AFRICAN DEVELOPMENT BANK GROUP



CHAD

PROJECT TO BUILD RESILIENCE FOR FOOD SECURITY AND NUTRITION IN CHAD'S RURAL COMMUNITIES

APPRAISAL REPORT

RDGC/AHAI

November 2018

Translated document

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Currency Equivalents October 2018

UA 1	=	CFAF 790.62
USD1	=	CFAF 566.65
UA 1	=	USD 1.40
EUR 1	=	CFAF 655.957
UA 1	=	EUR 1.21
UA 1	=	SDR 1

Fiscal Year 1 July – 30 June

Weights and Measures

1 tonne (t) 2 204 pounds 1 kilogramme (kg) 2.200 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

AfDB African Development Bank

ANADER National Agency for Rural Development

AWPB Annual Work Plan and Budget

BD Biodiversity BH Budget Holder

CBO Community-Based Organization

CEO Chief Executive Officer
CSO Civil Society Organisation
CSP Country Strategy Paper
ERR Economic Rate of Return

FCFA Franc of Financial Cooperation in Central Africa

FEMSec GEF Secretariat
FO Farmers' Organization
GDP Gross Domestic Product
GEF Global Environment Facility

GPRS2 Second Generation Growth and Poverty Reduction Strategy

Ha Hectare

HDI Human Development Index IGA Income-Generating Activities IMF International Monetary Fund

INRM Integrated Natural Resource Management

lbs Pounds

M&E Monitoring and Evaluation

NAPA National Adaptation Programme of Action NBSAP National Biodiversity Strategy and Action Plan

NGO Non-Governmental Organization

No. Number

NPV Net Present Value

NRM Natural Resource Management

P2RS Programme to Build Resilience to Food and Nutrition Insecurity in the Sahel

PARSAT Project to Improve the Resilience of Agricultural Systems in Chad

PIF Project Identification Form

PIR Project Implementation Review/Report

PMC Project Management Cost

PMERL Participatory Monitoring, Evaluation, Reflection and Learning

PMU Project Management Unit

PRAPS Regional Sahel Pastoralism Support Project

ProDoc Project Document RAP Project Progress Report

SFM Sustainable Forest Management SFM Sustainable Land Management

SHG Self-Help Group

SLFM Sustainable Land and Forest Management SLWM Sustainable Land and Water Management

UA Unit of Account

UNFCCC United Nations Framework Convention on Climate Change

USD United States Dollar VAT Value Added Tax

Project Information Sheet

Client Information

Borrower : Republic of Chad

EXECUTING AGENCY: Ministry in charge of Agriculture

Financing Plan

Source	Amount (in USD)	Instrument
GEF	5,329,452	Grant
ADF	15,045,800	Grant (already approved)
TOTAL COST	20,375,252	

Key Financing Information

Grant Currency	USD
Duration	36 Months
ERR, NPV (baseline scenario)	13%
	4.0 11

*if need be

Timeframe – Main Milestones (expected)

GEF Project Information Sheet (PIS) approval	April 2015
Project validation by the GEF Chief Executive	September 2017
Officer and Chairperson	
AfDB Board Approval	
Signing of Grant Agreement	
Effectiveness	
Mid-term Review	
Date of Last Disbursement	
Completion	31 December 2022
Last Reimbursement	N/A

Project Executive Summary

- Project Overview: A Global Environment Facility (GEF) grant of USD 5,329,452 (UA 1.1 3.807 million) was mobilized to finance the project entitled "Building Resilience for Food Security and Nutrition in Chad's Rural Communities". This co-financed grant will be used to maximize the impact of the Programme to Build Resilience to Food and Nutrition Insecurity in the Sahel (P2RS), funded with African Development Fund (ADF) resources. P2RS, approved by the Board of Directors in October 2014, was designed for a 20-year period tosustainably increase agro-sylvo-pastoral and fisheries productivity in the Sahel. In addition to the regional component, some countries are implementing their own national projects. P2RS Project 1 involves seven Sahel countries most affected by food crises, including Chad. The project will serve as a basis for GEF co-financing. The P2RS-Chad component, placed under the supervision of the Ministry of Agriculture, specifically aims to strengthen the resilience of rural communities through the development of agriculture and livestock, irrigation systems and regional markets for agricultural inputs and livestock products. The implementation of P2RS Project 1 is under way and involves both central and decentralized entities responsible for agriculture, animal resources, the environment and nutrition. GEF's co-financing, which targets the same objectives as the initial P2RS, will be implemented concurrently with the Chad component. The GEF Project Identification Form (PIF) was approved on 28 April 2015 and endorsed by its Chief Executive Officer and Chairperson on 13 September 2017. The aim of the GEF project is to help restore and maintain the basic productivity of the natural resources on which people depend. The idea is to strengthen food security and nutrition by using sustainable and resilient agro-sylvo-pastoral systems in the target regions.
- The underlying concept of the GEF project is that resilience in the Sahel will be 1.2 impossible if equal attention is not paid to both the rational and sustainable management of the natural systems that support rural livelihoods. The proposed project will also seek to restore and maintain the productivity of natural assets in fragile ecosystems through: (i) the improvement of agro-sylvo-pastoral productivity in arid zones; (ii) the promotion of integrated ecosystem management to protect biodiversity; and (iii) knowledge building and monitoring and evaluation. It aims to build the resilience of communities and households regularly affected by climate-related extreme events, through a sustained increase in the productivity of natural resources, thus helping to enhance food security and nutrition in Kanem and Bahr el Ghazal provinces. Therefore, the project will enable stakeholders to contribute to the restoration of biodiversity in fragile ecosystems. On this basis, the GEF project will be implemented in the regions targeted by the initial P2RS over a four-year period. The Ministry of Agriculture, which oversees the initial P2RS, will remain the executing body for the GEF project. The activities will be implemented by the existing Project Implementation Unit (PIU) and managed by the same steering committee. It should be noted that the GEF project has already been approved by the GEF Chief Executive Officer and Chairperson, and has now been submitted to the Board of Directors for approval.
- Needs Assessment: In line with the rural development, environmental management and climate change priorities and the Chad Vision 2030 for Development, whose main objective is to make Chad an emerging country by 2030, the Government has developed and launched a number of sectoral policies and national development strategies, including the National Development Plan 2017-2021, which succeeds the previous National Development Plan 2013-2015, the National Poverty Reduction Strategies I and II, the National Biodiversity Strategy and Action Plan (2014 2020) and the National Adaptation Programme of Action on Climate Change (NAPA, 2009). The project interventions will help to reduce land degradation and promote sustainable management of natural resources, thereby building economic, social and climate resilience. As such, it is in line with thrust 4 of the Vision 2030 paper, which aims

to improve the quality of life of the Chadian people by creating a healthy environment with preserved natural resources.

1.4 <u>Target Beneficiaries</u>: The project's direct beneficiaries are the 11,000 smallholder farmers who engage in subsistence agriculture and livestock farming on marginal lands and derive their income from agriculture, livestock farming or the gathering of wood and non-wood products. Through the various activities that will be initiated, the project will help to bolster their resilience to food and nutrition insecurity and improve access to agro-pastoral and transhumance resources, which should be developed with an emphasis on resource sustainability and diversification.

Professional organizations, grassroots community organizations and actors at both local and central levels involved in the implementation of the planned activities will have their capacities strengthened through the activities proposed by the project.

- Bank's Value Added: The Bank will build on and develop implementation approaches and principles based on its long experience in the Sahel, especially in water mobilization and control, sustainable natural resource management and resilience-building among vulnerable groups. In Chad,, the Bank has developed and implemented a number of projects in the rural development sector, including the Surface Runoff Water Enhancement Project (PVERS), the Natural Resources Management Project in the Sudan Region (PGRN-ZS) and the Food Crops Cultivation Project in the Sudan Region (PCVZS). These have shown that technical support for production through the dissemination of appropriate soil fertility management techniques and access to water, accompanied by adequate medium- and long-term investments in a participatory approach are necessary to cope with shocks and reduce the adverse effects of climate change. Through this GEF financing, the Bank will draw on this wealth of experience to undertake more sustained investments in support of the organization of farmers, women and young people, focusing on the mainstreaming of environmental, climate issues and nutrition issues.
- 1.6 <u>Knowledge Building</u>: The project will support environmental awareness and stakeholder capacity-building, focusing on improving integrated landscape management and agro-sylvo-pastoral planning. The project will also comprise sustainable land and forest management technologies as well as the dissemination of best practices in Sahelian agriculture and biodiversity conservation to stakeholders. The knowledge that will result from the implementation of these approaches and techniques, as well as the lessons learned therefrom, will be capitalized for dissemination and development during the design and management of future projects.

Lessons learned will be captured in quarterly and annual progress reports, technical reports and the mid-term review and completion reports.

Results-Based Logical Framework (Project's Logical Framework/ Matrix)

Country and Project Name: CHAD – Project to Build Resilience for Food Security and Nutrition in Rural Communities

Project Goal: Strengthen Food and Nutrition Security through Sustainable and Resilient Agro-Sylvo-Pastoral Systems in the Sahel Regions of Chad

		PERF	ORMANCE INDIC	CATORS	MEANS OF	
RE	SULTS-CHAIN	Indicator (including CSI)	Baseline Data	Goal	WEARS OF VERIFICATION	RISKS/MITIGATION MEASURES
IMPACT	Impact: Improvement of the quality of life for the people of the project area. Contribute to the reduction of the food and nutrition insecurity and to the growth of the agricultural sector.	High rates of global acute	18.5% (2016) 13.9% (2017) 133 (2015) 23% (2015)	5% (2030) 5% (2030) 100 (2030) Increase by +5.4 (2021)	 National strategies review report (ANADER). Statistics Directories, Reports by the Ministry of Health. Reports by the Ministry in charge of the Plan and National Economic Statistics 	
	Outcome 1.1: Sustainable increase in agricultural and livestock production to support food security and resilience	Surface area of degraded land recovered	Not available	7,000 ha of degraded arable land under SLM	Project monitoring systems, reports by local monitoring teams, P2RS, joint project monitoring reports, project mid-term and completion reviews	Risk 1: The people may not use the new techniques correctly, although they know the benefit of adopting them Mitigation measures: Constant awareness-raising in local communities so that they may focus on the proper use of
OUTCOMES		Volume of natural fodder available on rangelands	Not available	3,000 ha under rangeland pastoral management	Project monitoring systems, reports by local monitoring teams, P2RS, joint project monitoring reports, mid- term review and project completion review	land and natural resource technologies. Risk 2: Different groups with opposing interests (e.g., herders/grazing versus farmers/agricultural production) may disrupt the project implementation
		% increase in agricultural and livestock production due to better land and ecosystem management	Not available	5 micro-projects using suitable land conservation and regeneration techniques and mixed cropping systems implemented by farmers and stockbreeders	Project monitoring systems, reports by local monitoring teams, P2RS, joint project monitoring reports, midterm review and project completion review	Mitigation Measures: Focus at each stage on the overall complementarity of project activities and benefit of integrated management

