in financial as well as external control, in conjunction with the Audit Office whose competences have been strengthened over the last two years through the procurement of equipment and recruitment of magistrates and auditors. However, the Audit Office is not yet responsible for auditing Bank-funded projects.</p> |
| <i>Harmonization</i>                          | The various agricultural sector investment strategies and programmes are based on Côte d'Ivoire's Agricultural Framework Law (LOACI). Based on LOACI and the National Development Plan (PND) 2016-2020, Côte d'Ivoire, through a participatory and inclusive process, designed its second   |

|  |   |
|--|---|
|  | <p>generation National Agricultural Investment Programme (PNIA 2) whose activities are consistent with Strategic Thrust 3 of the PND 2016-2020 aimed at “accelerating the structural transformation of the economy through industrialization” and with the PND 2021-2025. The PNIA summarizes agricultural sector investment guidelines. To ensure the effective implementation of the aforementioned programme (PNIA), <b>Order No. 144/PM/CAB of 9 April 2013</b> established several bodies, including the Steering Committee (CP-PNIA) chaired by the Prime Minister, Head of Government, the Technical Secretariat (ST-PNIA) chaired by the General Directorate of Planning, Statistics and Projects of MEMINADER, and the Agricultural Sector Development TFP Consultation Framework chaired by the FAO. The various bodies help to coordinate the implementation of the agricultural sector development policy in Côte d’Ivoire.</p> |
|--|---|

# ANNEX B: Results Framework

## EMERGENCY FOOD CRISIS RESPONSE AND SUPPORT PROGRAMME RESULTS FRAMEWORK

| A  | PROGRAMME INFORMATION |   |   |  |  |                     |
|--|-----------------------|---|---|--|--|---------------------|
| PROGRAMME NAME AND SAP CODE: Emergency Food Production Programme in Côte d'Ivoire (2PAU-CI/AEFPF Côte d'Ivoire)/P-CI-AAO-037 |                       |   |   |  |  |                     |
| COUNTRY: COTE D'IVOIRE   |                       |   |   |  |  |                     |
| SPECIFIC PROGRAMME GOAL: Reduce staple food product imports by increasing rice, maize and cassava production.                |                       |   |   |  |  |                     |
| PROGRAMME ALIGNMENT WITH THE COUNTRY, THE AEFPF AND THE RMF:   |                       | (a) Country's Objective: Cushion the impact of exogenous shocks and strengthen the country's food sovereignty |   |  |  |                     |
|  |                       | (b) AEFPF: Increase cereal production and the number of producers receiving seeds and fertilizers             |   |  |  |                     |
|  |                       | (c) RMF Alignment Indicators: Cereal yield (tonnes/ha) and fertilizer consumption (kg/ha of arable land)      |   |  |  |                     |
| B  | OUTCOMES MATRIX       |   |   |  |  |                     |
| RESULTS CHAIN AND INDICATOR DESCRIPTION  |                       | UNIT  | BASELINE DATA [2021]                                      | TARGET DATA AT COMPLETION [T1 2023] <sup>2</sup>                   | MEANS OF VERIFICATION                                | REPORTING FREQUENCY |
| OUTCOME 1: Boosting yields, cereal production and reduce imports   |                       |   |   |  |  |                     |
| OUTCOME INDICATOR 1.1 Yield improvement  |                       | Tonne/ha  | Maïs 2,5<br>Riz : 4,5<br>Manioc : 10                      | Maize : 6<br>Rice: 9<br>Cassava: 15                                | Annual Agricultural Production Statistics Report     | Annual              |
| OUTCOME INDICATOR 1.2 Increase in production   |                       | Tonnes  | Maize: 1,175,715<br>Rice: 1,659,007<br>Cassava: 5 million | Maize: 1,722,702<br>Rice: 2,455,330<br>Cassava: 6 million          | Annual agricultural production statistics report     | Annual              |
| OUTCOME INDICATOR 1.3 Decrease in imports of cereal products   |                       | %   | 0   | 20% in 2023  | Annual report of the Ministry of Economy and Finance | Annual              |
| OUTCOME 2: Strengthening the resilience of food production   |                       |   |   |  |  |                     |
| OUTCOME INDICATOR 2.1 Increase in the number of seed beneficiaries of which women Number                                     |                       | number  | 0   | 800,000 in 2023  | Annual Agricultural Production Statistics Report     | Annual              |
| OUTCOME INDICATOR 2.2 Increase in the number of fertilizer beneficiaries of which women Number                               |                       | number  | 0   | 800,000 in 2023  | Annual Agricultural Production Statistics Report     | Annual              |
| OUTCOME INDICATOR 2.3 Additional area sown through provision of inputs and seeds Ha  |                       | Ha  | 0   | 246,870 in 2023  | Annual Agricultural Production Statistics Report     | Annual              |
| OUTCOME INDICATOR 2.4 Average amount of fertiliser per arable ha Kg/ha   |                       | Kg/ha   | 37  | 45 in 2023   | Annual Agricultural Production Statistics Report     | Annual              |
| OUTPUT 1: Access to certified seed and improved advisory support   |                       |   |   |  |  |                     |
| OUTPUT INDICATOR 1.1 Quantity of improved seeds supplied (for a production cycle) <sup>3</sup>                               |                       | Tonne   | ND  | Maize: 2279<br>Rice: 3539<br>Cassava (cutting/ metre): 134,449,792 | Programme progress report                            | Quarterly           |
| OUTPUT INDICATOR 1.2: Revision of the national seed sector policy<br>1 <sup>st</sup> tranche trigger measure                 |                       | Yes/No  | No  | Yes  | Programme progress report                            | Quarterly           |
| OUTPUT INDICATOR 1.3: Framework agreement/contract signed  |                       | Yes/No  | No  | Yes  | Programme progress report                            | Quarterly           |

<sup>2</sup> The achievement of the target data in TI (2023) is dependent on strict adherence to deadlines for the implementation of various activities.

<sup>3</sup> Target data are defined based on rice, cassava and maize production cycles.

|   |                |          |                  |                              |           |
|---|----------------|----------|------------------|------------------------------|-----------|
| with the CNRA for the production of breeder maize and rice seeds<br>1 <sup>st</sup> tranche trigger measure   |                |          |                  |                              |           |
| <b>II OUTPUT 2: Access to quality fertilizers is improved.</b>  |                |          |                  |                              |           |
| <b>OUTPUT INDICATOR 2.1:</b><br>Quantities of certified fertilizers supplied (for maize, rice and cassava cultivation)<br>NPK<br>Urea                               | Tonne<br>Tonne | ND<br>ND | 56.096<br>28.048 | Programme progress<br>report | Quarterly |
| <b>OUTPUT INDICATOR 2.2:</b><br>Extension of the digitized platform of Bélier Region (including gender disaggregation) for input distribution (to be confirmed).    | Yes/No         | No       | Yes in 2023      | Programme progress<br>report | Quarterly |
| <b>OUTPUT INDICATOR 2.3:</b><br>Instructions to fertilizer distributors to deliver supplies.<br>1 <sup>st</sup> tranche trigger measure                             | Yes/No         | No       | Yes              | Programme progress<br>report | Quarterly |
| <b>III OUTPUT 3: Governance and the implementation of agricultural sector public policies are improved.</b>   |                |          |                  |                              |           |
| <b>OUTPUT INDICATOR 3.1:</b> Conduct of independent audit(s) covering all food crisis response and emergency expenditure.   | Yes/No         | No       | Yes              | Programme progress<br>report | Quarterly |
| <b>OUTPUT INDICATOR 3.2:</b><br>Publication of procurement plans and award of major contract.   | Yes/No         | No       | Yes              | Programme progress<br>report | Quarterly |
| <b>OUTPUT INDICATOR 3.3:</b> The 2022 and 2023 Appropriations Acts take budgetary support into account.<br>2 <sup>nd</sup> tranche trigger measure                  | Yes/No         | No       | Yes              | Programme progress<br>report | Quarterly |
| <b>OUTPUT INDICATOR 3.4:</b><br>Establishment of a directorate in charge of seed and fertilizer regulation by MEMINADER.<br>2 <sup>nd</sup> tranche trigger measure | Yes/No         | Yes      | Yes              | Programme progress<br>report | Quarterly |

## **ANNEX C: Assessment of Côte d'Ivoire's Fiduciary and Financial Management Framework**

### **1.1 Assessment of the Financial Management System Prior to the COVID-19 Pandemic Context**

The fiduciary risk assessment updated in December 2019 as part of the 2019 budget support operation concluded that the risk was moderate, allowing for the implementation of the programme budget system for the first time in the 2020 financial year. With hands-on experience, this public finance management system will improve over time.

The trajectory of the public finance management reform blueprint was deemed positive, with a major change which consisted in implementing the programme budget system as from the 2020 financial year, as well as the increasing use of information technology in the entire public finance management system.

### **1.2. Major Reforms and Weaknesses**

Côte d'Ivoire's public finance management system is evolving rapidly. It is migrating towards the new system based on programmatic responsibility the principles of which were defined in the six directives of the West African Economic and Monetary Union (WAEMU) in 2009. It also incorporates the changes brought about by the introduction of new technologies in public management, as well as new practices advocated at international level. The 2018 PEFA assessment highlighted the following main conclusions: (i) a solid institutional framework backed by efficient IT tools and a strong political will combine to ensure overall sound budget discipline, in spite of some weaknesses in the ex-post control and verification system; (ii) the putting in place of quality multi-year macroeconomic and budget programming tools has helped to achieve a satisfactory level of strategic allocation of all resources, but the systematic deployment of technical instruments – medium-term expenditure framework and programme budget – and the related administrative procedures in all ministries only started in 2017. The programme budget was implemented for the first time in the country and in all WAEMU countries in the 2020 financial year, and all performance audits conducted since the 2020 financial year are deemed satisfactory.

Besides the obligation to ensure public service continuity, provided for by strict budget discipline, the management of public services is suffering from the relative weakness of strategic sector management and lack of specific instruments (particularly results-based management tools), the relatively weak supervision of public enterprises and establishments, as well as a system of information, control, and evaluation of the services provided by the central administration that needs to be improved.

### **1.3. Sector Budget Support Operation Implementation Arrangements**

The Ministry of Economy and Finance will use the entire public expenditure chain to implement this operation. The programme's contribution to the budget will be included in the 2022 Budget Reconciliation Act under the heading "AfDB Emergency Food Production Support." The Ministry of Economy and Finance will manage the operation's financial resources. The Audit Office will audit the programme as part of the review of the auditing of the 2022 Settlement Act within the timeframe specified by the laws in force. The Audit Office's report on the execution of the Appropriations Act, as well as the general statement of compliance between the management accounts and the country's general account, and the report on the audit of budget support financial flows, should be submitted to the AfDB on 30 June 2023 at the latest.

### **1.4. Disbursements**

Disbursement under the operation will be in two tranches to a special "Emergency Food Production Support" account opened in the Treasury by the Ministry of Finance to receive Bank resources for the operation.

### **1.5. Risks Table**

The table below summarises the main risk factors in public finance management and identifies reform measures to be undertaken to address them.

| Element                                      | Indicator  | Initial Risk Assessment  | Residual Risk Assessment  |
|--|--|--|---|
| <b>1. Budgeting</b>                          | The capacity of the budget sub-system in budget planning (preparation) is adequate.  | Officials responsible for preparing programmes have been train in proper ways of entering figures in budgets. Practice and experience should help to better prepare deliberations at the National Assembly in June as well as budgets.<br><b>Moderate risk</b> | The 2020 and 2021 compliance audits of the Audit Office validated the implementation of programme budgets in all ministries.<br><b>Moderate risk</b>  |
|  | The capacity of the budget sub-system to ensure budgetary control is adequate.   | Reorganization of budgetary control by incorporating WAEMU directives and adopting implementing instruments.<br><b>Moderate risk</b>   | The experience in implementing ex-post budgetary control in 2020 and 2021 is laudable.<br><b>Moderate risk</b>  |
| <b>2. Cash situation</b>                     | The capacity of the treasury sub-system to manage resource flows and disbursements of aid funds is adequate.   | Implementation of the single treasury account system.<br><b>Moderate risk</b>  | Lack of long experience. The single treasury account system should be extended to public institutions and corporations.<br><b>Moderate risk</b>   |
|  | The Single Treasury Account is an appropriate and reliable means of administering aid funds.   | AfDB project resources have not yet been transferred to the STA.<br><b>Moderate risk</b>   | This will be confirmed by the experience acquired from new project accounts<br><b>Moderate risk</b>   |
| <b>3. Accounting and financial reporting</b> | Capacity of the accounting sub-system in registering all transactions and serving as a basis for timely and comprehensive financial reporting is adequate.   | General Public Accounting Regulations (RGCP) and the government accounting plan based on WAEMU directives were incorporated into the national accounting system in 2016.<br><b>Moderate risk</b>   | The implementing instruments of WAEMU directives on the auditing and management of the financial accounts of the State and national public establishments enhance transparency and governance in public resource management<br><b>Moderate risk</b> |
|  | Integrated financial management systems are flexible enough to meet specific reporting requirements and are governed by procedures ensuring compliance with deadlines and the quality of information produced. | The incorporation of WAEMU directives allows for financial reporting at any time.<br><b>Moderate risk</b>  | This is due to the reduction of the time taken to process endorsements, deferments and rejections in SIGFIP and ASTER.<br><b>Moderate risk</b>  |
|  | The financial accounting sub-system has an integrated fixed assets module for the proper recording and control of acquired assets.   | Instruments governing heritage have been issued.<br><b>Moderate risk</b>   | The inventory of heritage should now be conducted.<br><b>Moderate risk</b>  |
|  | The accounting sub-system maintains up-to-date records on the country's loans.   | Debt management has been reviewed and aligned with WAEMU guidelines<br><b>Moderate risk</b>  | The debt management system is operational<br><b>Moderate risk</b>   |
|  | Accounting systems are protected against the deliberate manipulation and/or accidental loss or corruption of data.   | The SIGFIP and ASTER systems are protected.<br><b>Low risk</b>   | Accounting systems are protected against improper manipulation<br><b>Low risk</b>   |



|  |   |  |  |
|--|---|--|--|
| <b>4.<br/>Internal audit</b>   | The capacity of the internal audit sub-system is adequate.                              | The internalization of WAEMU directives has strengthened the internal audit system<br><b>Moderate risk</b>                     | Internal auditing is strengthened.<br><b>Moderate risk</b>                                     |
|  | Competition, value for money, and public procurement control mechanisms are adequate.   |  |  |
|  | The capacity of the internal audit function is adequate.                                | Ex-ante and ex-post control, and internal and risk audits have strengthened the internal audit system.<br><b>Moderate risk</b> | Internal auditing is strengthened.<br><b>Moderate risk</b>                                     |
| <b>5.<br/>External audit</b>   | The SAI enjoys the degree of “independence” required to effectively perform its duties. | The Audit Office takes advantage of its new status ensuing from WAEMU directives.<br><b>Moderate risk</b>                      | The Audit Office’s equipment and staff were upgraded in 2021 and 2022.<br><b>Moderate risk</b> |
|  | The SAI has the required capacity to carry out its audit missions.                      | The Audit Office’s capability has been reinforced.<br><b>Moderate risk</b>   | The Audit Office has the required capacity to perform its duties.<br><b>Moderate risk</b>      |
| <b>OVERALL RISK ASSESSMENT</b>   |   |  |  |
| <b>Risk assessment:</b> Less than 0.75 = High risk; Between 0.76 and 1.50 = Substantial risk; Between 1.51 and 2.50 = Moderate risk; Above 2.51 = Low risk |   |  |  |

## 2. Evaluation of the National Procurement System (NPS)

### Overview of the Assessment of the Level of Risk Associated with the Use of the NPS

Public procurement in Côte d’Ivoire is governed by Ordinance No. 2019-679 of 24 July 2019 instituting the Public Procurement Code which came into force in January 2020, and its implementing instruments. The Bank is yet to conduct an in-depth evaluation of the code, but it includes most of the issues of the dialogue held between the Government and the Bank. The new code does not make a clean break from the previous one. It is nothing more than the previous one with some qualitative adjustments to adequately address a number of issues that necessitated improvements pending far-reaching structural reforms. These include: (a) the definition of conditions for the participation of public enterprises in public procurement; (b) the transfer to the Directorate of Public Procurement (DMP) to ensure greater efficiency of the responsibility of issuing authorizations for the use of derogatory regimes, initially entrusted to the Minister in charge of public procurement; (c) the establishment of a legal framework for preliminary review procedures in public procurement; etc. The most recent assessment of Côte d’Ivoire’s national procurement system focused on the Public Procurement Code that was repealed on 1 January 2020. This assessment was conducted as part of the BPAR<sup>4</sup> drafting process in 2018 and was used on several occasions, notably for the preparation of the CSP 2018-2020 (see details of the review of the NPS in Section A of Annex 7 of the CSP 2018-2022). According to the Bank’s assessment, the overall risk level of the national procurement system in force until 1 January 2020 was considered “**moderate.**”

Despite this moderate risk level and the recent improvements introduced in the new code of July 2019, the Government has undertaken, with the support of interested partners (within the framework of PARES), to conduct a structural and in-depth assessment of the system using the new MAPS II methodology with a view to improving the system on a permanent basis. This assessment, which was initiated in 2022 with Bank support, will enable the country to implement other qualitative, in-depth reforms.

<sup>4</sup> Bank Procurement Assessment Report (BPAR).

The update of the national procurement system including the improvement of some of the aspects identified in the previous code carried out during this budget support operation is presented below per pillar of OECD Methodology for Assessment of National Procurement Systems (MAPS).

### **Summary of Findings and Conclusions on Risk Factors Associated with NPS Use**

**Pillar I – Legal and Regulatory Framework:** the NPS legal and regulatory framework, particularly Ordinance No. 2019-679 of 24 July 2019 instituting the Public Procurement Code and its various implementing instruments, is deemed satisfactory but raises the following issues: (i) failure to update the various implementing instruments of the Public Procurement Code adopted in July 2019, obliging the various public procurement actors to continue to use the implementing instruments of the previous Public Procurement Code; (ii) postponement of the date for opening bids for contracts awarded through the prequalification and restricted bidding methods if at least three bids are not received by the bid opening date; and (iii) absence of a regulatory mechanism formalizing the use of the simplified standard BDs for goods, works and various non-complex services prepared by the DMP. Considering these discrepancies, the risk level for Pillar I is deemed “**moderate.**” The review of Pillar I seeks to ensure the existence of transparent, fair and competitive procurement policies and procedures, and to ascertain the availability and quality of procurement regulations and documents.

**Pillar II – Institutional Framework and Management Capacity:** overall, the public procurement institutional framework is functional with adequate separation of the contracting, control and regulation functions. The institutional framework generally respects the spirit of separation of management, control and regulation advocated by the WAEMU Directives. Management is entrusted to the Contracting Authorities. Control of public procurement is devolved to the Directorate of Public Procurement (DMP) and the Procurement Units (CPM). All duties mentioned in sub-indicator 5b as well as the conduct of annual public procurement audits are entrusted to the ANRMP in its capacity as a regulator. Since the purpose of the review of this pillar is to ensure that responsibilities are clearly defined and separated to avoid the risk of conflict of interest or competence in the aforementioned functions, the level of risk associated with the institutional framework is considered “**low.**”

**Pillar III – Public Procurement Operations and Market Practices:** the public procurement sector is fully functional and globally acceptable, but it needs to be improved regarding the following aspects: (i) exceeding the single tender target set by WAEMU; and (ii) absence of incentive clauses in contracts to reduce contract periods or seek better quality of services. It is therefore necessary to refer to Decree No. 2018-358 of 29 March 2018 laying down the rules for PPP contracts which states that its provisions, as well as those of the Public Procurement Code that are not in conflict with it, apply to the award of PPP contracts. Thus, disputes are resolved by the ANRMP, in accordance with the provisions of the Public Contracts Code, and the DMP does not take part in the control process. The National PPP Steering Committee (CNP-PPP) is responsible for the control function. This control mechanism is similar to the one established by the Public Procurement Code and does not help to streamline public procurement bodies. Given the weaknesses identified above, the level of risk for Pillar III is considered “**moderate.**”



**Pillar IV – Accountability, Integrity and Transparency:** overall, the integrity of the system is deemed satisfactory. The legal framework clearly defines the policies and procedures for external audit, internal control and procurement audit. Regarding external audits, the Audit Office, the supreme public finance control body, has “jurisdictional and control authority” over public finance management. Concerning internal control, the DMP and CPMs oversee the implementation of the public procurement procedure, without prejudice to the intervention of other State control bodies, particularly the Financial Controller and the General State Inspectorate. The ANRMP conducts independent procurement system audits on a regular basis. However, the DMP does not regularly assess the risks associated with the implementation of simplified expenditure contracts, which are awarded under the responsibility of the contracting authority, without its ex-ante control. This is especially true given that the quarterly ex-poste controls (cf. Article 14 of Decree No. 2021-909 of 22 December 2021 laying down the terms and conditions for the execution of budgetary appropriations within the framework of the procedures provided for by the Public Procurement Code) which are provided for in respect of this

expenditure are ineffective. Considering the shortcomings noted, the risk under Pillar IV is considered **“moderate.”**

## ANNEX D: Bank Group's Ongoing Projects Portfolio in Côte d'Ivoire - 31 May 2022

### 1. NATIONAL PROJECTS

31/5/2022

| Sector/Operation   |   | Approval Date                       | Amount Approved (UAM) | Amount Disbursed (UAM) | Disburs. Rate           | Closure Date                           | Average Age |
|--|---|-------------------------------------|-----------------------|------------------------|-------------------------|--|-------------|
|  <b>ENERGY</b>      |   |                                     |                       |                        |                         |  |             |
| 1  | Power Transmission and Distribution Grid Reinforcement Project (PRETD) - AfDB                             | 16-Nov-16                           | 109.5                 | 50.1                   | 45.7%                   | 31-Dec-24                              | 5.5         |
| 2  | Project to Improve Access to Electricity in Rural Areas (PAEMIR) - AfDB                                   | 07-Nov-18                           | 33.6                  | 16.0                   | 47.7%                   | 31-Dec-22                              | 3.6         |
| 3  | Project to Strengthen and Extend Electrical Networks in Peri-urban and Rural Areas (PROSER) - AfDB        | 25-March-20                         | 49.6                  | 4.5                    | 9.0%                    | 31-Marh-24                             | 2.2         |
| <b>Sub-total</b>   |   |                                     | <b>192.7</b>          | <b>70.6</b>            | <b>36.6%</b>            |  | <b>3.8</b>  |
|  <b>AGRICULTURE</b> |   |                                     |                       |                        |                         |  |             |
| 4  | Belier Region Agro-Industrial Pole Project (2PAI-BELIER)<br>AfDB<br>ADF (Loan)<br>ADF (Grant)             | 25-Jan-17<br>25-Jan-17<br>25-Jan-17 | 51.3<br>26.0<br>3.4   | 25.7<br>6.8<br>1.      | 50.1%<br>26.1%<br>43.8% | 30-June-24<br>30-June-24<br>30-June-24 | 5.3         |
| 5  | Value Chains Development Project in Indénié-Djuablin Region (PDC-ID) (PDC-ID) - NTF                       | 21-Oct-16                           | 4.0                   | 1.3                    | 33.0%                   | 31-Dec.22                              | 5.6         |
| 6  | Project to Improve the Livelihoods of Smallholders and Women in the N'zi Region (PREMOPEF) - ADF<br>GAFPS | 11-Nov-20<br>11-Nov-20              | 2.0<br>8.9            | 0.0<br>0.0             | 0.0%<br>0.0%            | 31-Dec-24<br>31-Dec-24                 | 1.6         |
| 7  | PPF- Enable Youth Cote d'Ivoire   | 7-Jul-21                            | 1.0                   | 0.8                    | 78.1%                   | 31-Dec-20                              | 0.9         |
| 8  | PPF-Blue Economy Development Project  | 9-Aug-21                            | 1.0                   | 0.0                    | 0.0%                    | 31-Dec-23                              | 0.8         |
| 9  | Agro-Industrial Pole Project in the North (2PAI-Nord)<br>AfDB<br>ADF<br>AGTF                              | 18-Nov-21<br>18-Nov-21<br>18-Nov-21 | 33.4<br>10.0<br>26.7  | 0.0<br>0.0<br>0.0      | 0.0%<br>0.0%<br>0.0%    | 31-Dec-25<br>31-Dec-25<br>31-Dec-25    | 0.5         |
| 10   | PPF- Study on the Preparation of an Agro-Industrial Pole in the North-East Region                         | 8-March-22                          | 1.2                   | 0.0                    | 0.0%                    | 31-Dec.22                              | 0.2         |
| <b>Sub-total</b>   |   |                                     | <b>168.9</b>          | <b>36.1</b>            | <b>21.4%</b>            |  | <b>2.1</b>  |