	Number of land users trained in the use of INRM/SLEM of best practices	Not available	11,000 land users trained in INRM and SLEM	Project monitoring systems, reports by local monitoring teams, P2RS, joint project monitoring reports, project mid-term and completion reviews	
	Number of staff trained in INRM policies and practices	Not available	150 local staff trained in sustainable INRM policies and practices	Project monitoring systems, reports by local monitoring teams, P2RS, joint project monitoring reports, project mid-term and completion reviews	
Output 1.2: Development of irrigation and pastoral infrastructure and adapted agro-sylvo-pastoral techniques to improve livelihoods and reduce vulnerability	No. of ponds and boreholes drilled	Not Available	15 ponds and 15 boreholes	Project monitoring systems, regional reports, consultation reports Acceptance and allocation reports Design reports	Risk 1: Failure by herders and farmers to agree on the location of water points Mitigation measures: Ensure everyone's participation in the project, from launch to implementation Risk 2: Reluctance of engineers to comply with new guidelines and designs
vumerability	No. of water points created	Not available	20 village water points -	Project monitoring systems, regional reports, consultation reports Allocation reports Design reports	Mitigation measures: Organize training in a timely manner, implement activities and learn lessons quickly.
	Land area in hectares managed for irrigated crops	Not available	Controlled irrigation on 345 ha on an exposed site	Project monitoring systems, regional reports, consultation reports Allocation reports Design reports	

Quantity and variety of improved seeds planted and rate of increase in crop productivity			Project monitoring systems, regional reports, consultation reports, reports on field extension services Allocation reports Acceptance reports
Number of sustainable income-generating activities developed and % increase in incomes	3	6 other income-generating activities (3 in the agricultural sector and 3 in the livestock sector)	
No. of cereal banks created	Not available	30 grain banks	Project monitoring systems, regional reports, consultation reports, reports on field extension services Acceptance reports
No. of input shops built	Not available	20 agricultural input shops	Project monitoring systems, regional reports, consultation reports , reports on field extension services Allocation reports Acceptance reports
No. of livestock feed stores	Not available	30 livestock feed stores set up	Project monitoring systems, regional reports, consultation reports , reports on field extension services Allocation reports Acceptance reports

Outcome 1.3 Improving agrosystems managemen methods to generate sustainable flows of services related to the agricultural and forestry ecosystem	No. of hectares of woodlots, community forests, nurseries, No. farmers practising agroforestry	Not available Not available	5,000 ha of woodlots, community forests, nurseries and agroforestry 50% in both regions	Project monitoring systems, regional reports, consultation reports, extension services reports	Risk 1: Current policy prohibiting tree cutting, for whatever reason, may discourage tree planting activities. Mitigation Measures: Farmers-Government discussions to reach an agreement on how farmers will benefit from reforestation
	No. of producer groups	Not available	10 local producer groups (including a minimum of 5 women's groups)	Project monitoring systems, regional reports, consultation reports, extension services reports	Risk 2: Risk that the battle for water will divert resources to "priority areas", such as livestock and food crops. Mitigation measures: Water supply is provided before or simultaneously with other project activities so that there is enough water to meet all needs
Outcome 2.1 Improving integrated landscape planning to ensure the resilience and protection on habitats	l plans	Not available	Integrated land-use plan at each project site	Project monitoring systems, regional reports, consultation reports, extension services reports	Risk: Lack of political commitment to mainstream climate change issues and integrated natural resource management into development processes, with the primary aim of preserving existing gains from core development programmes.
	Area subject to sound land- use management	Not available	Appropriate management of all farmland in the project area, with maintenance or increase of vegetation cover	Project monitoring systems, regional reports, consultation reports, extension services reports	Mitigation measures: Organize training, carry out activities and draw lessons quickly to demonstrate the benefits.
Outcome 2.2: A favourable environment through land conservation mechanisms, wood	No. of SLFM Plans	Not available	SLFM is implemented in all sections of the project area	Project monitoring systems, regional reports, consultation reports, extension services reports , SLFM plans	Risk : Lack of political commitment to mainstream climate change issues and integrated natural resource management into development processes, with the primary aim of preserving existing gains

	biomass and biodiversity	Certification system in place	Not available	Certification system (Plan Vivo) in place	Project monitoring systems, regional reports, consultation certification developed reports,	acquisition by the project of the services of a consultant with technical skills, interested, available and willing to work
		No. of areas and hectares assessed for protection	Not available	Assess the feasibility of creating a protected area for eco-regions of the Sahelian acacia savannah or the flooded savannah of Lake Chad	consultation reports,	with communities and the Government in the context of participatory monitoring, while building local capacities to ensure sustainability.
	Outcome 3.1: The lessons learned are recorded and knowledge disseminated	Best practices knowledge products available, shared and in use	Not available	At least 10 major knowledge products acceptable by international publication and information standards, and are adapted to local needs clearly used in training	Project monitoring systems, project implementation reports, publications	
	Outcome 3.2: The project impact ismonitored and evaluated	Involvement of communities in vulnerability monitoring	Not available	A series of indicators for monitoring community vulnerability and resilience is adopted and intensely used	Community monitoring reports, project monitoring systems, district reports, participatory monitoring, evaluation, reflection and learning (PMERL) report	
	Output 1.1: Land degradation is decreasing: 7,000 ha of degraded agricultural	managed pastoral land	0	7 000 ha of degraded farmland under SLM, 3 000 ha of degraded land under rangeland management	M&E reports, national data	
OUTPUTS	land under SLM and 3,000 ha under rangeland management	2. No. of micro-projects using land-based conservation and regeneration techniques and mixed cropping systems implemented by farmers and herders	0	5 micro-projects		
		2 Capacity of the agro- sylvo-pastoral actors built	0	11,000 land users trained in the INRM and the SLWM		-
		3. No. of local staff trained in sustainable INRM policies	0	150		-

	and practices at workshops				
Output 1.2: Investments are being made in SLM, rural	No. of investments in SLM and rural hydro-agricultural infrastructure	0	20 village water points, controlled irrigation on 345 ha on exposed sites)	Supervision reports and M&E reports, national data and regional reports	-
hydro-agricultural infrastructure, crop diversification, income-generating activities and grain banks	2. Appropriate crop species and varieties of disseminated	0	Resilient seed varieties identified, produced and distributed to about 100 households and farmers' organizations -		-
	3. No. of income-generating activities promoted	0	3 agricultural and 3 livestock activities identified and implemented jointly with households -		-
	4. No. of grain banks, farm input stores and livestock feed stores established	0	30 grain banks, 20 farm input stores and 30 livestock feed stores set up		-
SFM area, training in SFM and arable land		0	5,000 ha of woodlots, community forests, nurseries, agroforestry, etc.	Supervision reports and M&E reports, national data and regional reports	-
management and diversification of local producer groups	2. Capacity-building in SFM and land management at district and local levels	0	Farmers, landholder groups, local authorities, etc., trained in SFM and land management		-
	3. Diversification of income sources through agroforestry and sylvo-pastoral activities	0	10 groups of local producers (at least 5 women's groups) diversify their sources of income through agroforestry and sylvo-pastoral activities		-
Output 2.1: Demonstration of participatory land-use planning, integrated land use planning for	Demonstration of participatory land-use planning	0	Number of participatory land restoration and land-use/NRM plans developed with local authorities and communities	M&E reports, national data	-
priority agroecosystems, and effective land-use management	2. Integrated land use plans for agroecosystems	0	Number of local land use plans in targeted areas that mainstream INRM and the conservation and sustainable exploitation of biodiversity		-

	1			T
	3. Surface area of well- managed arable land, with maintenance or increased vegetation cover	0	Number of hectares of properly managed arable land	-
	1. Integration of SFLM practices	0	Intensification of land-use systems by integrating SFLM practices, which will improve soil condition and carbon sequestration (and avoid deforestation and land degradation) Supervision reports and M&E reports, national data and regional reports	-
	2. Establishment of SFLM support mechanisms over wider areas, and appraisal and implementation of benefit-sharing mechanisms to raise SFLM awareness at community level.	0	300 improved cooking stoves are distributed	-
	3. Introduction of a certification system for forest/agroforestry products, as well as management systems with third-party implementation	0	Plan Vivo system and standard used for certification of forest and agroforestry products -	-
	4. Assess the feasibility of creating a protected area for the ecoregions of the Sahel acacia savannah or the flooded savannah of Lake Chad	0	Assess the feasibility of creating a protected area for the ecoregions of the Sahel acacia savannah or the flooded savannah of Lake Chad	-
Output 3.1: Assessment of biodiversity and conservation needs, development of an awareness campaign framework, including	1. Information on biodiversity and conservation needs in the Kanem and Bahr el Ghazal ecoregions and possible response mechanisms	0	Assessment of biodiversity and conservation needs in the Kanem and Bahr el Ghazal ecoregions and possible response mechanisms Supervision reports and M&E reports, national data and regional reports	
	2. Awareness campaigns and training in ecosystem management aimed at raising consciousness and creating	0	Framework developed for awareness campaigns and training to raise consciousness and create an enabling	-

	an enabling environment		environment for ecosystem management	
	3. Guides and kits on innovative INRM and biodiversity conservation practices in drylands	0	Development and dissemination of guides and kits on innovative INRM and biodiversity conservation practices in drylands	-
Output 3.2: Establishment of a project monitoring system, including an	Systematic information on the progress made towards achievement of outcomes and outputs	0	Adoption of the project - monitoring system	-
M&E system to enable analysis of land degradation and biodiversity impacts, and the conduct of the	2. M&E system for analysing the trend of land degradation and the socio-economic and biodiversity impacts	0	M&E system for analysing the trend of land degradation and socio-economic and biodiversity impacts	-
mid-term review and final evaluation	3. Mid-term and final evaluations	0	Mid-term and final evaluations conducted	-
Component 2: Promot	dge management and M&E:		: em for building resilience and biodiversity:	USD 2,525,000 USD 1,750,000 USD 800,668 USD 253,784

Project Implementation Schedule

		20	19			202	20			2021				2022			
No.	Description of Activities	Qı	uart	er													
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
0.0	Preparatory activities, Signature/ Effectiveness of Grant																
1.0	Component 1: Improving Agro-sylvo-pastoral Productivity in Dryland																
1.1	Improving agricultural, livestock and pasture production to support food security and resilience																
	1.1.1 Decrease of land degradation: 7,000 ha of degraded farmland under SLM and 3,000 ha under pastoral																
	management																
	1.1.2 Five (5) micro-projects using environment-adapted soil conservation / regeneration techniques and mixed																
	cropping systems practiced by farmers and herders																
	1.1.3 Strengthenthe capacity of agro-sylvo-pastoral actors: 11,000 land users trained in INRM and SLWM																
	1.1.4 150 local employees trained in sustainable INRM policies and practices through workshops																
1.2	Improving agro-pastoral techniques and access to productive assets to enhance livelihoods and reduce vulnerability																
	1.2.1 Investments in the SLWM: rural hydro-agricultural infrastructures (30 ponds and boreholes, 20 village water																
	points, controlled irrigation on 345 ha on exposed sites)																
	1.2.2 Crop diversification and farming of appropriate species: Resilient seed varieties are identified, produced and																
	distributed to about 100 households and farmers' organizations																
	1.2.3 Six (6) other income-generating activities (3 agricultural, 3 livestock) identified and implemented by																
	households																
	1.2.4 Thirty (30) grain banks, 20 farm input stores and 30 livestock feed stores established																
1.3	1.3 Improving forest management and/or reforestation generates sustainable flows of agricultural and forest																
	ecosystem services																
	1.3.1 Increase in land under SFM: 5,000 ha of arable land, woodlots, community forests, nurseries, agroforestry,																
	etc.																
	1.3.2 Training in SFM and farmland management at the district and local levels (farmers, landholder groups, local																
	authorities, etc.)																
	1.3.3 Ten local producer groups (including at least 5 women's groups at least) diversify their income through and																
	sylvo-pastoralism																
2.0	Component 2: Promoting Integrated Ecosystem Management to Enhance Resilience and Biodiversity																
2.1	2.1 Improving integrated landscape planning for habitat resilience and preservation																
	2.1.1 Participatory land-use planning demonstration: No. Participatory restoration and exploitation/NRM plans																
	developed with local authorities and communities																
	2.1.2 Integrated management plans for priority agroecosystems: Number of local land use plans in targeted areas,																
	concerned with INRM practices and the conservation and sustainable use of biodiversity																
	2.1.3 Hectares of cultivated land properly exploited, with maintenance or increase of the vegetation cover																
2.2	Enabling environment improved through land conservation mechanisms, woody biomass and biodiversity																
	2.2.1 Intensification of land-use systems by integrating SLFM practices, improving soil condition and carbon																
	sequestration (deforestation and land degradation avoided)																

		20	19			202	20			2021				2022			
No.	Description of Activities	Qι	ıarte	er													
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
																	l
	2.2.2 Support mechanisms created for SLMF in larger landscapes, including assessment and implementation of benefit-sharing mechanisms to promote SLM practice at the community level, and 300 improved stoves distributed																
	2.2.3 Evaluation and introduction of a "sustainable forest management" certification system for forest products, agro-forestry or third-party certified management systems																
	2.2.4 Assess the feasibility of creating a protected area for the ecoregions of the Sahel acacia savannah or the flooded savannah of Lake Chad																
3.0	Component 3: Knowledge Management and Monitoring and Evaluation															Į.	1
3.1	Lessons learned, recorded and knowledge disseminated																
	3.1.1 Assess biodiversity and conservation needs in the Kanem and Bahr el Ghazal ecoregions, and possible																
-	response mechanisms															├	—
	3.1.2 Framework developed for awareness campaigns and training to raise awareness and promote an enabling environment for ecosystem-based management															L	
	3.1.3 Development and dissemination of guides and kits on innovative INRM practices and biodiversity conservation in drylands																
3.2	Monitoring and evaluation of project impact																
	3.2.1 Establishment of a project monitoring system, which provides systematic information on progress towards achievement of outcome and output targets																
	3.2.2 M&E systems for analysing the evolution of land degradation and associated socio-economic and biodiversity impacts.																
	3.2.3 Mid-term review and completion review conducted																

MANAGEMENT'S REPORT AND RECOMMENDATION TO THE BOARD OF DIRECTORS CONCERNING A PROPOSAL TO FINANCE FROM GEF RESOURCES THE PROJECT TO BUILD RESILIENCE FOR FOOD SECURITY AND NUTRITION IN CHAD'S RURAL COMMUNITIES

Management hereby submits the following report and recommendation for a GEF grant of USD 5,329,452 (UA 3.518 million) as additional resources to finance the Project to Build Resilience for Food Security and Nutrition in Chad's Rural Communities, as part of the P2RS Programme.

1. STRATEGIC THRUSTS AND RATIONALE

1.1 Project Linkages with Country Strategy and Objectives

- The Government's development programme is set out in the Vision 2030, the objective 1.1.1 being for Chad to "become an emerging middle-income country by 2030, whose economy is driven by diverse sustainable sources of growth and value-added activities". The National Development Plan (NDP 2017-2018) is the first operational planning paper of the Vision 2030. It replaces the NDP 2013-2015 and the successive national poverty reduction strategies (2003-2006; 2008-2011), which give priority and special attention to agriculture and rural sector development, with a view to increasing food production and improving the incomes of rural communities. The Programme to Build Resilience to Food and Nutrition Insecurity in the Sahel (P2RS) was designed to sustainably increase agro-sylvo-pastoral and fisheries productivity in the Sahel, thus facilitating the achievement of Vision 2030. The three main components of P2RS are (i) rural infrastructure development; (ii) value chains and regional markets development; and (iii) project management and coordination. The initial P2RS will serve as the basis for GEF co-financing. The project is in line not only with Chad's Country Strategy Paper (CSP) 2015-2020, focused on "the development of infrastructure to promote robust and more diversified economic growth", but also with the objectives of the Bank's Ten-Year Strategy since it will help Chad to move along a growth path that protects livelihoods, promotes greener growth and stimulates economic development. The project is also consistent with two of the Bank's five priorities, namely: "Feed Africa" and "Improve the quality of life for the people of Africa".
- 1.1.2 The GEF Project Identification Form (PIF) was approved in April 2015 and validated on 13 September 2017 by the Facility's Chief Executive Officer and Chairperson for an amount of USD 5,329,452. The project aims to build the resilience of communities and households regularly affected by extreme weather events, through sustained growth in natural resource productivity, which will help to improve food security and nutrition in Kanem and Bahr el Ghazal provinces. The project will thus enable stakeholders to contribute to the restoration of biodiversity in fragile ecosystems. The GEF project is fully aligned with national strategies and P2RS, in that it aims to reduce and reverse trends in desertification, land degradation and biodiversity loss, which will improve productivity and food security while preserving the natural resources that support agro-ecological production.

1.2 Rationale for the Bank's Involvement

1.2.1 Chad is increasingly confronted with problems of environmental degradation and extreme weather events, which are much more pronounced in such sectors as agriculture, livestock, fisheries and health. All policy papers (Vision 2030, National Development Plan, poverty reduction strategies) highlight the importance of protecting natural resources in a context of worsening weather phenomena in Chad, and the need to implement actions that

promote food security and build the adaptive capacities of affected populations. However, capacity to sustainably managenatural resources in the face of climate change is limited due to the shortage of human and financial resources in existing administrative entities (ministries, government agencies and local governments).

- 1.2.2 The project is in line with the Bank's Ten-Year Strategy (2013-2022), the ultimate goal of which is sustainable inclusive growth. The focus is on protecting livelihoods, enhancing water, electricity and food security, promoting the sustainable use of natural resources, creating jobs, stimulating innovation and developing the economy. It will help to achieve the objectives of the Ten-Year Strategy by strengthening agro-sylvo-pastoral productivity and promoting integrated ecosystem management and inclusive growth. Undertaken in the Sahel, a region that attracts particular attention because of the difficult living conditions and vulnerability of its rural populations, but also because of its agricultural potential, the project will have an impact on agriculture and food security, thus helping to achieve two of the Bank's "High 5s". Given that the project also aims to promote innovative production techniques such as agroforestry and sylvo-pastoralism, activities that are mainly carried out by women, it will also help in the implementation of the Bank's Gender Strategy. Through its adaptation actions, the project will also help in the implementation of the Bank's 2016-2020 Climate Change Action Plan (CCAP), contributing approximately 80.21% of the budget of components (1) and (2).
- 1.2.3 As on 1 October 2018, the African Development Bank has 15 operations in Chad, with a net commitment of UA 214.23 million. Under the CSP 2016-2020, the Bank's support is based on two pillars: (i) infrastructure development to promote inclusive green growth; and (ii) promotion of good governance to increase the effectiveness of public actions and make the economic framework more attractive. The Bank's strategic approach is to help create conditions conducive to more inclusive economic growth and to improve the country's integration into a sub-regional economy. Since the project's interventions aim to reduce land degradation and promote sustainable natural resource management, this will improve socioeconomic resilience while strengthening agro-pastoral and transhumance resources, which should be developed to enhance sustainability and diversify growth in the country.

1.3 Donor Coordination

1.3.1 A Technical and Financial Partners Committee, established in April 2011, is responsible for harmonizing donor interventions in Chad. The committee is composed of nine thematic groups and is chaired by France. The committee acts as a platform for dialogue, consultation and collaboration on development issues and on bilateral and multinational cooperation between Chad and its partners. A State/partners committee has also been set up to encourage dialogue with national authorities and improve aid management. A matrix of interventions for 2018-2021, which presents all partners' planned interventions, has helped to better assess their areas of intervention and improve the division and coordination of work. Aid coordination has facilitated co-financing with technical and financial partners such as BADEA, the OPEC Fund, BDEAC, UNDP, EU and IsDB.

2. PROJECT DESCRIPTION

2.1 Objectives of P2RS (Core Project) and GEF Project

2.1.1 <u>Objectives and Components of the Initial P2RS</u>: The P2RS Chad project served as a basis for mobilizing co-financing for the GEF project. The P2RS programme aims to eliminate the structural causes of acute and chronic food and nutrition crises by helping vulnerable households to increase their production and income, secure access to basic social infrastructure and services, and increase their livelihood options. It was designed for a 20-year period in four

phases, the first of which (Project 1) will be implemented over a five-year period, from 2015 to 2019. The overall cost of P2RS Project 1, which covers seven CILSS countries, amounts to USD 271.77 million funded by ADF-XIII in the form of grants and loans, representing 85% of the total cost of Project 1. The remaining 15% is funded by (i) the governments of the countries involved in this first phase (Burkina Faso, Chad, the Gambia, Mali, Mauritania, Niger and Senegal); (ii) the Permanent Interstate Committee for Drought Control in the Sahel (CILSS); and (iii) beneficiaries.