## TRANSPORT

|                  |   |                                  |                     |                    |                         |                                     |            |
|------------------|---|----------------------------------|---------------------|--------------------|-------------------------|-------------------------------------|------------|
| 11               | Abidjan Urban Transport Project (PTUA) - AfDB<br>GEF  | 16-Dec-16<br>16-Dec-16           | 188.8<br>5.3        | 65.4<br>0.3        | 34.7%<br>4.9%           | 31-Dec-23<br>31-Dec-23              | 5.5        |
| 12               | Abidjan Urban Transport Project (PTUA) - Phase 2 - AfDB   | 16-Oct-18                        | 261.8               | 61.9               | 23.7%                   | 31-Dec-23                           | 3.6        |
| 13               | Air Côte d'Ivoire Expansion and Modernization Project - AfDB<br>ADF (Guarantee)<br>ADF (Loan)             | 8-Nov-17<br>8-Nov-17<br>8-Nov-17 | 40.7<br>13.6<br>3.6 | 40.7<br>0.0<br>1.4 | 100.0%<br>0.0%<br>39.9% | 31-Dec-23<br>31-Dec-23<br>31-Dec-23 | 4.6        |
| 14               | Project to Upgrade Access Roads to Border Areas (Phase1-<br>Bondoukou-Soko-Sampa) -<br>ADF (Loan)<br>AfDB | 7-Dec-18<br>7-Dec-18             | 11.0<br>8.3         | 0.1<br>0.0         | 0.5%<br>0.0%            | 31-May-23<br>31-May-23              | 3.5        |
| <b>Sub-total</b> |   |                                  | <b>532.9</b>        | <b>169.7</b>       | <b>31.9%</b>            |                                     | <b>4.3</b> |



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## GOVERNANCE

|                  |  |  |                           |                          |                                   |  |            |
|------------------|--|--|---------------------------|--------------------------|-----------------------------------|--|------------|
| 15               | Industrial Sector Competitiveness Enhancement Support Project<br>(PARCSI) - ADF  | 30-Sept-15   | 10.0                      | 7.5                      | 74.5%                             | 31-Dec-22  | 6.7        |
| 16               | Economic and Financial Management Support Project (PAGEF)<br>ADF (Loan)<br>ADF (Grant)<br>TSF (Loan)<br>TSF (Grant)        | 30-March-17<br>30-March-17<br>30-March-17<br>30-March-17 | 6.6<br>0.2<br>9.6<br>0.03 | 4.1<br>0.1<br>5.6<br>0.0 | 62.4%<br>66.2%<br>58.1%<br>100.0% | 31-Dec-22<br>31-Dec-22<br>31-Dec-22<br>31-Dec-22 | 5.2        |
| 17               | Cocoa Sector Recovery Support Project - ADF  | 11-Dec-18  | 5.0                       | 0.2                      | 3.4%                              | 30-Sept-23                                       | 3.5        |
| 18               | Economic and Social Reform Support Programme - Phase 2 -<br>AfDB   | 19-Nov-21  | 24.0                      | 24.0                     | 100.0%                            | 31-Dec-22  | 0.5        |
| 19               | Pilot Support Project for Mobilization of Municipal Revenue<br>(PAMREC) - ADF  | 26-Oct-21  | 3.0                       | 0.0                      | 0.0%                              | 31-Dec-24  | 0.6        |
| 20               | Support Project for the Implementation of the Inclusive Service<br>Delivery Development Programme (PAME/PDSI) - ADF (Loan) | 8-Nov-19   | 9.4                       | 5.9                      | 62.3%                             | 30-June-23                                       | 2.6        |
| 21               | Industrial Services Improvement Project in Côte d'Ivoire (PASI-<br>CI) - TSF-MIC   | 30-Nov-20  | 0.3                       | 0.0                      | 0.0%                              | 31-Dec-22  | 1.5        |
| 22               | Business Climate Improvement Support Programme – ADF   | 24-Jan-22  | 10.0                      | 0.0                      | 0.00%                             | 31-Dec-24  | 0.3        |
| <b>Sub-total</b> |  |  | <b>78.1</b>               | <b>47.3</b>              | <b>60.6%</b>                      |  | <b>2.6</b> |



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## WATER & SANITATION

|                  |   |            |             |            |             |            |            |
|------------------|---|------------|-------------|------------|-------------|------------|------------|
| 23               | Improvement of Non-collective Sanitation Services through Public-Private Partnership (PASAAU) - AWF           | 4-April-19 | 0.7         | 0.03       | 4,0%        | 30-June-23 | 3.2        |
| 24               | Project to Improve Sanitation and the Living Environment in the Autonomous District of Abidjan (PAACA) - AfDB | 15-Sept-21 | 38.5        | 0.0        | 0,0%        | 31-Dec-25  | 0.7        |
| <b>Sub-total</b> |   |            | <b>39.2</b> | <b>0.0</b> | <b>0.1%</b> |            | <b>1.9</b> |



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## SOCIAL

|                  |  |           |               |              |              |           |            |
|------------------|--|-----------|---------------|--------------|--------------|-----------|------------|
| 25               | Government Social Programme Support Project (PA-PSGOUV) - AfDB | 16-Dec-19 | 89.1          | 1.0          | 1.2%         | 30-Dec-23 | 2.5        |
| <b>Sub-total</b> |  |           | <b>89.1</b>   | <b>1.0</b>   | <b>1.17%</b> |           | <b>2.5</b> |
| <b>TOTAL</b>     |  |           | <b>1100.8</b> | <b>324.8</b> | <b>29.5%</b> |           | <b>2.8</b> |

## 2. REGIONAL PROJECTS

| Sector/Operation | Approval Date | Amount Approved (UAM) | Amount Disbursed (UAM) | Disburs. Rate | Closure Date | Average Age |
|------------------|---------------|-----------------------|------------------------|---------------|--------------|-------------|
|------------------|---------------|-----------------------|------------------------|---------------|--------------|-------------|



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## AGRICULTURE/ENVIRONMENT

|                  |   |          |             |            |              |           |            |
|------------------|---|----------|-------------|------------|--------------|-----------|------------|
| 1                | Programme for Integrated Development and Adaptation to Climate Change in the Niger Basin (PIDAC/BN) - ADF | 7-Nov-18 | 5.0         | 0.2        | 3.2%         | 31-Dec-25 | 3.6        |
|                  | EU-PAGODA - Grant   | 7-Nov-18 | 1.1         | 0.1        | 12.7%        | 31-Dec-25 |            |
|                  | Green Climate Fund (GCF) - Grant  | 7-Nov-18 | 3.8         | 0.0        | 0.0%         | 31-Dec-25 |            |
|                  | Green Climate Fund (GCF) - Loan   | 7-Nov-18 | 0.8         | 0.0        | 0.0%         | 31-Dec-25 |            |
|                  | Strategic Climate Fund (SCF) - Grant  | 7-Nov-18 | 2.0         | 0.1        | 5.8%         | 31-Dec-25 |            |
|                  | Strategic Climate Fund (SCF) - Loan   | 7-Nov-18 | 4.7         | 0.1        | 3.0%         | 31-Dec-25 |            |
| <b>Sub-total</b> |   |          | <b>17.4</b> | <b>0.6</b> | <b>3.21%</b> |           | <b>3.6</b> |



Light up & power Africa  
Éclairer & électrifier l'Afrique

## ENERGY

|                  |   |          |             |             |              |           |            |
|------------------|---|----------|-------------|-------------|--------------|-----------|------------|
| 2                | Côte D'Ivoire, Liberia, Sierra Leone and Guinea Electricity Networks Interconnection (CLSG) - ADF | 6-Nov-13 | 26.2        | 21.4        | 81.9%        | 31-Dec-22 | 8.6        |
| 3                | CLSG – Rural Electrification Project - ADF  | 6-Nov-13 | 6.1         | 4.3         | 69.8%        | 31-Dec-22 | 8.6        |
| <b>Sub-total</b> |   |          | <b>32.3</b> | <b>25.7</b> | <b>79.6%</b> |           | <b>8.6</b> |



Integrate Africa  
Intégrer l'Afrique

| TRANSPORT |  |            |              |              |              |           |            |
|-----------|--|------------|--------------|--------------|--------------|-----------|------------|
| 4         | Mano River Union Road Development and Transport Facilitation Programme (PARFT/UFM) - ADF (Initial Loan)                                  | 18-Dec-14  | 42.6         | 21.3         | 49.9%        | 31-Dec-23 | 7.5        |
|           | ADF (TSF)  | 18-Dec-14  | 22.8         | 11.4         | 49.9%        | 31-Dec-23 |            |
|           | ADF (Supplemental Loan)  | 3-June-15  | 31.2         | 15.6         | 49.9%        | 31-Dec-23 | 7.0        |
| 5         | Road Development and Transport Facilitation Project on The Bamako-Zantiebougou-Boundiali-San Pedro Corridor-Boundiali-Kani 6 Road - AfDB | 26-Nov-15  | 40.0         | 32.4         | 81.2%        | 31-May-23 | 6.5        |
|           | ADF  | 26-Nov-15  | 30.0         | 16.6         | 55.5%        | 31-May-23 |            |
|           | EU-PAGODA (Grant)  | 27-June-18 | 10.2         | 4.4          | 43.0%        | 31-May-23 | 3.9        |
| 6         | Abidjan-Lagos Corridor Highway Development Project Study-Côte D'Ivoire - ADF   | 21-Sept-16 | 1.0          | 0.6          | 60.8%        | 31-Dec-24 | 5.7        |
|           | <b>Sub-total</b>   |            | <b>177.8</b> | <b>102.3</b> | <b>57.5%</b> |           | <b>6.1</b> |



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Améliorer la qualité de vie des populations en Afrique

| SOCIAL       |  |           |              |              |              |           |            |
|--------------|--|-----------|--------------|--------------|--------------|-----------|------------|
| 7            | Coding for Employment Programme (Rockefeller Foundation) | 29-May-18 | 0.3          | 0.1          | 35.7%        | 28-May-23 | 4.0        |
|              | <b>Sub-total</b>   |           | <b>0.3</b>   | <b>0.1</b>   | <b>35.7%</b> |           | <b>4.0</b> |
| <b>TOTAL</b> |  |           | <b>227.8</b> | <b>128.7</b> | <b>56.5%</b> |           | <b>6.1</b> |

### 3. PRIVATE SECTOR OPERATIONS

| Sector/Operation | Approval Date | Amount Approved (UAM) | Amount Disbursed (UAM) | Disburs. Rate | Closure Date | Average Age |
|------------------|---------------|-----------------------|------------------------|---------------|--------------|-------------|
|------------------|---------------|-----------------------|------------------------|---------------|--------------|-------------|



Feed Africa  
Nourir l'Afrique

| AGRICULTURE |   |             |              |              |             |             |            |
|-------------|---|-------------|--------------|--------------|-------------|-------------|------------|
| 1           | SUCDEN – Cocoa - Commodity Financing Mechanism - AfDB                                   | 4-June-19   | 79.5         | 79.5         | 100%        | 30 Sept. 22 | 3.0        |
|             | Phase 2   |             |              |              |             |             |            |
|             | Phase 3   | 4-June-19   | 79.5         | 79.5         | 100%        | 30 Sept. 22 |            |
| 2           | Multinational-Société Internationale de Plantations d'Hévéas (SIPH) (CI & Ghana) - AfDB | 10-March-21 | 9.9          | 9.9          | 100%        | 31-Dec-23   | 1.2        |
|             | <b>Sub-total</b>  |             | <b>168.9</b> | <b>168.9</b> | <b>100%</b> |             | <b>2.1</b> |



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### ENERGY

|   |   |            |              |              |              |             |            |
|---|---|------------|--------------|--------------|--------------|-------------|------------|
| 3 | CIPREL Power Plant Expansion Project - AfDB                                     | 24-Jul-13  | 39.4         | 39.4         | 100.0%       | 13-Aug-28   | 8.9        |
|   | PSCEF   | 4-Nov-15   | 2.6          | 0.0          | 0.0%         | 13-Aug-28   | 6.6        |
| 4 | AZITO Power Plant Expansion Project - AfDB                                      | 19-Dec-12  | 26.9         | 26.9         | 100.0%       | 27-Feb-23   | 9.5        |
| 5 | 44MW Singrobo-Ahouaty Hydropower Project - AfDB                                 | 6-Dec-17   | 31.8         | 0.0          | 0.0%         | 30-April-23 | 4.5        |
|   | 200130021281  | 28-Feb-21  | 11.9         | 0.0          | 0.0%         | 30-April-23 | 1.3        |
| 6 | Zola Energy Côte d'Ivoire Pay-As-You-Go Solar Home Systems - AfDB               | 13-June-18 | 4.1          | 0.0          | 0.0%         | 1-Jan-23    | 4.0        |
| 7 | Azito IV Gas-Fired Combined Cycle Power Plant Expansion Project - AfDB          | 4-June-19  | 27.0         | 22.1         | 81.7%        | 31-Dec-35   | 3.0        |
| 8 | Atinkou (CIPREL V) 390 MW Gas-Fired Combined Cycle Power Plant (CIPRELV) – AfDB | 4-June-19  | 64.4         | 33.6         | 52.2%        | 1-Jan-23    | 3.0        |
|   | <b>Sub-total</b>  |            | <b>208.1</b> | <b>122.0</b> | <b>58.6%</b> |             | <b>5.1</b> |