- 2.1.2 In Chad, P2RS is under the technical supervision of the Ministry of Agriculture. The project strategy is based on the development of agricultural and livestock farming products, the promotion of irrigation systems, accessibility to input markets and capacity-building for private and public institutions and communities in the agricultural sector. In that regard, the project is constructing pastoral and village water infrastructure in targeted rural districts and will help vulnerable households to not only improve their productivity through rational and sustainable management of natural resources but also to have better access to markets. A value chain approach based on growth sub-sectors is currently being used to ensure, maintain and increase access to and the marketing of agricultural products. The basic project will be implemented through three components, covering:
 - (i) Rural infrastructure development: This component aims to increase and improve agricultural production, processing and marketing infrastructure, which is indispensable for increasing the competitiveness of promising agricultural sectors and strengthening the resilience of agricultural operations in the Sahel. The main activities focus on the development of pastoral infrastructure and facilities, conservation, processing and marketing infrastructure, and basic social infrastructure.
 - (ii) Development of regional value chains and markets: This component aims to increase on a sustainable basis the production and productivity of the main agrosylvo-pastoral farming systems and to strengthen nutrition.
 - (iii) Programme management: The last component aims to define and deliver the institutional architecture for the management and coordination of all project-related aspects, including procurement, monitoring and evaluation, and communication.
- 2.1.3 A standing committee, composed of representatives of the central administration of the rural sector and all the actors involved in the development of the regions within the project area, is responsible for managing and making decisions concerning P2RS.
- 2.1.4 Objectives and description of the GEF project: Entitled "Building Resilience for Food and Nutrition Security in Rural Communities in Chad", the GEF project will be based on the activities planned under the original project, to increase their impact on the environment and on the people. The activities are grouped into three components: (i) improvement of agrosylvo-pastoral productivity in drylands; (ii) promotion of integrated ecosystem management to enhance resilience and biodiversity; and (iii) knowledge management and monitoring and evaluation, in accordance with the GEF eligibility criteria for the areas of intervention under which this project is funded, namely land degradation, biodiversity and sustainable forest management. The components and activities are presented in Table 2.1 below.

The GEF project's main expected outcomes are as follows: (i) improvement of rural communities' agricultural production practices and the management of natural pasture to support food security and resilience; (ii) use by rural communities of improved agro-pastoral

technologies and their access to production assets for enhanced livelihoods and reduced vulnerability; (iii) improved management of forests and/or reforestation areas, to generate sustainable flows of ecosystem services; (iv) enhanced integrated landscape planning for habitat resilience and preservation; (v) enabling natural environment is enhanced through mechanisms for the conservation of land, woody biomass and biodiversity, (vi) lessons learned are captured and knowledge is disseminated; and (vii) the project impact is monitored and evaluated.

2.1.5. The first objective of the initial P2RS is to develop rural infrastructure, value chains and regional markets. The additional GEF project will build on the first objective (development of rural infrastructure) to undertake investments in irrigation schemes development, establish cereal banks, agricultural input shops and livestock feed shops, and ensure sound land and soil management (soil conservation/regeneration techniques and sustainable forest management). The second objective of the initial P2RS (development of value chains and regional markets) will be strengthened in the additional GEF project through crop diversification, identification of resilient seed varieties and selection of other income-generating activities. The additional GEF project will therefore increase the attention given to sustainability and resilience in the initial P2RS. Its purpose is to enable stakeholders to restore and maintain the productivity of natural resources and biodiversity in fragile ecosystems, in order to ultimately improve their livelihoods and the natural resources on which they depend. This approach is based on the premise that agro-sylvo-pastoral systems are essential for improving food and nutrition security.

2.2 Project Components

Table 2.1: Project Components and Costs

Component 1: Enhance	ing agro-sylvo-pastoral productivity in drylands		
Outcomes	Outputs	GEF financing	Co-financing
1.1. Improved agricultural, rangeland and pastoral production in support of food security and resilience	1.1.1 Land degradation is reduced: 7,000 ha of degraded cropland in sustainable land management mode and 3,000 ha in rangeland pastoral management mode. 1.1.2 Five micro-projects on soil and associated crop management and restoration techniques are being implemented by farmers and herders 1.1.3 The capacities of agro-sylvo-pastoral actors are improved: 11 000 land users trained in integrated management of natural resources and sustainable land and water management 1.1.4 150 local employees trained in sustainable integrated natural resource management policies and practices through workshops	764,974	2,575,000
1.2 Improved agro- pastoral technologies and access to production assets for enhanced livelihoods and reduced vulnerability	1.2.1 Investments in sustainable land and water management: rural hydro-agricultural infrastructure (30 ponds and boreholes; 20 rural water points; controlled irrigation system on 345 ha on exposed sites) 1.2.2 Crop diversification and cultivation of appropriate species: resistant seed varieties identified, produced and distributed to 100 households and farmers' organizations (FOs) 1.2.3 Six alternative income-generating activities (3 agricultural and 3 livestock activities) are identified with households	1,264,820	3,258,000

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	1.2.4 30 cereal banks, 20 input stores, and 30		
	fodder banks are set up		
1.3 Improved forest	1.3.1 Increased land area in sustainable forest	495,206	1,167,000
management and/or	management mode: 5,000 ha of forests,	,	,,
reforestation generate	community forests, nurseries, agroforestry, etc.		
sustainable flows of	1.3.2 Training in sustainable forest management		
agro- and forest	and cropland management at the local level		
ecosystem services	(farmers, land user groups, local authorities, etc.)		
ceosystem services	(larmers, land user groups, local authorities, etc.)		
	1.3.3 10 local producer groups (at least 5 women's		
	groups) diversify their income through		
	agroforestry and sylvo-pastoralism		
Commonant 2: Busines			and hiadimonaita
	ting integrated ecosystem management for enha	nced resilience	and blodiversity
conservation	0.1.1	CEE	Q C :
Outcomes	Outputs	GEF	Co-financing
		financing	
2.1 Enhanced	2.1.1 Demonstration of participatory land-use	633,186	1,809,103
participatory	planning: Number of participatory restoration and		
landscape planning for	land use /natural resource management plans		
habitat preservation	developed with local authorities and		
and resilience	communities.		
	2.1.2 Land-use plans for priority agro-		
	ecosystems: Number of local plans for land-use in		
	targeted areas including both integrated natural		
	resource management and conservation and		
	sustainable use of biodiversity		
	2.1.3 3 ha of agricultural land under effective		
	land-use management with maintenance or		
	increase of vegetation cover		
2.2 Enabling	2.2.1 Increase in participatory land management	1,116,814	3,190,897
environment enhanced	systems includes sustainable land and forest	, ,	, ,
through land,	management practices, resulting in improved soil		
biodiversity and	conditions and carbon sequestration (avoided		
woody biomass	1		
i woody bioinass	deforestation and land degradation)		
conservation	deforestation and land degradation) 2.2.2 Support mechanisms for sustainable land		
conservation	2.2.2 Support mechanisms for sustainable land		
	2.2.2 Support mechanisms for sustainable land and forest management are established in larger		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level,		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or		
conservation	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad		
conservation mechanisms	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah		
conservation mechanisms Component 3: Knowle	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah dge management and monitoring and evaluation		
conservation mechanisms	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah	GEF financing	Co-financing
conservation mechanisms Component 3: Knowle	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah dge management and monitoring and evaluation Outputs	financing	
Component 3: Knowled Outcomes 3.1 Lessons learned	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah dge management and monitoring and evaluation Outputs 3.1.1 Biodiversity and conservation needs in the		Co-financing 1,210,000
Component 3: Knowle Outcomes 3.1 Lessons learned captured and	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah dge management and monitoring and evaluation Outputs 3.1.1 Biodiversity and conservation needs in the Kanem and Bahr el Ghazal ecoregions and	financing	
Component 3: Knowle Outcomes 3.1 Lessons learned captured and knowledge	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah dge management and monitoring and evaluation Outputs 3.1.1 Biodiversity and conservation needs in the Kanem and Bahr el Ghazal ecoregions and possible response mechanisms are evaluated	financing	
Component 3: Knowle Outcomes 3.1 Lessons learned captured and	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah dge management and monitoring and evaluation Outputs 3.1.1 Biodiversity and conservation needs in the Kanem and Bahr el Ghazal ecoregions and possible response mechanisms are evaluated 3.1.2 Framework developed for awareness and	financing	
Component 3: Knowle Outcomes 3.1 Lessons learned captured and knowledge	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah dge management and monitoring and evaluation Outputs 3.1.1 Biodiversity and conservation needs in the Kanem and Bahr el Ghazal ecoregions and possible response mechanisms are evaluated 3.1.2 Framework developed for awareness and training campaigns to increase awareness and	financing	
Component 3: Knowle Outcomes 3.1 Lessons learned captured and knowledge	2.2.2 Support mechanisms for sustainable land and forest management are established in larger areas, including the evaluation and implementation of benefit-sharing mechanisms to encourage sustainable land and forest management practices at the community level, and 300 improved stoves distributed 22.2.3 Evaluation and establishment of a certification system for forest and agro-forestry products or management systems with implementation by a third party 2.2.4 Evaluation of the feasibility of creating a protected area for Sahel Acacia forest stands or the floodable ecoregions of the Lake Chad savannah dge management and monitoring and evaluation Outputs 3.1.1 Biodiversity and conservation needs in the Kanem and Bahr el Ghazal ecoregions and possible response mechanisms are evaluated 3.1.2 Framework developed for awareness and	financing	

	3.1.3 Innovative guides and tools on biodiversity conservation and integrated natural resource management practices in drylands are developed and disseminated		
3.2 Project impact monitored and evaluated	3.2.1 Project monitoring system established, providing systematic information on progress made towards achieving the targeted outcomes and outputs 3.2.2 Monitoring and evaluation system for the analysis of land degradation trends and related socio-economic issues and impacts on biodiversity 3.2.3 Mid-term and final evaluations are carried out	338,154	885,800

2.3 Project Type

2.3.1 The proposed project aims to consolidate and increase the benefits of the existing P2RS project. It will be financed from the resources of the GEF Special Fund and implemented as part of the P2RS-Chad project.

2.4 Project Costs and Financing Arrangements

2.4.1 The overall cost of the GEF project is estimated at USD 5.329 million (UA 3.807 million) for a period of four (4) years. It will be financed by the GEF and will cover 100% of the total project cost, net of taxes, fees and/or charges in Chad. The cost allocations, as extracted from the letter of approval from the GEF Chief Executive Officer and Chairperson, are presented in the tables below.

Table 2.2: Summary of project cost by component

Component	USD	UA	Cost in: Local Currency (CFAF)
A) Improving agro-sylvo-pastoral productivity on arid land	2,525,000	1,666,887	1,427,938,000
B) Promoting integrated ecosystem management to improve resilience and biodiversity	1,750,000	1,155,268	989,660,000
C) Knowledge management and monitoring and evaluation	800,668	528,564	452 793,767
Total base cost	5,075,668	3,350,719	2,870,391,767
Project management cost (Project Management Unit)	253,784	167,536	143,519,928
Total project cost	5,329,452	3,518,255	3,013,911,695

Table 2.3: Sources of financing and contribution percentage (%)

Source of Financing	Amount (USD) a	Amount (USD) and Contribution Percentage (%)							
	Foreign Exchange	%	Local Currency	%	Total	%			
GEF Special Fund	5,329,452	100	-	-	5,329,452	100			
Government	-	-	-	-	-	-			
Beneficiaries	-	-	-	-	-	-			
Overall project cost	5,329,452	100	-	-	5,329,452	100			

Table 2.4: Project cost – Expenditure categories

	Amount Expected from the O	Amount Expected from the GEF Special Fund (USD)						
Expenditure Category	Cost in Foreign Exchange	Cost in Local Currency	Total					
A. Goods	666,497	-	666,497					
B. Works	2,555,014	-	2,555,014					
C. Services	1,048,862	-	1,048,862					
D. Operating costs	805,295	-	805,295					
E. Retained	253,784	-	253,784					
Overall project cost	5,329,452		5, 329,452					

Table 2.5: Expenditure Schedule by Component (USD)

Component	Year 1	Year 2	Year 3	Year 4	Total
1. Improving agro-sylvo	757,500	883,750	631,250	252,500	2,525,000
pastoral productivity on					
dryland					
2. Promoting integrated	525,000	612,500	437,500	175,000	1,750,000
ecosystem management to					
strengthen resilience and					
biodiversity					
Knowledge management and	240,200	280,234	200,167	80,067	800,668
monitoring and evaluation					
Total base cost	1, 522,700	1,776,484	1,268,917	507,567	5,075,668
Retained amount	76,135	88,824	63,446	25,378	253,784
Overall project cost	1,598,835	1,865,308	1,332,363	532,945	5,329,452

2.4.2 Experiences and lessons learned by the Bank: The AfDB has been active in the Sahel for many years, mainly in the following areas: water management and control, development of agriculture, livestock farming, fisheries, and natural resource management. Its experience shows that investing in the medium and long terms in the resilience of rural households is essential for helping them to cope with shocks (famine, drought, conflict, etc.) and for reducing their vulnerability. As at 1 October 2018, the Bank's net commitments in Chad for active operations amounted to UA 214.23 million. After a portfolio review conducted in 2013, key lessons were learned from previous CSPs and ongoing rural development initiatives. These include: the need for greater selectivity in terms of country allocation, division of labour and implementation capacity; the need for greater economic integration, stronger partnerships and co-financing (to increase the economic and social impact of interventions); the need to consolidate governance gains and build Chad's institutional capacities; and the need to promote the role of the private sector, particularly in the agricultural sector.

2.5 Project Impact Area

2.5.1 The proposed project will be implemented in the Sahel regions of Kanem and Bahr el Ghazal, where food insecurity is most acute in Chad, mainly due to difficult agro-ecological conditions and high malnutrition rates. The project beneficiaries will be smallholder farmers engaged in subsistence agriculture and livestock farming on marginal land, and who derive their income from agriculture, stock-breeding or the gathering of wood products. The project will specifically target 11,000 land operators who will receive training in integrated natural resource management (INRM) and sustainable land and water management (SLWM) with demonstrations. It will also train 150 local employees in sustainable INRM policies and practices, distribute resilient seed varieties to 100 households, and assist 10 local producer groups (including at least five women's groups) to diversify their incomes through agroforestry and sylvo-pastoral activities. As the land on which they depend is characterized by sand dunes and low-productivity wadis, the beneficiaries live on non-irrigated agriculture. The project will

address this issue by promoting sustainable land management, site-specific soil conservation systems and mixed cropping systems, the construction of rural hydro-agricultural infrastructure, and crop diversification with the cultivation of appropriate species. Low agricultural productivity, lack of income opportunities and lack of rural socio-economic infrastructure are the main causes of poverty in these areas. Poverty and insecurity are further exacerbated by the weakness of community-based organizations, coupled with inefficient service delivery, lack of resources (especially land in the *wadis*) and weak decision-making power and scarcity of information.

2.6. Participatory Approach for Project Identification, Design and Implementation

During the identification of the core programme, extensive consultations were held, 2.6.1 and a participatory approach was adopted for the development of the programme. During the preparation and appraisal phases, discussions and a workshop were held with key institutions and stakeholders, including national institutions responsible for agriculture, fisheries, livestock, environment, health and water (20 September 2016 to 5 October 2016). The consultative process was extended to civil society (NGOs, including women's organizations, farmers' organizations, etc.). Meetings were held with communities, key actors in production systems, and administrative and local authorities, which provided an opportunity not only to share information on the project and collect data on impact areas, but also to discuss planned activities. Women's organizations were involved in these meetings to better understand the difficulties they face and better capture their challenges and needs. These elements were fully reflected in the design of the intervention and this participatory approach will be maintained during the project implementation. Various stakeholders will also be involved in the development of the envisaged monitoring and evaluation system to ensure smooth implementation and achievement of goals.

2.7 Consideration of Bank Group's Experience and Lessons Learned in Project Design

2.7.1 The Bank has extensive experience in resilience-building programmes in the Sahel region. For instance, it implemented a USD 4 billion (2014) grant operation aimed at promoting stability and economic growth in the region. In addition, the Bank, through the African Water Facility (AWF) established in 2006, has funded 9 national and 11 multinational projects focusing on capacity-building for integrated water resources management, and established appropriate frameworks for collaborative water management, for example for Lake Chad, among other interventions. Several statements have been made on the issue of water security in the Sahel, reiterated as a priority for the Bank. The lessons learned from these previous Bank interventions, as well as the P2RS design, and the actions implemented during the design of the proposed project, are presented below in table form:

No.	Lessons Learned	Consideration in Project Design
1.	Institutional and organizational weaknesses	The project is based on existing structures, including P2RS, and on national project implementation bodies, which allows for smooth implementation.
2	Importance of taking into account conflicts between farmers and herders	Mediation efforts and specific activities that take into account their realities and needs, which are distinct yet are closely linked
3	Community conflicts around the project	Establishment of consultation mechanisms and organization of awareness-raising activities, including a communication plan and workshops, and development of a capacity-building and training programme
4	Weakness of the management and evaluation system that undermines the assessment of progress in implementation	Inclusion in the project design of participatory and regular monitoring and evaluation activities with sufficient financial allocation

2.8 Key Performance Indicators

2.8.1. The impact, outcome and output indicators are those mentioned in the logical framework, which will be measured using the existing monitoring and evaluation (M&E) system developed under P2RS. The impact indicator, which will serve as a gauge for the development objective, is the improvement of food security and nutrition following the adoption of sustainable and resilient agro-sylvo-pastoral systems in the Sahelian regions of Chad. Monitoring tools reflecting the multifocal nature of the project will also be developed for the GEF project activities, in accordance with the requirements of this institution.

3. PROJECT FEASIBILITY

3.1 Economic and Financial Performance

- 3.1.1 Economic and financial analyses carried out were based on the premise that incentive measures, sustainability considerations and an enabling environment are essential for the success of any intervention, all of which conditions the P2RS and the proposed project plan to fulfil. The measures envisaged in this regard are: (i) a multi-stakeholder participatory process, the creation of three nurseries, the construction of hydro-agricultural infrastructure, the establishment of land-use plans and the provision of training in sustainable land and water management; (ii) the establishment of pilot areas, training of beneficiaries, promotion and use of improved stoves, and the adoption of a forest certification system to encourage the sustainable use of land and forests; (iii) the development of grazing plans, the reseeding of grazing land, the adoption of species testing based on extension services to ensure the availability of healthy animals; (iv) fencing to prevent crop destruction, seed trials, extension services and cereal banks to improve crop productivity; (v) pilot/learning sites for training activities to encourage soil conservation; and (vi) identification, training and prioritization of IGAs to improve livelihoods, mainly for women and young people.
- 3.1.2 The implementation of the GEF Project in parallel with the core project (P2RS) is expected to build food security and improve nutrition in the project areas. The adoption of sustainable and resilient agro-sylvo-pastoral systems will improve agricultural production and enhance the availability of fodder resources for livestock. Similarly, integrated space management will increase land availability for crops and restore soil condition. The dissemination and use of improved stoves, the promotion of related IGAs will reduce the pressure on wooded areas and curb deforestation and land degradation. The implementation of project activities focused on building resilience and food security will amplify the economic benefits of the project, as well as the positive impacts on living conditions and the quality of life.

3.1.3 A number of socio-economic benefits should stem from the project, including: (i) greater food and nutrition security resulting from the overall increase in agricultural and livestock products; (ii) reduced vulnerability due to crop diversification and the cultivation of resistant seed varieties; (iii) constant flows of agricultural and forest ecosystem services with improved habitat resilience and preservation; (iv) the introduction of a sustainable forest and IGA management certification system, which will further stabilize incomes; and (v) increased awareness and a more favourable environment for managing the ecosystem and combating climate change.

3.2 Environmental and Social Impacts

3.2.1 <u>Environment</u>: P2RS, the core project, is classified in Environmental Category 2 and has undergone Strategic Environmental Assessment (SEA), in accordance with the relevant procedures of the Bank, as well as its policy and regulatory framework. The purpose of the SEA is to integrate environmental, socio-economic and institutional concerns into the design and implementation of P2RS. For instance, P2RS-funded infrastructure investments will have short-term negative environmental impacts specific to the area. The assessment led to the development of an Environmental and Social Management Framework Plan (ESMFP) outlining the various mitigation and enhancement measures. The GEF Project specifically aims to increase the attention devoted to environmental protection in the core project, which should produce a generally positive environmental impact.

Assessment of environmental conditions during the field visits confirmed that the proposed project will have positive impacts. A number of negative environmental impacts are foreseeable in the construction and works implementation phases, but they will be limited, reversible and controllable, subject to monitoring and the implementation of appropriate mitigation measures. These measures will comprise the preparation and validation of a subproject selection procedure that is consistent with Chad's regulations, the establishment and monitoring of land-use plans in each council or municipality within the project impact area, the development of environmental and social project management guides, and the promotion of best practices in agriculture and natural resource management.