### TRANSPORT

|    |  |            |             |             |              |            |            |
|----|--|------------|-------------|-------------|--------------|------------|------------|
| 9  | Air Côte d'Ivoire Project (Private) - AfDB | 8-Nov-17   | 37.1        | 0.0         | 0%           | 19-Jan-23  | 4.6        |
| 10 | Henry Konan Bédié Toll Bridge - AfDB       | 1-March-12 | 44.1        | 44.1        | 100%         | 28-June-27 | 10.3       |
|    | TSF  | 4-Nov-15   | 2.1         | 0.0         | 0%           | 28-June-27 | 6.6        |
| 11 | Riviera Toll Bridge Stand By - AfDB        | 1-March-12 | 2.0         | 2.0         | 100%         | 28-June-27 | 10.3       |
|    | TSF  | 4-Nov-15   | 0.2         | 0.0         | 0%           | 28-June-27 | 6.6        |
|    | <b>Sub-total</b>                           |            | <b>85.5</b> | <b>46.1</b> | <b>53.9%</b> |            | <b>7.6</b> |



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### FINANCE

|    |  |            |               |              |              |           |            |
|----|--|------------|---------------|--------------|--------------|-----------|------------|
| 12 | Line of Credit to NSIA Bank Côte d'Ivoire - AfDB | 22-Sept-21 | 7.9           | 0.0          | 0%           | 31-Dec-25 | 0.7        |
|    | 200130021384                                     | 22-Sept-21 | 19.9          | 0.0          | 0%           | 31-Dec-25 |            |
|    | 200140001552                                     | 22-Sept-21 | 11.9          | 0.0          | 0%           | 31-Dec-25 |            |
|    | <b>Sub-total</b>                                 |            | <b>39.7</b>   | <b>0.0</b>   | <b>0%</b>    |           | <b>0.7</b> |
|    | <b>TOTAL</b>                                     |            | <b>502.2</b>  | <b>336.9</b> | <b>67.1%</b> |           | <b>5.2</b> |
|    | <b>GRAND TOTAL (1+2+3)</b>                       |            | <b>1830.8</b> | <b>790.4</b> | <b>43.2%</b> |           | <b>3.8</b> |



## ANNEX E: LETTER OF DEVELOPMENT POLICY

**MINISTRY OF PLANNING AND  
DEVELOPMENT**

**THE MINISTER**



**REPUBLIC OF COTE D'IVOIRE**

**Unity-Discipline-Labour**

Abidjan,

/Ref.: \_\_\_\_\_/MPD/CAB-00/DGPLP/CZM-Kmi

**To  
The President of the African Development  
Bank (AfDB)**

**ABIDJAN**

**Subject: Letter of Development Policy**

**Mr President,**

1. The vitality of the Ivorian economy during the 2016-2019 period, evidenced by an average growth rate of 6.9%, was impeded by the outbreak of the coronavirus pandemic (COVID-19). Despite this backdrop, Côte d'Ivoire's economy has remained resilient, with growth estimated at 2% in 2020 owing to stable macroeconomic fundamentals and effective pandemic response policies. Thus, between 2016 and 2019, per capita income increased by 13.5%, propelling the country into the lower middle-income country category, with a per capita income surpassing that of Nigeria and of Ghana in 2019.
2. The health crisis has had a negative impact on fiscal policy. The budget deficit worsened to 5.6% of GDP in 2020, up from 2.3% in 2019. In 2020, inflation went up (2.4%), but was contained below the WAEMU standard of 3%, while the debt ratio stood at 47.6% of GDP. Despite COVID-19, Côte d'Ivoire complied with three of the four first-tier WAEMU convergence criteria by end-2020.
3. The current account deficit was contained at less than 4% of GDP throughout the period thanks to a trade surplus. This performance is mainly due to the successful implementation of the National Development Plan (PND 2016-2020) and the initiation of major structural reforms in key economic sectors under the Economic and Financial Programme "FEC-MEDC 2016-2019." The business climate has been improving steadily. Côte d'Ivoire gained 32 spots, occupying the 110<sup>th</sup> position in the World Bank's Doing Business ranking between June 2015 and June 2019. This resulted in an increase in private investment to 15.8% of GDP in 2020, up from 14.9% in 2017, particularly in strategic sectors (agro-industries, energy, mining, transport, construction and telecommunications). Furthermore, the banking system was further strengthened by setting the solvency ratio at 12.4% at end-December 2020, up from 10.5% at end-2019, above the minimum West African Monetary Union (WAMU) prudential ratio of 8.625%.

4. **The Government has pursued efforts to strengthen governance and achieve more inclusive growth.** In 2019, the country obtained a Country Policy and Institutional Assessment (CPIA) score of 3.5 on a scale of 1 to 6 for the quality of its economic management, structural policies, social inclusion and equity policies, and public sector management and institutions. For the record, this score was 2.7 in 2010. On the social front, poverty in Côte d'Ivoire has been decreasing steadily since 2016, a trend that began at the start of the decade. As a result, the poverty rate fell from 44.4% in 2015 to 39.4% in 2018. The rate was 55.0% in 2011.
5. Access to electricity and drinking water has improved thanks to investments in basic services, benefiting households in all income brackets. In 2019, about 80% of Ivorian households had access to electricity, that is a 20% increase compared with 2015 and 54% compared with 2011. The electricity access rate for the 40% of households in the lowest income quintile, which was 49.6% in 2015, increased by 21 percentage points. Furthermore, investments in health infrastructure benefit the poor. The percentage of households living within a 5-kilometre radius of a health centre increased significantly during the 2015-2018 period. Access to health facilities among the poorest households increased by 37 percentage points to reach 95% of the population, up from 58% in 2015. Over the 2016-2019 period, about 2.85 million jobs were created, 424,441 of them in the formal sector.
6. **The economy rebounded in 2021, with a growth rate estimated at about 7.4%.** This trend was due to factors such as: (i) global economic recovery which led to an increase in demand for raw materials and, therefore, their prices; (ii) the continuation of the Economic, Social and Humanitarian Support Plan; (iii) the continuation of the Health Response Plan; (iv) the relaxation of COVID-19 control measures; (v) the pursuance of a flexible monetary policy; (vi) the buoyancy of household consumption; and most importantly (vii) the improvement of the business climate. Inflation rose to 4.2% due to external and supply shocks. The overall fiscal deficit was 5.0% of GDP (less than expected), owing to improvements in customs revenue collection and tax administration, which offset growing security spending.
7. **Furthermore, the Government endeavoured to maintain a favourable socio-political climate by organizing legislative elections in March 2021 in a peaceful atmosphere with a massive participation of opposition parties, and initiating political dialogue with key political actors and leaders of civil society organizations.** In this connection, the Government has taken measures to facilitate the return of many opposition leaders and personalities. Furthermore, consultations are ongoing to pursue the reform of the Independent Electoral Commission (CEI) with a view to readjusting electoral constituencies.
8. **The medium-term economic outlook is positive, with growth rates expected to reach 6.9% in 2022 and 7.2% on average per annum during the 2023-2025 period, thanks to the implementation of the PND 2021-2025 and global economic recovery, despite the Ukraine crisis.** The Government will continue to contribute to efforts to combat climate change, limit the impact of price increases on the well-being of the people, and improve the Human Capital Index. The budget deficit is expected to widen from 5.0% of GDP in 2021 to 5.7% of GDP in 2022 because of the adverse effects of the Ukraine crisis on oil revenue. The deficit is expected to drop to the community standard of 3% from 2025. Thus, fiscal policy aims to strengthen domestic revenue mobilization and control operating expenditure in the medium term to free up budgetary space for increased public investment. The current account deficit is expected to drop from 5.6% of GDP in 2022 to 4.0% of GDP in 2025 due to an improvement in the balance of goods and services surplus.
9. The Government will also continue to implement structural reforms in areas such as public finance management, financial sector development, improvement of the business climate, and governance. The economy is also expected to benefit from the implementation of the National Development Plan (PND 2021-2025) whose six pillars are: (i) **acceleration of the structural transformation of**

**the economy through industrialization and the development of industrial clusters; (ii) human capital development and employment promotion; (iii) private sector development and investment; (iv) strengthening inclusion, national solidarity and social action; (v) balanced regional development, environmental conservation, and fight against climate change; and (vi) strengthening governance, modernization of the State, and cultural transformation.**

- 10.** The strengthening of social policy will be at the centre of Government action. To this end, the implementation of the Social Programme will be continued through the PSGouv2. The main thrust areas are: (i) fight against fragility in northern border areas; (ii) improvement of access to and retention in the education/training system; (iii) improvement of household living conditions; (iv) professional integration of young people; and (v) social coverage of disadvantaged groups.

Please accept, **Mr President**, the assurances of my highest consideration.

## **ANNEX F: Note on the Seed System in Côte d'Ivoire**

Agricultural seeds, which means grains and any plant material used to produce new plants, is a vital input for the enhancement of productivity and production, contributing to a 40% increase in yields. Seed security is a challenge to agricultural transformation in Côte d'Ivoire, as it is in many other African countries.

The seed sub-sector in Côte d'Ivoire is characterized by the co-existence of two seed supply systems: (i) the formal system governed by the regulations in force, which produces certified seeds and provides about 20% of the seeds in Côte d'Ivoire, and (ii) the informal system in which the seeds produced do not fully comply with the regulation in force, which accounts for about 80% of seeds produced in Côte d'Ivoire.

Concerning cash crops, seed production and distribution is well structured and organized according crop sub-sector. Seed production and distribution objectives are incorporated into sub-sector development programmes (cotton, oil palm, rubber, coffee, cocoa, cashew, etc.). The National Agricultural Research Centre (CNRA) provides quality plant material to sub-sectors at the request of professional organizations and sub-sector management entities through projects and agreements.

Regarding food crops, the organization of seed production and distribution is not structured, with barely 10% of certified seed needs met.

Despite the significant efforts made by the Government over the past decades, the national seed sector is ineffective in supporting agricultural modernization. The seed sub-sector is governed by WAEMU (No. 03/2009/CM/UEMOA) and ECOWAS (No. C/REG.3/05/2008) instruments relating to seeds. In line with these regulations, national instruments (decrees and orders) relating to the control, production, marketing and management bodies have been adopted. However, the implementation of these instruments continues to impede the development of this sub-sector.

A sustained and efficient seed sub-sector is necessary to significantly increase the contribution of the country's agricultural sector to the national economy and ensure food security through agricultural transformation.

The analysis of models in the seed sector in Côte d'Ivoire identified three business models, namely:

- the seedling producer model mainly used in the cultivation of perennial crops. Seedling producers are directly linked to producers. However, though nursery farmers are trained, seedlings are not certified, posing the risk of introduction of plant diseases;
- the Rice Sub-sector Development Agency (ADERIZ) model, which was developed in the rice sub-sector, involves the production of rice seeds and the processing of paddy into white rice. It should be noted, however, that this model is not self-sufficient as it has no firm contract with buyers at the beginning of the cycle.
- the ANADER model is a seed distribution model based on a platform of regular customers. However, complementary services (credit, market access, etc.) are not provided, resulting in unfair competition between ANADER and private seed distributors.

The development of an innovative and sustainable seed system model in Côte d'Ivoire should focus on the following aspects: (i) the existence of a market; (ii) the professionalization of seed trades; (iii) the provision of support services; (iv) system quality assurance; (v) the organization of actors into inter-professions; (vi) an operational and efficient seed administration; (vii) enhanced research capacity; (viii) an adequate seed information system; (ix) availability of laboratories that meet international standards; (x) packaging, storage and conservation facilities; (xi) a functional policy framework; and (xii) the establishment of a seed sub-sector fund.

The current seed distribution system has limitations which calls for the implementation of several measures to address them, namely:

- provide training for distributors to improve their technical capacity;
- increase the quantities of breeder and foundation seeds produced to meet the shortfall in seed production;
- ensure the construction of appropriate storage facilities to address the lack of proper storage facilities and thus ensure the availability of high-quality seeds all year round;
- increase the production of certified seeds to alleviate difficulties in gaining access to certified seeds;
- enhance the competitiveness of seed production to reduce the high cost of providing seeds.

The review of existing regulations and institutional arrangements prompted the Government to revise its seed sub-sector strategies and policies to better address the new challenges of achieving national food sovereignty in a changing global context.

## **ANNEX G: Note on the Partnership between TAAT and MEMINADER**

During the implementation of the Emergency Programme, the Ministry of State, Ministry of Agriculture and Rural Development (MEMINADER) will receive technical assistance from the *Technologies for African Agricultural Transformation (TAAT)* programme for the integration of innovative agricultural technologies.

TAAT is a flagship programme of the Bank's "Feed Africa" strategy tasked with disseminating proven and efficient agricultural technologies developed over several decades of research and placing them at the disposal of more than 40 million farmers by 2025.