3.2.2 Climate Change

To combat climate change, Chad is committed to reducing its greenhouse gas emissions unconditionally by 18.2% and conditionally by 71% by 2030, through adaptation and mitigation measures. Climate change adaptation is a major concern for the country, which has developed its National Adaptation Programme of Action (NAPA), among other documents, in an effort to reduce its climate vulnerability.

The GEF Project is committed to promoting climate resilience by improving food and nutrition security. Livelihoods will be diversified through the introduction of mixed cropping systems, crop diversification, agroforestry and the identification of alternative activities that would generate incomes while at the same time contributing to climate change adaptation. The project will support resilience by promoting (i) sustainable agriculture and livestock production, including sustainable management of grazing areas; and (ii) better planning of landscape development to ensure the resilience of communities and ecosystems. To build the capacity of beneficiaries, the project will support the setting up of micro-projects to demonstrate appropriate soil conservation techniques, train local staff in sustainable integrated natural resource management (INRM), provide training in sustainable forest management and arable land management, and a demonstration of participatory land-use planning to better adapt to climate change and reduce climate vulnerability. The project will also contribute to mitigation actions through reforestation and the establishment of agro-forestry plantations. It will also

foster the implementation of the Bank's 2016-2020 Climate Change Action Plan (PACC2) by mobilizing external climate financing.

- 3.2.3 Gender: Chad is ranked 150th out of 187 countries on the Gender Parity Index. While discrimination against women is clearly prohibited, the principle of equality is undermined by resistance and the existence of *de facto* inequalities between men and women. Barriers rooted in traditional practices favour men, thereby hindering the internalization and appropriation of laws. The proposed project will mainstream gender-related issues by specifically targeting the implementation of activities usually dominated by women, and for which they have recognized know-how (trade, market gardening, rice cultivation, small livestock breeding, traditional poultry farming, processing, marketing, etc.) and from which they can derive an income. At least five women's organizations will benefit from income diversification assistance through agroforestry and sylvo-pastoral activities. The project will also have to ensure that women have access to project resources by identifying other income-generating activities to be implemented in association with households, and that they are fairly represented in project management and executing bodies.
- 3.2.4 <u>Social</u>: A number of socio-economic impacts are envisaged, including: (i) reduced vulnerability to climate and other shocks; (ii) diversification of activities, income generation and job creation; (iii) better access to socio-economic services; and (iv) food production security. The increased resilience of the population brought about by the new infrastructure and techniques will improve the socio-economic situation of the beneficiaries, mainly women. Improving the delivery of ecosystem goods and services and building resilience will help ensure overall food and nutrition security.
- 3.2.5 <u>Inclusive green growth</u>: Within a context of diversified, pro-poor growth in a healthy environment that preserves natural resources, the project will promote inclusive growth by equitably allocating resources to activities, which will benefit all participating communities at all levels. The project will help men, women and young people in rural areas to improve dryland productivity on the basis of a sustainable and environmentally-friendly agro-ecological model. Improved agro-pastoral techniques, such as rural hydro-agricultural infrastructure and grain banks, will also provide opportunities for rural men, women and youth to participate in non-agricultural activities, thereby improving their livelihoods and reducing vulnerability.
- 3.2.6 <u>Involuntary Resettlement</u>: The project activities will not entail any involuntary resettlement and land acquisition since they will be implemented within the existing P2RS areas in the Kanem and Bahr el Ghazal regions.

3.3 Project Rationale

- 3.3.1 Given the extent of poverty in Chad, there is a tendency to forget that improving the exploitation of natural resources can enable the country to use the huge assets at its disposal to bring sustainable solutions to the recurrent food and nutrition insecurity that prevails in its territory and to the problem of environmental degradation. While the unavailability of arable land is an obstacle, it may be resolved by investing in integrated natural resource management and strategic actions for resilience.
- 3.3.2 The funding being sought is supposed to benefit the inhabitants of the Kanem and Bahr el Ghazal regions. The project will have positive socio-economic impacts as well as generate many benefits for the biophysical and human environment. The GEF funding will contribute to rebuilding Chad's fragile ecosystems by enabling local communities and institutions to rehabilitate degraded lands and forests and preserve biodiversity, while building resilience and ensuring food and nutrition security.

3.4 Project Objectives and Description

3.4.1 P2RS, the core project, aims to increase on a sustainable basis agro-sylvo-pastoral and fisheries productivity in the Sahel. The GEF project strengthens this core component by adding to it substantial environmental benefits and a sustainability dimension.

The expected outcomes of the financing may be outlined as follows:

- Improved agricultural, rangeland and pasture production in support of security and resilience;
- Improved agro-pastoral technologies and access to production assets for enhanced livelihoods and reduced vulnerability;
- Improved forest management and/or reforestation to generate sustainable flows of agro and forest ecosystem services;
- Enhanced integrated landscape planning for habitat resilience and preservation;
- Enhanced enabling environment through mechanisms for the conservation of woody biomass and biodiversity;
- Lesson learned captured and knowledge disseminated; and
- Project impact monitoring and evaluated.
- 3.4.2 This multi-focal project contributes directly to GEF Objective LD-1: Maintain or improve flow of agroecosystem services to sustain food production and livelihoods. As part of this objective, the project contributes to GEF Outcome 1.1 (Improved agricultural, rangeland and pasture production in support of security and resilience), Output 1.2 (Improved agropastoral technologies and access to production assets for enhanced livelihoods and reduced vulnerability) and Output 1.3 (Improved forest management and/or reforestation generate sustainable flows of agro and forest ecosystem services).
- 3.4.3 It also contributes to GEF Objective LD-3 which seeks to: reduce pressures on natural resources from competing land uses in the wider landscape, through Outcome 2.1 (Enhanced integrated landscape planning for habitat resilience and preservation).
- 3.4.4 Under GEF Objective LD-4 ("biodiversity" focal area), which deals with the conservation of biodiversity and its sustainable use in marine and terrestrial areas and in sectors of economic activity, the project will manage the human-biodiversity interface through Outcome 2.2 (Enhanced enabling environment through mechanisms for the conservation of land, woody biomass and biodiversity).
- 3.4.5 The fourth GEF objective is SFM-2: Enhance forest management: Maintain flows of forest ecosystem services and improve resilience to climate change through sustainable forest management by means of Outcome 1.3 (Improved forest management and/or reforestation to generate sustainable flows of agro and forest ecosystem services).

4. IMPLEMENTATION

4.1 Implementation Arrangements

4.1.1 The Project Implementation Unit (PIU) that is currently executing the P2RS Project will be the same for the proposed project, and no other one will be set up. The PIU will also be responsible for implementing the three components of the GEF additional project.

Due to the interdisciplinary and inter-institutional nature of the project, its Implementation Unit will comprise representatives of institutions implementing related agreements, such as those involved in rural development support, agricultural production, pastoral systems, food and nutrition techniques, and forestry and agricultural research. Representatives of leading government institutions in the sectors of agriculture, food security, water, livestock, infrastructure, etc., will also be involved.

4.2 Procurement Procedure

- 4.2.1 All procurements of goods, works and consultancy services financed by the Bank's resources shall be made in accordance with the Procurement Policy for Operations financed by the Bank Group ("Procurement Policy" of AfDB "), October 2015 edition and in accordance with the provisions mentioned in the Financing Agreement. In accordance with this policy and following the various evaluations conducted, it was agreed that: (a) all the following Goods and Works acquisitions: (i) cooking stoves, (ii) goods for micro-projects, (iii) mobiles materials and, work on (i) the development of small irrigated areas and ponds, (ii) the construction of water points, (ii) the construction of cereal banks, input shops, shops for animal feeding;(ii) the rehabilitation of the program's headquarters will be in accordance with the country's procurement system ("National System") embodied by Decree No. 2417 / PR / PM / 2015 of December 17th, 2015 on the Public Procurement Code (PPC); (b) the following acquisitions (i) all selections of consultants; (ii) community-based contracts; and (iii) the acquisition of the Plan Vivo system and standard used for certification of forest products and agroforestry will be in accordance with the Bank's procurement system ("System of Procurement" of AfDB ").
- 4.2.2 The use of the National System improves efficiency through, inter alia, the following actions: (i) better ownership of the procurement system to be used by the executing agency; (ii) a saving of time with the absence of a second control (after that of the national entities) that represents, the a priori review of the Bank. However, the Bank reserves the right to ask the borrower to return to the use of the Bank System if: (a) the legal framework for Chadian public procurement changes to evolve into a system unsatisfactory for the Bank; (b) the provisions in force were not complied with by the executing agency or (c) the appropriate risk mitigation measures included in the Risk Assessment Action Plan were not complied with. It is indicated that the procurements funded by the GEF are subject to respect for the rule of origin. A waiver will be asked to have the same rules for the procurements funded by the GEF and the procurements funded by the ADF grant already approved.
- 4.2.3 Procurement Risk and Capacity Assessment (PRCA): In order to take into account the specificities of the project, the Bank assessed: (i) risks at the national, sectoral and project levels; and (ii) the capacities of the implementing agencies. The results of these evaluations concluded at a Moderate risk level for contracting and determined, subject to the application of proposed mitigation measures, the group of acquisitions to be concluded under the Bank's system and those acquisitions likely to be implemented, without major risk, according to the National System.

4.3 Financial Management and Disbursement Procedures

- 4.3.1 Financial Management: This GEF funding integrates the P2RS objectives with more substantial environmental benefits and a sustainability dimension. The P2RS Management Unit (PMU), set up within the Ministry of Agriculture, will therefore be responsible for implementing these activities as well as financial management. It has its own accounting and financial administrative procedures manual (it will be updated accordingly). The financial management system is composed of an Administrative and Financial Manager (AFM) and an Accountant. TOMPRO multi-project accounting software is operational and in use. This software allows i) to keep the accounts of several projects at once, ii) to generate the main accounting sheets and journal, general ledger and account balance and iii) to prepare the consolidated and specific financial statements. The RAF and the Accountant are trained on its use. The interim and annual reports produced for the P2RS are satisfactory and show that they effectively control the use of the software. The accounting system in place is therefore adequate and can produce accurate and reliable information. The GEF complementary financing accounts will be integrated into the P2RS accounts with the possibility of disaggregation of expenditures by source of financing. This allows for accurate and specific financial information on GEF funding.
- 4.3.2 *Audit*: The Audit of Accounts, relating to activities financed from GEF resources, will be carried out as part of the audit of the P2RS annual accounts. Thus, the consolidated and specific accounts for all financings will be audited each year by the same independent external audit firm, meeting the required criteria and in accordance with the terms of reference (TOR) acceptable to the Bank. The audit report must reach the Bank no later than six months after the close of the financial year concerned.
- Disbursement procedure: The project will use the Bank's disbursement methods, 4.3.3 namely: (i) direct payment, (ii) special account (SA), and (iii) reimbursement methods, in accordance with the rules and procedures set out in the Disbursement Handbook. A separate foreign exchange special account will be opened for the project with the Central Bank of Chad and a local currency account with the same bank, which will be used by the Project Implementation Unit to finance operating and other recurrent costs, eligible under the project. To facilitate the payment of eligible operating costs, a separate local project sub-account, to be managed by the Ministry of Agriculture through the Project Implementation Unit, will be opened at a commercial bank acceptable to the Bank, in accordance with existing rules and regulations. The management of bank accounts, including the payment of eligible expenses, the preparation of requests for the withdrawal of funds from the special account (SA) and the documentation of all direct payments, will be subject to the existing procedures within the executing body (EB), and placed under the general responsibility of the Director-General of the Ministry in charge of Agriculture. The Bank will issue a Disbursement Letter, the content of which will be reviewed and agreed upon during the negotiations.

4.4 Monitoring

4.4.1 The monitoring and evaluation (M&E) of progress towards achieving project outcomes and objectives will be conducted on the basis of the goal and outcome indicators identified in the results framework and annual work and budget plans of the project. M&E activities will be performed in line with M&E policies and guidelines of the Bank and GEF. The day-to-day monitoring of project implementation will be the responsibility of the Project Implementation Unit (PIU) and will include the preparation and implementation of annual work plans and budgets, and the drafting semi-annual progress reports (SAPRs) of the project.

4.4.2 Specific reports that should be prepared as part of the monitoring and evaluation programme are: the project launch report, the annual work plan and budget, project progress reports; the annual project implementation review, technical reports, co-financing reports, and a completion report. In addition, GEF monitoring tools for the land degradation (LD), biodiversity (BD) and sustainable forest management (SFM) focus areas will be updated and supplemented by the project team at the mid-term and the final evaluations.

It is extremely important for the project to use internationally recognized results-based monitoring and evaluation frameworks throughout the project implementation process. Responsibility for monitoring will rest with the Ministry of Agriculture, which will be supported by the Ministry of the Environment. This work will be done in collaboration with the Bank and the project team. The information collected through M&E will be taken into account in the activities to help to ensure knowledge management, identify and share best practices, identify problems and constraints, and promote sustained improvement of the project and its contribution to the implementation of national and regional strategies on food security and rural development.

4.4.3 The M&E mechanism will be fine-tuned to ensure that it mainstreams gender issues, with special emphasis on the definition of specific parameters for women and young people. The parameters to be monitored and evaluated will include, for example, the level of women's involvement in decision-making bodies, and the number of young people trained.

Schedule	Milestone	Quarter	Monitoring Process (Feedback Loop)
Year 1 (2018)	Annual work plans and	Q1	National project coordinator and external audit firm
	budgets (AWPB)		(Annually)
	Semi-annual progress reports	Q3	
	(SAPR)		
Year 2 (2019)	Annual work plans and	Q1	National project coordinator and external audit firm
	budgets (AWPB)		(Annually)
	Semi-annual progress reports	Q3	
	(SAPR)		Communities, beneficiaries, Ministry of Environment and
	Mid-term review	Q4	Agriculture, and consultant
Year 3 (2020)	Annual work plans and	Q1	National project coordinator and external audit firm
	budgets (AWPBs)		(Annually)
	Semi-annual progress reports	Q3	
	(SAPR)		
Year 4 (2021)	Annual work plans and	Q1	National project coordinator and external audit firm
	budgets (AWPB)		(Annually)
	Semi-annual progress reports	Q3	
	(SAPR)		Communities, beneficiaries, Ministry of Environment and
	Project completion report	Q4	Agriculture, and consultant

4.5 Governance

4.5.1 In Chad, governance is still a cause for concern in the area of public finance management, including public procurement. In addition to using the direct agreement method, the procurement process is extremely slow. The existing institutional and organizational framework does not function properly due partly to non-compliance with applicable rules and procedures and partly to the weak human resource capacity of the entities in charge of this process.

To address these issues, supervision missions, financial and procurement audits will be conducted to ensure that the services provided and the works performed are consistent with the disbursements made.

4.5.2 Mitigation measures provided to address these issues include: (i) the development of a tailored-made financial management procedures manual that will provided the staff of the Project Implementation Unit with programme implementation guidelines; (ii) the use of MoFL's internal audit services to conduct project pre-audits; and (iii) the acquisition of serial accounting software to capture and process transactions and to interface with IFMIS so as to facilitate timely financial reporting, considering the IFMIS-related operational problems; and (iv) the implementation of a system of timely submission of the interim quarterly progress report (IQPR).

4.6 Sustainability

- 4.6.1 Carrying out activities and building infrastructure that are economically, financially and technically viable will enhance the sustainability of project interventions. Sustainability factors include: proper sizing and targeting of infrastructure, stakeholder participation and ownership (men and women), and beneficiary involvement at all stages of planning and implementation, the quality of facilities and equipment, and viable production activities adapted to the agro-ecological zone. To ensure post-project sustainability, preference will be given, in the conduct of each operation, to reliable and simple but resilient mechanisms, which will enhance the scope and coherence of the actions implemented.
- 4.6.2 The project aims to build resilience by improving food security and nutrition through the enhancement of agro-sylvo-pastoral productivity in drylands. Training in integrated natural resource management (INRM), sustainable land and water management (SLWM) and the proposed awareness campaigns will provide tools and approaches for maintaining commitment and sustainability after the project completion. All stakeholders will be involved in the implementation of project activities, including beneficiary communities, to ensure ownership and commitment, as well as the viability of improved agro-sylvo-pastoral production infrastructure. The project will strengthen the principles of sustainability which lay emphasis on the use of a participatory approach during project preparation. This is important as it helps to ensure the relevance of the investments and to build institutional capacity at the community level in order to guarantee the sustainability of planned activities. The sustainability will be achieved by strengthening and consolidating the institutional framework using existing national systems.
- 4.6.3 The project will lay a great emphasis on building the capacity of beneficiaries and strengthening their institutions, such as interest groups, associations or cooperatives. Beneficiaries will be mobilized, organized into viable autonomous entities, trained and empowered, so they may view their activities as a business rather than a means of survival. Awareness and training on gender mainstreaming at the community and local government levels will ensure that women and young people continue to participate in and benefit equitably from all project activities.

4.7 Risk Management

Description	Classification	Mitigation Measures		
Climate risks, exemplified by the recurrent droughts and floods, rainfall deficits, extreme heat, which expose the country's natural resources to severe degradation. Indicators of this situation include land degradation, desertification, deterioration of vegetation cover, increasingly frequent conflicts between farmers and herders, the decimation of wildlife, the drying up of Lake Chad and	2 (moderate)	The project's special emphasis on resilience, for example, agricultural practices, crop diversification, heat-resistant species, and water management. This will gradually reduce the impacts of climate variability. The planned project activities will help rural communities to better adapt to shocks and improve resilience.		

Description	Classification	Mitigation Measures			
food insecurity. The sectors most severely affected by climate risks are agriculture, livestock, fisheries, health and housing.					
Institutional and organizational weaknesses: Exemplified by insufficient coordination between governance structures at national, local and community levels	2 (moderate)	Strengthen existing structures, particularly those of CILSS and national project executing bodies, encourage cooperation and communication between the structures to allow smooth implementation of the project.			
Agriculture, livestock and fisheries - Declining productivity in these sectors may impoverish the people and expose them to food insecurity. In the agricultural sector, for example, fallow- free cultivation, poor agricultural and land-use practices have reduced soil fertility, decreased crop yields and led to wind/soil erosion. Fishing, on the other hand, is threatened by substantial desiccation of important water resources, attributed to frequent recurring droughts, reduced vegetation around watercourses, deforestation and overgrazing.	2 (moderate)	Improved crop varieties and hardy livestock, control of livestock population levels to ensure that they match the carrying capacity; training in improved land-use practices; diversification of livelihoods and construction of transport infrastructure.			
Conflicts between farmers and herders: The project area has been identified as a transhumance area, although agriculture continues to be practised in the wadis. The source of the conflict lies mainly in the increasingly fierce competition for land and natural resources (pasture and water), due to the increased frequency of droughts and rainfall deficits.	2 (moderate)	Mediation efforts, activities that are tailored to the requirements of each group, bearing in mind their distinct but closely related realities and needs			
Conflicts between the project and the communities: Poverty and insecurity are exacerbated by weak community organization, coupled with inefficient service delivery, lack of resources and weak decision-making powers and information facilities.	2 (moderate)	Establishment of broad-based consultation mechanisms and awareness programmes, including a communication plan, development of capacity building/training programmes and organization of workshops.			
Environmental impacts - natural resources and biodiversity. The P2RS 1 core project is classified in Environmental Category 2 (AfDB Environmental and Social Safeguards).	1 (low)	Project activities may have negative impacts ranging from low to moderate, which should be outweighed by the overall environmental benefits Compliance with Chadian regulations, preparation and monitoring of land-use plans, preparation of sub-project ESMPs, promotion of agricultural and natural resource management best practices			
Health, Nutrition and Hygiene - Risk of epidemics, malnutrition and poor hygiene	2 (moderate)	Early warning mechanisms, hygiene programmes, improved nutrition programmes, improved and increased livelihoods and rural communities assets			
Energy and transportation infrastructure facilities - These will include irrigation infrastructure, boreholes and socio-economic infrastructure. These infrastructure facilities should minimize the effects of extreme droughts and floods	2 (moderate)	Development of climate-resilient energy sources, diversification of energy sources, construction of climate-resilient infrastructure			

4.8 Knowledge Building

4.8.1 The project should generate substantial knowledge that will add value to the overall design and management of future similar interventions. The lessons and experiences will be shared within the Bank and other institutions interested in implementing similar projects,

through project progress reports, audit reports, the mid-term review report and the completion report, especially as they will be part of the knowledge transfer and dissemination tools. The project will promote community participation and management of agro-sylvo-pastoral infrastructure. It will work closely with women's organizations and key stakeholders to ensure the sharing of information and learning materials dealing with empowering women and young people to build resilience for food and nutrition security. The project will also focus on building the capacity of key staff, and the beneficiaries will be fully involved in the implementation of planned activities. Exchanges with project beneficiaries will also be an opportunity to acquire the valuable knowledge that will be shared. The project will also collaborate with local NGOs and community-based organisations (CBOs) to increase their capacity and knowledge so that they may be able to continue to carry out sustainable activities for the promotion of food and nutrition security. Knowledge-building information will be systematically collected and documented in monitoring/evaluation and supervision reports, as well as in the periodic reports that will be shared at the Bank.