TAAT's technical assistance to the Government of Côte d'Ivoire under the African Emergency Food Production Facility will consist in:

- (i) identifying seed supply gaps for the coming seasons and informing the country about certified seed sources;
- (ii) providing technical specifications for the supply and quality assurance of certified seeds;
- (iii) providing Côte d'Ivoire with high quality climate-resilient seed varieties adaptable to the country's agro-ecological zones;
- (iv) organizing, training and promoting entrepreneurship among youth and women's groups to encourage them to engage in various agribusinesses throughout the value chain (input supply, production, processing and marketing) to create jobs and generate income;
- (v) contributing to developing the seed roadmap and upgrading the skills of the seed technicians of private enterprises and national certified first-generation climate-resilient seed production and management programmes;
- (vi) establishing functional innovation platforms at strategic (national and regional) and core operational levels to develop proven technologies and connect farmers to input and output markets;
- (vii) developing training guides and providing practical training on best farming practices (BFP) for extension workers, SMEs and lead farmers;
- (viii) strengthening existing ICT-based digital platforms, including the electronic registration of beneficiary farmers.

TAAT will also assist the Bank in coordinating, monitoring and reporting on the implementation of the emergency programme.

## **ANNEX H: Note on the Fertilizer Distribution System in Côte d'Ivoire**

Côte d'Ivoire has an open and competitive fertilizer market. The number of sector players is increasing steadily to meet growing demand for fertilizers created by new industrial plantations (cocoa, rubber, oil palm, etc.).

Four main cash crops, namely cotton, cocoa, oil palm and sugar cane, account for 83% of fertilizer consumption. Food crops account for only 10% of the fertilizer market, with maize accounting for 5% (NPK + Urea) and rice with an estimated consumption of 4% (NPK + Urea).

The fertilizer sub-sector is governed by Regulation C/REG.13/12/12 relating to fertilizer quality control in the ECOWAS space, which was published in Côte d'Ivoire's Official Gazette on xxx. All fertilizers on the national territory must be certified. The certification process involves conducting laboratory analysis to ensure the conformity of the formula and to determine its non-toxicity. It also entails conducting bio-efficiency tests in one or two crop cycles to assess the value added of the fertilizer to be certified, compared with existing test samples on the local market, as well as its non-toxicity on the soil and plants. Depending on the type of activity, the operator must first obtain approval from MEMINADER. There are five types of approval: approval as formulator or manufacturer, approval as importer, approval as exporter, approval as distributor, and approval as retailer. Approvals are issued for certified fertilizers and valid for a three-year renewable period. A prior import authorization is required for all fertilizer imports. After this first level of control, inspections are conducted at any level and location. However, it should be noted that the Decree laying down conditions for the application of Regulation C/REG.13/12/12 relating to fertilizer quality control in the ECOWAS space will soon enter into force.

It is also worth noting that inorganic fertilizers are not produced in Côte d'Ivoire. Most fertilizers are imported in bulk and used as raw material to produce mixed fertilizers intended for the Ivorian and sub-regional markets (particularly Burkina Faso and Mali). Mixed fertilizer volumes account for about three quarters of total annual imports. Thus, in 2021, complex NPK fertilizers for direct application accounted for 23% of imports. Five companies, namely AGRO WEST AFRICA, SEAP-CI, SEA INVEST, SOLEVO (ex LDC) and YARA, have invested in fertilizer mixing plants to produce various fertilizer formulations. All fertilizer mixing plants are in the southern part of the country (Abidjan and San Pedro). Organic fertilizer plants such as ELEPHANT VERT are increasingly being set up in Côte d'Ivoire.

In 2021, the quantity of fertilizers imported was 567 186 tonnes, 86 560 tonnes of it “re-exported”, while 36% of the fertilizer imports were registered during the first quarter of the year (205 720 tonnes). According to the crop calendar, peak demand for fertilizer is recorded in the second quarter of the year. The availability of fertilizers in the country during the first quarter of each year is therefore critical for meeting demand in a timely manner.

## **ANNEX I: Note on Private Sector Involvement in the Agricultural Sector in Côte d'Ivoire**

Agriculture contributes about 20% of Côte d'Ivoire's GDP (2017 estimates) and 64.8% of land is used for farming. The sector's development is one of the Government's priorities whose objective is to achieve food self-sufficiency in a country with an ever-growing population estimated at 27.5 million in July 2020.

The agricultural sector in Côte d'Ivoire has considerable potential for private enterprises providing machinery, seeds, fertilizers, irrigation and cropping systems, pre- and post-harvesting, processing, packaging and labelling, animal feed, spare parts, and a variety of services for the development and modernization of a sector that desperately needs to improve its productivity and profitability.

It should be noted that the vision for agricultural and rural development outlined in PNIA 2 is to create wealth that is shared by all rural actors, based on a modern market-oriented agriculture that primarily focuses on small producers and is environmentally friendly. The notion of "market-oriented agriculture" calls for private sector involvement.

Thus, to ensure the successful implementation of PNIA 2, it is necessary to encourage the integration of corporate needs to promote private sector participation and the development of agricultural sector entrepreneurship, particularly by setting up integrated agro-industrial poles or agro-poles.

To date, international companies operating in the Ivorian agricultural sector are more visible in the agro-industrial sub-sector oriented toward the cultivation of export crops (cocoa, coffee, oil palm, rubber, fruits, etc.) and less visible in the food crop production sub-sector other than rice. However, many initiatives have been launched across the country in recent years to promote entrepreneurship in economic sectors such as agriculture.

Specifically, the fertilizer sub-sector, Côte d'Ivoire has only one fertilizer production plant, Éléphant Vert Côte d'Ivoire, based in Adzopé. This plant carries out industrial composting. The other plants import fertilizer produced out of the country, before mixing for distribution in the local or sub-regional market. There are seven of these plants in total, all of which are in the southern part of the country. These are Agro West Africa, Sea Invest, SOLEVO, Yara Côte d'Ivoire, and Société d'Engrais d'Aménagement et de Phytosanitaire de Côte d'Ivoire (SEAP CI). Besides these major enterprises, there are other importers whose plants are not based in the country.

Regarding seed production, the private sector works in collaboration with the public sector. Local seed production is unable to meet demand. As a result, the country's regulations encourage various enterprises to invest in the sector.

To date, the presence of international companies in the Ivorian agricultural sector is more visible in the agro-industrial sector oriented towards export crops (cocoa, coffee, oil palm, rubber, fruits, etc.), but less visible in food production other than rice. However, in recent years, there has been a proliferation of initiatives at national level to promote entrepreneurship in sectors of the economy, including the agricultural sector.

Private sector intervention in fertiliser distribution:

There is only one fertiliser production plant in Côte d'Ivoire: Éléphant Vert Côte d'Ivoire, based in Adzopé. It makes industrial composting. The other factories import the fertiliser produced from outside, before blending it for the national or sub-regional market. There are seven in total, all based in the southern part of the country. These are Agro West Africa, Sea Invest, SOLEVO, Yara Côte d'Ivoire and Société d'Engrais d'Aménagement et de Phytosanitaire de Côte d'Ivoire (SEAP CI). Alongside these large companies, there are other importers whose factories are not located on national territory.



The main actors in the fertiliser sub-sector are private operators, consisting mainly of importers, formulators, wholesalers, retailers, professional agricultural organisations and farmers. In December 2018, the Constitutive General Assembly of the Association of Fertilizer Professionals in Côte d'Ivoire (APECI) was held.

The distribution of fertilisers as well as plant protection products is organised around 3 main distribution channels: calls for tender launched mainly for the industrial sectors (cotton, oil palm), bulk purchases by agro-industries, and direct distribution by private wholesalers and retailers to small farmers.

The lack of an efficient distribution network and marketing systems for fertilisers adapted to the needs of small-scale farmers, who are responsible for over 90% of agricultural production, is a major constraint.

On the other hand, organised sectors such as cotton, oil palm and rubber, distribute their fertilisers to producers themselves. These sectors are very well structured and have a good capacity to distribute fertiliser. At the level of the cotton sector, the fertiliser supply system is structured around the cotton companies, which provide fertiliser supplies, and the various professional agricultural organisations operating in their areas of coverage according to the administrative division adopted by the agricultural interprofessional organisation (INERCOTON) of the sector. This system is coordinated by the Conseil Coton Anacarde (CCA) and INTERCOTON throughout the cotton basin in Côte d'Ivoire.

Actions/activities recently undertaken by the government: In addition to private companies and professional organisations, state structures (ANADER, ADERIZ), various agricultural public investment projects (PIP) such as the 2PAI-ram, PURGA (1 and 2) contribute to the distribution of fertilisers. These interventions are temporary, given the duration of the implementation of the projects (PIP). To meet the need for fertilisers, better organisation of the private fertiliser sector remains a priority for the development of the agricultural sector in general.

At the institutional level, the creation of a central department within MEMINADER is envisaged, which will be in charge of seeds and fertilisers.

Several national and community texts have been adopted by the Government.

An approval procedure for operators in the sector is applied.

- The different types of approval of operators:

- Approval of manufacturer / formulator

- Importer approval

- Distributor approval

- Exporter approval

- Reseller approval

Approvals are issued for three years, on the advice of the Technical Committee (CNCE).

Tax reforms governing the import and distribution of fertilisers:

The Government has initiated discussions with private sector operators involved in the import and distribution of fertilisers with a view to reviewing the fiscal and customs taxes on fertiliser imports.

Private sector intervention in seed distribution:

The private sector is an essential link in seed multiplication using pre-basic and basic seed from research institutions (public sector). Seed multipliers receive support from the state, particularly through ongoing investment projects (2PAI Bélier...).

The actors concerned are private seed operators, mainly composed of cooperative companies, associations and private companies. They are in charge of the production and distribution of certified seeds or first and second generation commercial seeds (R1 and R2) or basic seeds (G4) for those who have the expertise.

National private seed operators are grouped in a National Seed Association, ANASEMCI. For the time being, their scope of action is limited as their main activities concern only rice and maize. They have a low production capacity, low technical skills (lack of their own seed technicians) and low storage and packaging capacity. Indeed, many of them do not have the technical capacity to produce seeds. The areas exploited are small and they have no infrastructure for storing and conditioning seeds.

ANASEMCI, which has thirteen regional associations, does not function properly and has no funds at its disposal because the regional associations do not pay contributions.

As a result, there is a shortage of commercial seed produced and a low acceptance rate during inspections (less than 50% of the seed produced is certified).

Among the distributors of imported seeds, essentially made up of representatives of foreign companies interested primarily in vegetable species (vegetables and market gardeners), the origins of the seeds marketed are not known. The marketing channels are not controlled. As a result, seeds of dubious quality are put on the market.

Organised sectors such as cotton, oil palm and rubber ensure the distribution of their seeds themselves. The sectors are very well structured and have a good capacity to produce and distribute seeds. At the level of the cotton sector, the seed supply system is articulated around the cotton companies which ensure the supply of seeds to the different professional agricultural organisations operating in their coverage areas according to the administrative division adopted by the agricultural inter-professional organisation (INERCOTON) of the said sector. This system is coordinated by the Conseil Coton Anacarde (CCA) and INTERCOTON throughout the cotton basin in Côte d'Ivoire.

Actions/activities recently undertaken by the government: Apart from private seed professionals, state structures (ANADER, ADERIZ), various agricultural public investment projects (PIP) such as 2PAI-ram, PURGA (1 and 2) and NGOs contribute to the production and distribution of seeds and ensure quality control by reinforcing the capacities of public services in charge of seed and seedling quality control. These interventions are temporary, taking into account the duration of project implementation (PIP). In order to meet the need for seeds, a better organisation of the private seed sector remains a priority for the development of the agricultural sector in general.

At the institutional level, the creation of a central department within MEMINADER is envisaged to ensure the control of seeds and seedlings, the updating of the national strategy for the development of the seed sector in Côte d'Ivoire.

As far as the regulation of the seed sub-sector is concerned, several national and community texts are taken by the Government.

## **ANNEXE J: Note on the Agricultural and Rural Sector Advisory Support System in Côte d'Ivoire**

For several decades, agricultural advisory services in Côte d'Ivoire have mainly focused on the dissemination of technical innovations to increase crop and livestock yields. The growing integration of production systems into the market economy calls for better understanding of the economic issues faced by farmers. These include access to inputs and equipment, access to agricultural credit, management of many income and cash flow needs, improvement of production marketing, climate change-related environmental issues and ecosystem conservation, social issues (promotion of gender equality, fight against the worst forms of child labour), health issues (community health and the nutritional quality of food), etc. As a result, rural actors' demand for services is no longer restricted to agricultural production techniques but includes a wide range of needs and issues.

To address these new challenges, many development projects and some agricultural advisory entities have opted for the implementation of comprehensive and integrated farmer advisory services. These advisory services include technical, economic, environmental, social, health and financial aspects of production to assist farmers in making the best decisions.

In Côte d'Ivoire, the National Rural Development Support Agency (ANADER), which is placed under the supervisory authority of the Ministry of Agriculture and Rural Development, is responsible for agricultural and rural advisory services. It is the lead agency at the national level. Its mission is to improve rural living conditions by professionalizing farmers and professional agricultural organizations, designing and implementing appropriate tools and approaches, and implementing appropriate programmes to ensure sustainable and controlled development. Its overall intervention strategy is based on its mission and makes use of its spatial organization, which spans the entire country. ANADER has a strong network across the country thanks to its regional offices and zones. Its intervention is based on a participatory and multi-institutional approach to agricultural counselling through a network of multi-actor partnerships, with the farmer at the centre of its action.

Besides ANADER, private entities also provide advisory support to producers. These include:

- the Bureau de Formation et de Conseil en Développement (BFCD) which seeks to build the technical and organizational capacity of village communities, farmers, stockbreeders, as well as enterprises and organizations providing support to farmers;
- the Association for the Development of Intensive Food Crops (ADCVI) which supports the promotion of sustainable local development, the establishment and farming of intensive food crop areas, marketing support, vocational training, the organization of food crop sub-sector actors, and the conduct of development research and action research in its domain.

ANADER provides support to 530 000 producers on average each year as part of its public sector activities. The agency also provides services to private actors (agro-industries) through agreements to support producers.

Non-governmental organizations (NGOs) and consultancies also provide agricultural extension and advisory support services.

## ANNEX K: Theory of Change

### Annex K: Theory of Change of the 2PAU / CAEFL - Côte d'Ivoire

GOAL: Reduce staple food product imports by increasing rice, maize and cassava production.

**OUTCOME 1: Access to seeds and fertilizers to boost cereal production has improved**

**OUTCOME 2: The resilience of the production system is strengthened**

Increasing access to seeds

Increasing access to fertilizers

Improving agricultural sector governance

Procurement and distribution of certified maize, rice and cassava seeds

Revision of the country's seed policy

To be completed or deleted

Procurement of certified fertilizers for maize, rice and cassava producers

Conduct of independent audit(s) covering all food crisis response and emergency expenditure

Supply of breeder seeds to seed multipliers through the CNRA and AFRICARICE

Extension of the digital platform for fertilizer distribution in Bélier Region

Implementing decrees of the Agricultural Framework Law relating to seeds and fertilizers signed and implemented

Publication of procurement plans and award of major contracts

Strengthening advisory support and farm field schools

Budgetary charges

Operationalization of the Central Directorate in charge of seed and fertilizer approval, certification and quality control

Assumptions

1. The supply of agricultural inputs on the world market is stable.
2. Climatic conditions are favourable.
3. Budgetary support credits are included in the State budget.

## ANNEX L: 2PAU-CI/AEFPP Côte d'Ivoire Monitoring Plan

| A. Alignment Indicator  |                          |  |                                  |                     |                  |  |   |
|---|--------------------------|--|----------------------------------|---------------------|------------------|--|---|
| Indicator Name  |                          | Definition / Description                             |                                  | Source              |                  | Baseline and Targets                   |   |
| (1) Cushion the impact of exogenous shocks and strengthen the country's food sovereignty.         |                          | Rate of coverage of cereal needs by local production |                                  | PNIA 2 monitoring   |                  | 70% (in 2025)                          |   |
| (2) Increase cereal (rice) yields   |                          | Yield (tonne/ha)                                     |                                  | PNIA 2 monitoring   |                  | 3.5 (in 2025)                          |   |
| (3) Average local fertiliser consumption  |                          | Tonne/ha arable land                                 |                                  | PNIA 2 monitoring   |                  | 360 (in 2025)                          |   |
| B. Outcome and output indicators (performance indicators)   |                          |  |                                  |                     |                  |  |   |
| Indicator Name  | Definition / Description | Collection Method                                    | Responsible Entity               | Reporting Frequency | Results Planning |  |   |
|   |                          |  |                                  |                     | 2021             | 2022                                   | 2023  |
| I. Outcome Indicators   |                          |  |                                  |                     |                  |  |   |
| Outcome 1.1 Increase in the number of beneficiaries of seeds, including women                     |                          | Number of beneficiaries                              | Agricultural statistical surveys | MEMINADER           | Annual           | 0                                      | 80 000, 35% of them women                           |
| Outcome 1.2 Increase in the number of beneficiaries of fertilizers, including women               |                          | Number of beneficiaries                              | Agricultural statistical surveys | MEMINADER           | Annual           | 0                                      | 80 000, 35% of them women                           |
| Outcome 1.3 Decrease in cereal imports  |                          | Reduction of imports in %                            | Agricultural statistical surveys | MEMINADER           | Annual           | 0                                      | 8%  |
| Outcome 1.4 Average quantity of fertilizers per ha of arable land                                 |                          | Kg/ha cultivated                                     | Agricultural statistical surveys | MEMINADER           | Annual           | 300                                    | 320   |
| Outcome 2.1 Yield improvement   |                          | Tonne/ha   | Agricultural statistical surveys | MEMINADER           | Annual           | Maize: 2.5<br>Rice: 4,5<br>Cassava: 10 | Maize: 4<br>Rice: 4<br>Cassava: 12                  |
| Outcome 2.2 Increase in production  |                          | Tonnes   | Agricultural statistical surveys | MEMINADER           | Annual           | 0                                      | Maize: 100 000<br>Rice: 150 000<br>Cassava: 200 000 |
| Outcome 2.3 Additional area cultivated through the provision of inputs and seeds                  |                          | Ha   | Agricultural statistical surveys | MEMINADER           | Annual           | 60 000                                 | 154 294   |
| II. Output Indicators   |                          |  |                                  |                     |                  |  |   |
| Output 1.1 Quantity of improved seeds supplied (for a production cycle) to producers <sup>5</sup> |                          | Tonnes   | Agricultural statistical surveys | MEMINADER           | Annual           | 0                                      | Maize: 1 424  |

<sup>5</sup> Target data are defined based on rice, cassava and maize production cycles.

|   |        |                                  |           |        |    |   |                                      |
|---|--------|----------------------------------|-----------|--------|----|---|--------------------------------------|
| (2 <sup>nd</sup> tranche trigger measure)   |        |                                  |           |        |    | Rice: 2 212<br>Cassava (cutting /metre): 84 031 120 | Cassava (cutting /metre): 84 031 120 |
| Output 1.2: Revision of the national seed sector policy<br>(2 <sup>nd</sup> tranche trigger measure)  | Yes/No | Agricultural statistical surveys | MEMINADER | Annual | No | No  | Yes                                  |
| Output 1.3: Framework agreement/contract signed with the CNRA to produce breeder maize and rice seeds   | Number | Agricultural statistical surveys | MEMINADER | Annual | No | No  | Yes                                  |
| Output 2.1 Quantities of certified fertilizers supplied (for maize, rice and cassava cultivation)<br>(Preliminary measure)  | Tonne  | Surveys                          | MEMINADER | Annual | 0  | NPK : 35.060<br>Urea : 17.530                       | NPK : 35.060<br>Urea : 17.530        |
| Output 2.2: Extension of the digitized platform of Bélier Region (including gender disaggregation) for input distribution (to be confirmed).  | Yes/No | Agricultural statistical surveys | MEMINADER | Annual | No | No  | Yes                                  |
| Output 2.3: Instructions to fertilizer distributors to deliver supplies.  | Yes/No | Agricultural statistical surveys | MEMINADER | Annual | No | Yes   | Yes                                  |
| Output 3.1: Conduct of independent audit(s) covering all food crisis response and emergency expenditure.  | Yes/No | Agricultural statistical surveys | MEMINADER | Annual | No | No  | Yes                                  |
| Output 3.2: Publication of procurement plans and award of major contract.   | Yes/No | Agricultural statistical surveys | MEMINADER | Annual | No | No  | Yes                                  |
| Output 3.3: The 2022 and 2023 Appropriation Acts take budgetary support into account.<br>(2 <sup>nd</sup> tranche trigger measure)  | Yes/No | Agricultural statistical surveys | MEMINADER | Annual | No | No  | Yes                                  |
| Output 3.4: List of producers for each commodity chain disaggregated by gender.<br>(2 <sup>nd</sup> tranche trigger measure)  | Yes/No | Agricultural statistical surveys | MEMINADER | Annual | No | No  | Yes                                  |
| Output 3.5: Decree establishing a National Seed and Seedling Committee (CONASEM) and an official catalogue of species and varieties cultivated in Côte d'Ivoire.<br>(2 <sup>nd</sup> tranche trigger measure) | Yes/No | Agricultural statistical surveys | MEMINADER | Annual | No | No  | Yes                                  |

## ANNEX M: Risk Management

**Table: *Risks and Mitigation Measures***

| Risk Description  | Incidence | Mitigation Measure  | Risk Manager                   |
|---|-----------|---|--------------------------------|
| Delays in implementing reforms and triggers                           | High      | The Government will prepare a clear and precise plan for implementing reforms and measures.                   | Government/AfDB                |
| Excessive increase in input prices                                    | Moderate  | Place orders on time and anticipate the procurement of fertilizers  | Government                     |
| Delays in the payment of suppliers                                    | Moderate  | Sensitize banks and the Ministry in charge of finance   | Government                     |
| Heavy dependence of the sector on climatic hazards and climate change | Moderate  | Use of improved seeds adapted to the climate and sensitisation on the use of climate-smart farming techniques | Government / Agro-dealers/IRAD |



## ANNEX N: Detailed Programme Description

The programme comprises three components: (i) Improving access to certified and climate-adapted seeds and advisory support, including facilitating access to climate information; (ii) Improving farmers' access to fertilizers; and (iii) Strengthening governance and implementation of public policies in the agricultural sector.

### **Component 1: Improving access to certified seeds and advisory support**

**Background and challenges:** The food crop seed system shows continued weaknesses, particularly regarding the levels of regular supply breeder and foundation seeds to the sector, quality control of produced and marketed seeds and the lack of inter-branch organization of actors in the sector. The main challenges regarding the development of the seed sector in the short and medium term include: (i) the development and strengthening of quality seed production and multiplication systems and mechanism; (ii) the improvement of seed control and distribution mechanisms; and (iii) the promotion of the use of quality seeds among producers.

**Measures taken by the Government:** as part of PNIA 2, the Government plans to strengthen the information system by developing a tool for collecting, processing and managing data from the sector. It has also undertaken an institutional reform (creation of an Agency for the Development of the Rice Sector-ADERIZ in place of the ONDR) the rice sector, including the seed component, in partnership with the private sector and ANADER which is responsible for supervision and advisory support, and has launched a programme for the construction of seed and packaging centres. Emergency projects such as the Agricultural Emergency Programmes (PURGA 1 and 2), were implemented to address the risk associated with the coronavirus pandemic in 2020. These programmes made it possible to supply actors with quantities of quality seeds. Many short- and medium-term actions have also been undertaken by the Government, including: (i) **Provision of certified high-quality hybrid seed varieties: in addition to ongoing support under current investment projects (2 PAI-Bélier, PADFA) and in partnership with CNRA and AFRICARICE, under PURGA 1 and 2,** provision has made to supply 20 tonnes of foundation maize seeds, 5 million cassava cuttings (eventually 70 million) to cassava multipliers and producers. Advisory support will be provided to 500 cassava multipliers and 8 000 producers; (ii) ***Support to extension services to disseminate best farming practices:*** as part of the implementation of public agricultural investments, an agreement will be concluded with ANADER and other competent entities for the dissemination of best farming practices, in order to extend the innovative technologies acquired nationwide; (iii) Government intends to revise the national seed sector policy and has adopted two (2) decrees as part of a regional harmonization (WAEMU) of seed sector standards: Decree No. 2013-679 of 2 October 2013 establishing and laying down the duties, organization and functioning of the National Seed and Seedling Board (CONASEM), the operationalization of which is underway and Decree No. 2013-678 of 2 October 2013 instituting the national register of plant species and varieties cultivated in Côte d'Ivoire. In accordance with Law No. 2001-338 of 14 June 2001 on the 2001 Appropriations Act, seeds and grains are exempt from VAT (General Tax Code, 2022 version). The Government intervenes in the production of breeder and foundation seeds through the signing of agreements with research institutes and centres such as the CNRA and Africa Rice.

**Programme-backed measures:** the programme will support the following measures: (i) Provision of hybrid climate-resilient certified seed varieties: 2 279 tonnes of quality maize seed, 3 539 tonnes of high-quality certified rice seeds and 134 449 792 cuttings of adaptable and climate-smart cassava cuttings will be procured from local seed companies following the country's procurement procedures; (ii) provision of support for creation of a communication platform for stakeholders in the maize, rice and cassava seed sub-sectors through an ICT service provider; the establishment of these platforms through ICT service providers will facilitate the registration of all stakeholders and beneficiaries in the value chains, in order

to set up networks of all stakeholders. The platforms will also be used to disseminate information on best farming practices to farmers to improve crop management and productivity. ICT service providers will facilitate the establishment of efficient market systems by connecting farmers to input and output markets; ***(iii) provision of support to extension services to disseminate best farming practices:*** the capacity of national and NGO extension workers will be built through practical training sessions on best agronomic practices (BAP). This will enable them to acquire new knowledge and skills on maize, rice and cassava technologies, which they will pass on to farmers in a bid to improve crop management and achieve high yields. The dissemination of knowledge to farmers will be done through field days and through E-extension digital platforms. This component will be implemented by ANADER, armed with its agricultural advisory experience and its nationwide network of workers; ***(iv) Technical assistance from the Technologies for African Agricultural Transformation (TAAT) programme for the integration of innovative agricultural technologies, particularly through the “TAAT Maize Compact” (the partnership terms are outlined in Annex G); (v) Revision of the national seed sector policy.*** The forwarding of a copy of the decree/order appointing the Task Force in charge of revising the National Seed Sector Policy to the Bank is a prerequisite for the presentation of this financing proposal to the Board of Directors.