5. LEGAL INSTRUMENTS AND AUTHORITY

5.1 Legal Instruments

5.1.1 The funding instrument will be a GEF grant agreement between the Republic of Chad and the AfDB to finance the costs of the Resilience Building Project for Food Security and Nutrition in Rural Communities in Chad.

5.2 Conditions Associated with Bank Intervention

- 5.2.1 <u>Conditions precedent to the entry into force of the GEF grant</u>: The GEF grant agreement will enter into force on the date of its signature by both parties.
- 5.2.2 <u>Commitment to disbursement of subsequent tranches of the GEF grant</u>: In addition to the conditions relating to the grant effectiveness, the disbursement of the first tranche of the grant resources will be subject to the fulfilment of the following condition:
 - (i) Recruitment of an Environmental Expert in the Project Implementation Unit and whose qualifications and terms of reference must have been deemed acceptable by the Bank.

5.2.3 <u>Undertakings</u>:

(i) Each year, to provide a copy of the annual progress report for the fiscal year that ends on 30 June, accompanied by an annual work plan at the latest 3 months after the end of the relevant fiscal year;

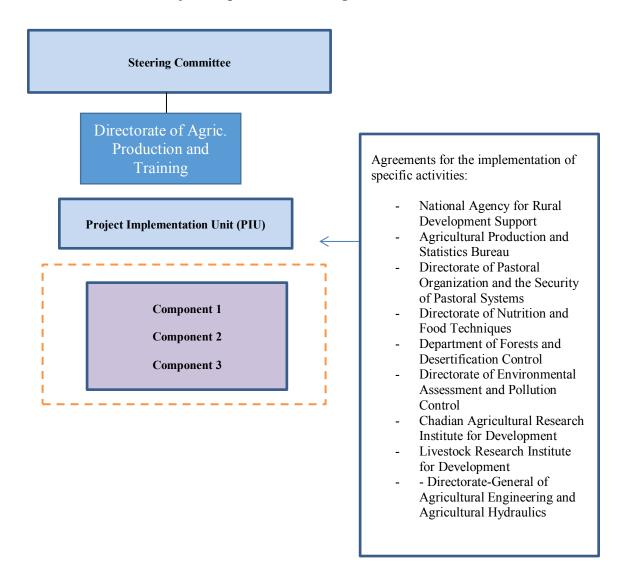
5.3 Compliance with Bank Policies

5.3.1 The activities planned to be financed with the GEF resources are in line with all applicable Bank and GEF policies.

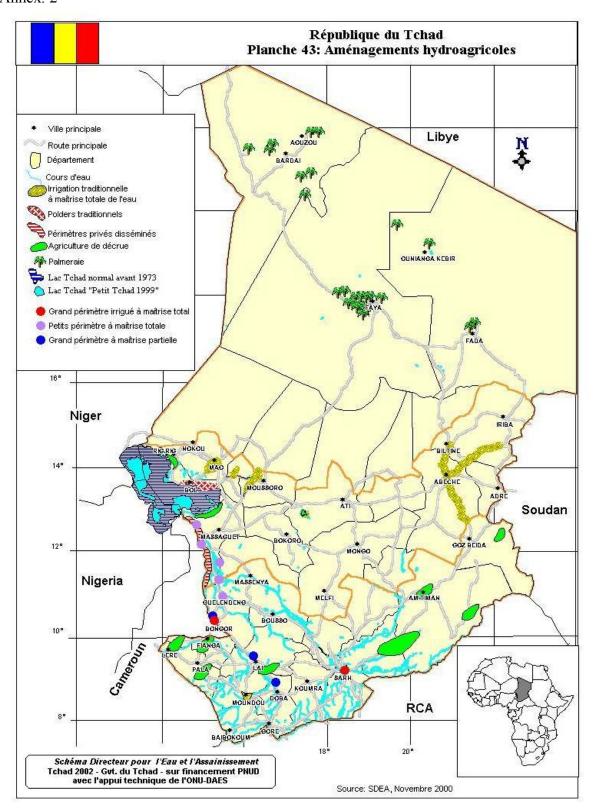
6. **RECOMMENDATION**

- 6.1 Management recommends to the Board of Directors:
- to grant the Republic of Chad, under the resources of the GEF, an amount of 5 329 452 United States dollars for the financing of the project to Build Resilience for Food Security and Nutrition in Chad's Rural Communities, subject to the conditions set out in this report;
- to decide that the acquisitions of goods, works and services which are financed under the resources of the GEF grant will be open to all countries, including those which are not ADB States Members.

Annex 1: Project Implementation Organisational Structure



Annex. 2



Annex 3: Chad Comparative socio-economic indicators

Chad COMPARATIVE SOCIO-ECONOMIC INDICATORS

				Develo-	Develo-	
	Year	Chad	Africa	ping	ped	
				Countries	Countries	
Basic Indicators						ON P 0 15- 110 A
Area ('000 Km²)	2017	1 284	30 067	80 386	53 939	GNI Per Capita US \$
Total Population (millions)	2017	15,0	1 184,5	5 945,0	1 401,5	2500
Urban Population (% of Total)	2017	22,0	39,7	47,0	80,7	2000
Population Density (per Km²)	2017	11,9	40,3	78,5	25,4	1500
GNI per Capita (US \$)	2016	720	2 045	4 226	38 317	1000
Labor Force Participation *- Total (%)	2017	71,6	66,3	67,7	72,0	
Labor Force Participation **- Female (%)	2017	64,0	56,5	53,0	64,5	500
Sex Ratio (per 100 female)	2017	100,3	0,801	0,506	0,792	0 10 10 10 10 10 10 10 10 10 10 10 10 10
Human Develop. Index (Rank among 187 countries)	2015	186				2016 2015 2014 2013 2013 2012 2011 2010 2005
Popul. Living Below \$ 1.90 a Day (% of Population)	2011	38,4	39,6	17,0		□ Chad □ Africa
Demographic Indicators						Chad Africa
Population Growth Rate - Total (%)	2017	3,2	2,6	1,3	0.6	
Population Growth Rate - Urban (%)	2017	3,7	3,6	2,6	0,0	
Population < 15 years (%)	2017	47,3	41,0	28,3	17,3	Population Growth Rate (%)
Population 15-24 years (%)	2017	20,4	3,5	6,2	16,0	40
Population >= 65 y ears (%)	2017	2,5	80,1	54,6	50,5	4,0
Dependency Ratio (%)	2017	99,3	100,1	102,8	97,4	3,0
Female Population 15-49 years (% of total population)	2017	22,2	24,0	25,8	23,0	2,5
Life Expectancy at Birth - Total (years)	2017	52,4	61,2	68,9	79,1	2,0
Life Expectancy at Birth - Female (years)	2017	53,6	62,6	70,8	82,1	1,5
Crude Birth Rate (per 1,000)	2017	43,9	34,8	21,0	11,6	0,5
Crude Death Rate (per 1,000)	2017	13,3	9,3	7,7	8,8	0.0 +
Infant Mortality Rate (per 1,000)	2016	75,2	52,2	35,2	5,8	20 16 20 15 20 13 20 13 20 10 20 10 20 05
Child Mortality Rate (per 1,000)	2016	127,3	75,5	47,3	6,8	
Total Fertility Rate (per woman)	2017	5,8	4,6	2,6	1,7	Chad Africa
Maternal Mortality Rate (per 100,000)	2015	856,0	411,3	230,0	22,0	
Women Using Contraception (%)	2017	6,8	35,3	62,1		
Health & Nutrition Indicators						
Physicians (per 100,000 people)	2013	4,4	46,9	118,1	308,0	Life Expectancy at Birth
Nurses and midwives (per 100,000 people)	2013	30,9	133,4	202,9	857,4	(years)
Births attended by Trained Health Personnel (%)	2015	20,2	50,6	67,7		80 1
Access to Safe Water (% of Population)	2015	50,8	71,6	89,1	99,0	70
Access to Sanitation (% of Population)	2015	12,1	51,3			60 50
Percent of Adults (aged 15-49) Living with HIV/AIDS	2016	1,3	39,4	60,8	96,3	40 40 40
Incidence of Tuberculosis (per 100,000)	2016	153,0	3,8	1,2		20
Child Immunization Against Tuberculosis (%)	2016	56,0	245,9	149,0	22,0	10
Child Immunization Against Measles (%)	2016	58,0	84,1	90,0		2016 2015 2014 2013 2012 2010 2005
Underweight Children (% of children under 5 years)	2015	28,8	76,0	82,7	93,9	0 5 6 7 3 4 5 6
Prev alence of stunding	2015	39,9	20,8	17,0	0,9	Chad Africa
Prevalence of undernourishment (% of pop.)	2015	32,5	2 621	2 335	3 416	
Public Expenditure on Health (as % of GDP)	2014	2,0	2,7	3,1	7,3	
Education Indicators						
Gross Enrolment Ratio (%)						
Primary School - Total	2016	88,1	106,4	109,4	101,3	
Primary School - Female	2016	77,0	102,6	107,6	101,1	Infant Mortality Rate
Secondary School - Total	2016	22,7	54,6	69,0	100,2	(Per 1000)
Secondary School - Female	2016	14,3	51,4	67,7	99,9	120
Primary School Female Teaching Staff (% of Total)	2012	15,4	45,1	58,1	81,6	100
Adult literacy Rate - Total (%)	2016	22,3	61,8	80,4	99,2	1 80 Hh (1 - (1 - (1 - (1 - (1 - (1 - (1 - (1
Adult literacy Rate - Male (%)	2016	31,3	70,7	85,9	99,3	
Adult literacy Rate - Female (%)	2016	14,0	53,4	75,2	99,0	
Percentage of GDP Spent on Education	2013	2,9	5,3	4,3	5,5	
Fundamental Indicator						₀
Environmental Indicators	2015	2.0	0.0	44.0	0.4	20 15 20 14 20 13 20 12 20 10 20 10 20 05
Land Use (Arable Land as % of Total Land Area)	2015	3,9	8,6	11,9	9,4	
Agricultural Land (as % of land area) Forest (As % of Land Area)	2015	39,7	43,2	43,4	30,0	Chad Africa
Per Capita CO2 Emissions (metric tons)	2015 2014	3,9 0,1	23,3 1,1	28,0 3,0	34,5 11,6	27894 - 74894

Sources: AfDB Statistics Department Databases; World Bank: World Development Indicators;

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UNAIDS; UNSD; WHO, UNICEF, UNDP; Country Reports.

Note: n.a.: Not Applicable; ...: Data Not Available. * Labor force participation rate, total (% of total population ages 15+)

^{**} Labor force participation rate, female (% of female population ages 15+)