**Expected outputs and outcomes:** the expected outputs and outcomes include: (i) additional production of 546,987 tonnes of maize, 796,323 tonnes of rice and 1,008,373 tonnes of cassava in 2023; (ii) recruitment of an ICT service provider; (iii) strengthening of Extension Services for the deployment of good agricultural practices are functional; (iv) access to agro-climatic information and a climate alert system for 800,000 producers in flood-prone areas; (v) implementation of a TAAT/MEMINADER partnership through the "TAAT maize Compact"; (vi) the commencement of the process of revising the National Seed Sector Policy

## **Component 2: Improving access to fertilizers**

**Background and challenges:** a fertilizer distribution system similar to those for cash crops for small food producers, has not yet been developed mainly due to the lack of guarantees and limited legal recourse to enforce sales contracts, which rely on parallel markets to sell their products. Despite some initiatives through microfinance institutions, most financial institutions are reluctant to finance small-scale food crop producers. The challenges to be overcome include: (i) Ensuring continuous availability and access to sufficient quantities and quality of balanced fertilizers for small-scale food producers; (ii) Ensuring quality control of fertilizers produced and marketed; (iii) Creating favourable conditions for the professionalization of actors to create a strong private sector for the development of a successful fertilizer industry; (iv) Promoting the use of quality fertilizers by producers.

**Measures taken by the Government:** as part of the implementation of PNIA 2, Government intends to support the establishment of a coherent and operational institutional and regulatory framework for fertilizers, support the establishment of a sustainable system for promoting the rational use of fertilizers, and support the establishment of a sustainable system for the production, supply and distribution of quality fertilizers and the dissemination of innovative technologies. Several interventions through public investment projects have made it possible to bridge the fertilizer gap. In addition, the implementation of PURGA 1 and 2 contributed to addressing the emergency that prevailed with the Coronavirus pandemic in 2020. In view of the second wave of rising world prices as a result of the war in Ukraine, an emergency response programme was developed by the Government, with the following main components: ***(i) Improvement of sources and quantities of appropriate high-quality fertilizers: procurement and distribution of 52 590 tonnes of fertilizers (financial envelope) to small food producers.*** Reputable fertilizer companies already supplying fertilizer to farmers will be identified through a tender process and contracted to supply the required quantities of fertilizer. The fertilizers required are foundation fertilizers (NPK) and urea-based cover fertilizers (N); ***(ii) Strengthening mechanisms for access to financing to ensure access to agricultural inputs:*** MEMINADER is currently implementing several projects within

which innovative mechanisms are implemented (PAI-Bélier). However, all these initiatives are insufficient and do not allow for large-scale supply of quality fertilizers to small producers. This is due to a lack of bank guarantees. Hence, Government intends to negotiate with the African Fertilizer Financing Mechanism (AFFM) to provide partial trade credit guarantees to ensure that additional volumes of fertilizer are available to smallholder farmers. As regards support for the private sector, the Government will provide assistance through existing financing mechanisms, by setting up an operational mechanism involving private operators and commercial banks; (iii) At the institutional level, reforms have led to the creation of a department in charge of seeds and fertilizers within MEMINADER, which is currently being set up. To improve the efficiency and effectiveness of the fertilizer distribution sector and as part of community harmonization, the Government has adopted a regulatory framework for the fertilizer sub-sector: (i) Regulation No. C/REG.13/12/12 relating to fertilizer quality control in the ECOWAS space, published in the Official Gazette of the Republic on 21 October 2013; (ii) a draft decree currently being prepared to lay down the conditions for implementing the above-mentioned Regulation No. C/REG.13/12/12; and (iii) establishment of an authorization procedure for operators in the sector; (iv) VAT exemption for the fertilizer and seed sectors, and in accordance with the provisions of Chapter 4 (Articles: 72-73-74) of the Agricultural Framework Law, relating to agricultural inputs and services, a draft decree laying down the conditions for implementing Regulation C/REG./13/12/12 relating to fertilizer quality control in the ECOWAS space is currently being drafted.

Programme-backed measures: the programme will support the following measures: (i) Procurement of appropriate high-quality fertilizers: Procurement of 56 096.46 tonnes of NPK and 28 048 tonnes of urea; (ii) ***Strengthening access to financing mechanisms for agricultural inputs access:*** setting up partial credit guarantee to suppliers/distributors to assess the possibility of setting up partial unfunded trade credit guarantees for large scale fertilizer supply to agricultural input wholesalers, retailers and aggregators to ensure additional fertilizer volumes for smallholder farmers. (iii) ***Transfer of existing databases of farmers, fertilizer and seed suppliers, and agriculture product traders to the ICT platform:*** Existing databases with different stakeholders such as farmers' organizations, National Seed Trade Associations (NSTA) will be collected by the TAAT Maize Compact to be merged on a common networked platform; (iv) Digitalisation of the fertilizer distribution system taking into account the achievements and lessons learned from the agricultural services digitalization platform currently being set up under the 2PAI-Bélier.

Expected outputs/outcomes: (i) plant 246,870 ha of rice, maize and cassava with a view to producing 546,987 tonnes of maize, 796,323 tonnes of paddy rice and 1,008,373 tonnes of cassava in 2023; (ii) the supply of 800,000 farmers with appropriate high quality fertilisers in sufficient quantities is ensured; (iii) transfer of existing databases of farmers, fertilizer and seed suppliers, and traders of agricultural products to the ICT platform; (iv) adoption of the decree laying down the conditions for implementing Regulation G.13/12/12 C/REG.13/12/12, relating to fertilizer quality control in the ECOWAS region; the adoption of an authorization procedure for operators in the fertilizer sector; and the exemption of fertilizer and seed sectors from VAT.

### **Component 3: Improving governance and implementation of public policies in the agricultural sector**

Background and challenges: the Government has undertaken a series of measures to encourage production and improve governance in the sector, including the updating of strategic documents as part of its policy to strengthen the country's food sovereignty, reduce its dependence on imports of basic food products, and reduce exogenous shocks. Regarding governance, it has adopted the second generation National Agricultural Investment Programme (PNIA 2) for 2018-2025, considering the lessons learned from the implementation of PNIA 1 (2012-2017). However, public spending on agriculture is still below the Maputo target commitment of 10% of the national budget, with an average of 3.2% in recent years. Lastly, while private investment in the sector has been boosted by the numerous fiscal incentives put in place,

investment mobilized under the PNIA has remained below the initial targets. This last point highlights the need to pay special attention to the mechanisms of public-private collaboration, and to think of new instruments that would be able to strengthen this collaboration in the future. The challenge of financing the agricultural sector and achieving the objectives of the PNIA while meeting the Maputo target commitments undeniably consists of increasing the share of public expenditure in the agricultural sector through reasonable progress towards the (10%) target, taking into account the Government's budgetary constraints over the next few years.

Measures taken by the Government: in 2017, the Government began the process of updating PNIA 1, which led to the adoption of the second generation National Agricultural Investment Programme (PNIA 2) for 2018-2025. An Agricultural Framing Law (LOACI) was adopted in 2015. Since 2009, the Government of Côte d'Ivoire has decided to align itself with Directive No. 06/2009/CM/WAEMU on Appropriations Acts of the Economic and Monetary Union of West African States (WAEMU), relating to reforms in the management of its financial resources. This allows for greater transparency and efficient and effective management of its finances, to achieve better performance in terms of socio-economic efficiency. Specifically, to improve the institutional framework for the control and monitoring of the seed and fertilizer sub-sectors, a central Directorate in charge of seed and fertilizer was created within MEMINADER but is not yet operational. It includes the adoption of WAEMU and ECOWAS community directives as well as national regulations; the creation of a public-private consultation framework for the harmonization of actions in the seed and fertilizer sub-sectors.

Programme-backed measures: the programme supports: (i) Improvement of the institutional framework for the control and monitoring of the seed and fertilizer sub-sectors through the operationalization of the recently created Central Directorate in charge of seeds and fertilizers; ii) the creation of a public-private consultation framework for the harmonization of actions in the seed and fertilizer sub-sectors.

Expected outputs/outcomes: the main expected results of the Programme include: (i) procurement and distribution of 1 424 tonnes of quality maize seed, 2 212 tonnes of high-quality certified rice seed and 84 031 120 stalks of adaptable and climate-smart cassava cuttings; (ii) recruitment of an ICT service provider; (iii) strengthening of extension services for the dissemination of good agricultural practices through the reinforcement of ANADER's programme of activities; (iv) establishment and operation of a TAAT/MEMINADER partnership through the "TAAT maize Compact"; (v) commencement of the process of revising the National Seed Sector Policy; and adoption of the Decree establishing, attributing and organizing the national committee on seeds and seedlings (CONASEM) and Decree establishing the national register of plant species and varieties cultivated in Côte d'Ivoire by the General Secretariat of the Government; (vi) the acquisition of 35 061 tonnes of NPK and 11 832 tonnes of urea; (vii) ensure the supply of xxx (insert number) farmers with appropriate high quality fertilisers in sufficient quantity; (viii) transfer of existing databases of farmers, fertilizer and seed suppliers, and traders in agricultural products to the ICT platform; (xi) adoption of the decree laying down the conditions for implementing Regulation G.13 /12/12 C/REG.13 on the establishment of a fertilizers quality control in the ECOWAS region; and the adoption of an authorization procedure for operators in the fertilizer sector; and the exemption of fertilizer and seed sectors from VAT; (x) the scaling up of the agricultural services digitalization platform for the benefit of producers currently being set up as part of the 2PAI-Bélier; (xi) the creation of a public-private consultation framework for the harmonization of interventions in the seed and fertiliser sub-sectors; (xiii) the operationalization of the Central Directorate in charge of the approval, certification and quality control of seeds and fertilizers.

Measures supported by the Programme: i) improvement of the institutional framework for the control and monitoring of the seed and fertiliser sub-sectors through the operationalisation of the Central Directorate in charge of seed and fertiliser regulation; ii) increase in budgetary resources allocated to the agricultural sector for the 2023 financial year by at least 15% compared to those for 2022

Expected results/outputs: (i) operationalisation of the Central Directorate for the approval, certification and quality control of seeds and fertilisers in order to boost the process of alignment with community regulations (WAEMU and ECOWAS); (ii) a framework for public-private consultation in the seeds and fertiliser sub-sectors is in place; (iii) at least 3.2% of public expenditure is allocated to the agricultural sector from 2023

## **ANNEX O: FRAGILITY RATING - COTE D'IVOIRE**

Côte d'Ivoire has made considerable progress since the post-election crisis of 2010-2011, and the country has the potential to become a major contributor to peace and security, as well as an engine of economic growth and prosperity in the sub-region and beyond. The pandemic and, more recently, the conflict between Russia and Ukraine have further increased economic pressures. At this time, there is a need to invest in Cote D'Ivoire's long-term resilience, as fragility is a spectre that can affect any country at any stage. The emergency food production programme is relevant for building resilience, with the aim of cushioning the impact of exogenous shocks and strengthening the country's food sovereignty.

Overall, the data and indicators from the country's fragility and resilience assessment indicate that Côte d'Ivoire can improve political and socio-economic inclusion, particularly with regard to women and youth. Political representation capacity is low, with no significant improvement by 2021. Approximately 14.2% of women and 0.39% of young people aged 30 or younger won seats in the National Assembly after the 2021 legislative elections. These statistics underline how challenging the representation of women and youth in the political system is, even with an improvement in the proportion of seats won by women in 2021 compared to 11.37% in 2016. These advances were made possible by the implementation of Article 3 of the Promotion of Women's Representation in Elected Assemblies Act 2019. A much-needed electoral reform with a quota system in the National Assembly, especially for women, could help strengthen the country's political representation capacity. Although progress has been made in political participation, a turnout of 37.88% in the 2021 parliamentary elections indicates that the level of engagement of citizens in the political discourse and the electoral process has remained low.

Thanks to continued efforts to eliminate corruption and bribery, the country has made significant progress in 2021 compared to 2020. The issue of accountability is very important, especially considering the inclusive nature of the investment operations that aim to improve the country's situation in the face of urgent crises. However, additional support is needed to strengthen citizen monitoring and transparency mechanisms as the country's CPI score of 36/100 has remained unchanged since 2020.

This project also builds on Côte d'Ivoire's strengths. The country has a strong capacity for economic policy efficiency. Its economy is heavily dependent on the export of raw materials such as cocoa, coffee, palm oil and cashew nuts, to name but a few. It remains the world's leading producer of cocoa in addition to the quality of its coffee crops. In addition to the agricultural sector, Côte d'Ivoire is developing its gold mining industries. Due to its interconnectedness with the global economy, a slowdown in the global economy due to restrictions related to the Covid-19 pandemic caused the country's economy to contract. However, its economy rebounded in 2021 with an annual growth rate of 5.4% compared to 1.96% in 2020 and recorded a surplus of 48.8 million CFA francs thanks to the country's strong economic management capacity. Thanks to the strong business environment, Côte d'Ivoire has been able to attract more foreign direct investment, which has helped it to increase access to essential public services such as education, health and nutrition in 2021 compared to 2020. In addition, as of 2020, nearly 70% of residents have access to electricity. While electricity is widely distributed to 94.47% of residents in urban areas, only 43.14% of residents in rural areas have access to electricity. Despite a significant reduction in the pressures of economic inequality

By 2021, the level of income shares of the top 10% of the population has risen along with the increase in prices of goods and services. Although the country has reached full employment with an unemployment rate below 4% since 2019, further efforts are needed to absorb the persistent high poverty pressures. It should therefore be noted that this project is taking place in an enabling environment where agriculture employs a high proportion of the working population, mainly women and youth. Côte d'Ivoire has a strong capacity for resilience to economic shocks. It has made significant progress in 2021 compared to 2020

through strong economic diversification. It is focusing more than ever on youth employment. The country's regional integration capacity has remained strong, despite the vagaries of the COVID 19 pandemic. It is more focused than ever on youth employment.

The country plays a key role in maintaining regional peace and security despite externalities and regional spillover effects. Côte d'Ivoire plays an important role in the implementation of the national action plan covering the reduction of short-lived climate pollutants (SLCP) and contributes significantly to the regional assessment of climate change and global warming. The contagion of terrorist activities from neighbouring countries, the risks associated with Covid-19, the land conflict in the western region as well as the maritime border dispute between it and Ghana remain growing pressures. Côte d'Ivoire is also vulnerable to the threat of maritime piracy in the Gulf of Guinea. Further efforts are needed to develop a sound financial system and strengthen regional integration capacity to improve long-term resilience.

Côte d'Ivoire is building strong environmental policy capacity to support the protection of its natural resources and promote environmental and emergency response policy. This initiative will also contribute to efforts to improve investment in agriculture for food self-sufficiency. The programme prioritises building resilience and institutional capacity by investing in local and national institutions (improving access to certified seed and advisory support, improving access to fertilisers and implementation of public policies in the agricultural sector, and improving governance), involving the private sector and mobilising private investment. The Programme will also address the needs of the most vulnerable members of society, particularly in rural communities.

## ANNEX Q: GENDER EQUALITY AND WOMEN'S EMPOWERMENT

The Emergency Food Production Programme (2PAU- CI), proposed under the African Emergency Food Production Facility (AEFPF), is classified in Category 2 (GEN II) of the African Development Bank's gender marker system. That is, gender equality and women's empowerment are more pronounced at the level of key outcomes, constituting measures and triggers of budget support. In line with Pillar I of the Bank's Gender Strategy 2021-2025 on women's access to finance and markets, and as part of the pilot of the "Response" approach of the guide on response, recovery and resilience of women entrepreneurs in situations of fragility in Africa, budget support will be contingent on, among others: (i) the constitution of a Task Force for the revision of the National Seed Sector Policy, which will be made up of at least 30% women or people with gender expertise to better carry the voice and better integrate the needs and solutions of women producers in the response to the food crisis, in terms of seed and fertilizer supply. (ii) the supply of 570 tonnes of maize seed and 885 tonnes of certified, high quality rice seed should benefit at least 30% of women producers.

The national strategy for the empowerment of women in Côte d'Ivoire, covering the period 2020-2030, establishes women's labour force in the agricultural sector at more than 67% of the labour force, contributing to about 80% of food production. However, women still face low access to factors of production, including land and technology. In 2015, for example, according to the Ministry of Agriculture and Rural Development, out of 116 land certificates issued, only 12% benefited women. One of the direct consequences of this is the incidence of poverty among women in Côte d'Ivoire (47.5%), which is two points higher than among men. The implementation of the national strategy for the empowerment of women in Côte d'Ivoire through the application of the provisions of law n°2019-573 of 26 June 2019, relating to inheritance, which makes women full heirs to the property of their deceased husbands and advocates the equitable sharing of property between male and female heirs, should succeed in rectifying these imbalances, by allowing women to participate in the agricultural sector and to fully enjoy the benefits of their participation.

Mainstreaming gender equality and women's empowerment in the emergency response to the food crisis  
The integration of gender equality and women's empowerment in the framework of this operation is made in view of its urgency, its nature regarding budget support and its implementation framework and components agreed upon by the Bank's high decision-making bodies on behalf of the targeted regional member countries, and following the measures and triggers of the budget support decided upon in concert with the competent services of the Republic of Côte d'Ivoire.

1. On the measures prior to the submission of the evaluation report to the Board, the Task Force to be set up for the revision of the National Seed Sector Policy shall be made up of at least 30% women or persons with gender expertise. In addition, the revision of the National Seed Sector Policy as a whole should include provisions to support the implementation of the Succession Law No. 2019-573 of 26 June 2019, particularly in the context of improving access to seeds and fertilizers for women producers. The review should also include recommendations on how to provide emergency responses to the various risks (financial, operational, market, skills and human security) faced by women producers in the context of a shortage of seeds and fertilisers to minimise their possible impact on their economic empowerment and strengthen the resilience of their economic activities. This will be done following the response approach advocated in the guide on response, recovery and resilience of women entrepreneurs in situations of fragility in Africa, on a pilot basis.

2. Of the triggers for the 2nd tranche, the supply of 570 tonnes of maize seed and 885 tonnes of certified, high quality rice seed should benefit at least 30% of women producers. Thus, a preliminary identification exercise of the beneficiary producers will be resumed, targeting at least 30% of women. In the same vein,




support to the financing of stakeholders in the input chain will have to include specific measures to ensure the inclusiveness of actions, in particular to encourage inclusive business models in order to reach the most vulnerable producers and at least 30% of women producers as the ultimate beneficiaries of agricultural inputs.

## THE GENDER ACTION PLAN

|  |  |  |
|--|--|--|
| <b>PROJECT TITLE: The Emergency Food Production Programme (2PAU- CI)</b>   |  |  |
| <b>CATEGORIE GMS : GEN II<sup>6</sup></b>  |  |  |
| <b>Responsable : Responsibility: The actions under this plan will be coordinated and monitored by the project management team.</b>   |  |  |
| <b>Mesures</b>   | <b>Evidence</b>  | <b>Gender Action</b>   |
| <b>Measures prior to the submission of the evaluation report to the Board of Directors</b>   |  |  |
| Establishment of an institutional framework for the revision of the National Seed Sector Policy Copy of the order appointing the Task Force (with at least 30% women or people with gender expertise) in charge of the revision of the National Seed Sector Policy | Copy of the order appointing the Task Force (with at least 30% women or people with gender expertise) in charge of the revision of the National Seed Sector Policy | <ul style="list-style-type: none"> <li>- Identify competent people to meet these profiles, targeting at least 30% women</li> <li>- Provide appropriate measures to promote the effective participation of women and people with gender expertise in the Task Force</li> <li>•</li> </ul> |
| <b>Triggers for the 2nd tranche</b>  |  |  |
| Supply to producers (at least 30% women) of 570 tonnes of maize seed, 885 tonnes of certified, high quality rice seed (representing 40% of the overall programme target)   | Minutes of receipt of seed supplies or registration numbers at the Direction Générale des Marchés Publics (DGMP) of contracts awarded                              | Identify beneficiary producers, targeting at least 30% women, and draw up a list of producers disaggregated by sex for each of the commodities   |

<sup>6</sup> The Bank's gender marker system is a rating of projects based on the degree to which they contribute to gender equality and women's empowerment in their objectives, outcomes, outputs and activities. GEN II of 2PAU- CI includes gender equality and women's empowerment aspects in its key results and measures/triggers.

# ANNEXE P : CONFORMITE ENVIRONNEMENTAL & SOCIAL COMPLIANCE NOTE

|   |  |   |  |
|---|--|---|--|
| <b>ENVIRONMENTAL<br/>AND SOCIAL<br/>COMPLIANCE NOTE<br/>(ESCON)</b>   |  | <br><b>AFRICAN DEVELOPPEMENT BANK GROUP</b> |  |
| <b>A. Basic Information<sup>7</sup></b>   |  |   |  |
| Project Title: Emergency Food Production Program  |  | Project "SAP code" : P-CI-AA0-037   |  |
| Country: COTE D'IVOIRE  | Lending Instrument <sup>8</sup> : DI <input type="checkbox"/> FI <input type="checkbox"/> CL <input type="checkbox"/> BS <input checked="" type="checkbox"/> GU <input type="checkbox"/> RPA <input type="checkbox"/> EF <input type="checkbox"/> RBF <input type="checkbox"/> |   |  |
| Project Sector: Agriculture   | Task Team Leader: Hatem FELLAH   |   |  |
| Appraisal date: 24/06/2022  | Estimated Approval Date: [07/15/22]  |   |  |
| Environmental Safeguards Officer:   |  |   |  |
| Social Safeguards Officer: Ahamadou Hamadoun DICKO/ Charlotte CHEUMANI NOUDJIEU   |  |   |  |
| Environmental and Social Category: 2  | 27/06/2022   | Operation type: SO <input checked="" type="checkbox"/> NSO <input type="checkbox"/> PBO <input type="checkbox"/>              |  |
| Is this project processed under rapid responses to crises and emergencies?  |  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>   |  |
| Is this project processed under a waiver to the Integrated Safeguards System?   |  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>   |  |
| <b>B. Disclosure and Compliance Monitoring</b>  |  |   |  |
| <b>B.1 Mandatory disclosure</b>   |  |   |  |
| Environmental Assessment/Audit/System/Others (specify): Pest Management Plan (PMP)  |  |   |  |
| Was/Were the document (s) disclosed prior to appraisal?   | Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>  |   |  |
| Date of "in-country" disclosure by the borrower/client  | [Date]   |   |  |
| Date of receipt, by the Bank, of the authorization to disclose  | [Date]   |   |  |
| Date of disclosure by the Bank  | [Date]   |   |  |
| Resettlement Action Plan/Framework/Others (specify):  |  |   |  |
| Was/Were the document (s) disclosed prior to appraisal?   | Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>  |   |  |
| Date of "in-country" disclosure by the borrower/client  | [Date]   |   |  |
| Date of receipt, by the Bank, of the authorization to disclose  | [Date]   |   |  |
| Date of disclosure by the Bank  | [Date]   |   |  |
| Vulnerable Peoples Plan/Framework/Others (specify: N/A)   |  |   |  |
| Was the document disclosed prior to appraisal?  | Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>  |   |  |
| Date of "in-country" disclosure by the borrower/client  | [Date]   |   |  |
| Date of receipt, by the Bank, of the authorization to disclose  | [Date]   |   |  |
| Date of disclosure by the Bank  | [Date]   |   |  |
| If in-country disclosure of any of the above documents is not expected, as per the country's legislation, please explain why: As per the provision of the African Emergency Food Production Facility paper approved by the Board, the preparation and disclosure of the E&S documents are deferred after Board Approval. They will be prepared and disclosed in-country and by the Bank prior the implementation of concerned activities. |  |   |  |
| <b>B.2. Compliance monitoring indicators</b>  |  |   |  |
| Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?   |  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>                               |  |

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




<sup>8</sup> DI=Direct Investment; FI=Financial Intermediary; CL=Corporate Loan; BS=Budget Support; GU=Guarantee; RPA=Risk Purchase Agreement; EF=Equity Financing; RBF=Results Based Financing.

|  |   |
|--|---|
| Have costs related to environmental and social measures, including for the running of the grievance redress mechanism, been included in the project cost?                      | Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/> |
| Is the total amount for the full implementation for the Resettlement of affected people, <b>as integrated in the project costs, <u>effectively mobilized and secured</u></b> ? | Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/> |
| Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/> |
| Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?                             | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/> |

#### A. Clearance

Is the project compliant to the Bank's environmental and social safeguards requirements, and to be submitted to the Board?

Yes ☒ No ☐

| <i>Prepared by:</i>               | <i>Name</i>                                    | <i>Signature</i>  | <i>Date</i> |
|-----------------------------------|--|---|-------------|
| Environmental Safeguards Officer: |  |  |             |
| Social Safeguards Officer:        | Ahamadou Hamadoun DICKO/<br>Charlotte CHEUMANI |   | 27/06/2022  |
| Task Team Leader:                 | Hatem FELLAH                                   |   | 28/06/2022  |
| <i>Submitted by:</i>              |  |   |             |
| Sector Director:                  | Martin FREGENE                                 |  | 28/06/2022  |
| <i>Cleared by:</i>                |  |   |             |
| Director SNSC:                    | Maman-Sani ISSA                                |  | 29/06/2022  |