



The World Bank

Haiti Emergency Resilient Agriculture for Food Security Project - Additional Financing (P179799)

Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 02-Dec-2022 | Report No: PIDA35036

**BASIC INFORMATION****A. Basic Project Data**

Country Haiti	Project ID P179799	Project Name Haiti Emergency Resilient Agriculture for Food Security Project - Additional Financing	Parent Project ID (if any) P177072
Parent Project Name Emergency Resilient Agriculture for Food Security Project	Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 07-Dec-2022	Estimated Board Date 31-Jan-2023
Practice Area (Lead) Agriculture and Food	Financing Instrument Investment Project Financing	Borrower(s) Ministry of Economy and Finance	Implementing Agency Ministry of Agriculture, Natural Resources and Rural Development

Proposed Development Objective(s) Parent

The Project Development Objective (PDOs) is to support project beneficiaries' access to nutritious food and increase climate- and nutrition-smart agricultural production, including in earthquake-affected areas.

Components

Support project beneficiaries' access to nutritious food

Increase climate- and nutrition-smart agricultural production

Promote access to nutritious food and increase climate- and nutrition-smart agricultural production in earthquake-affected areas

Project management, monitoring and evaluation, and studies

Contingent Emergency Response Component (CERC)

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	50.00
Total Financing	50.00
of which IBRD/IDA	50.00
Financing Gap	0.00

DETAILS

**World Bank Group Financing**

International Development Association (IDA)	50.00
IDA Grant	50.00

Environmental and Social Risk Classification

Substantial

Other Decision (as needed)

B. Introduction and Context

1. This Project Paper seeks the approval of the Executive Directors to: (i) provide an Additional Financing (AF) in the amount of US\$50 million to the Emergency Resilient Agriculture for Food Security Project PARSA (P177072-referred to as the “Project” or “Parent Project”); and (ii) restructure the Project to revise the Results Framework including addition of two new indicators.
2. The resources, US\$50 million, were received from the Crisis Response Window Early Response Financing IDA 20, based on the trigger-based approach. The Eligibility Note was cleared and published after Board review on September 13, 2022. A request was then received from the Haiti Ministry of Economy and Finance on November 3, 2022, for these resources to be added to the PARSA project as additional financing.
3. The proposed AF will be processed under paragraph 12 of Section III of the Bank Policy “Investment Project Financing,” related to the Situations of Urgent Need of Assistance or Capacity Constraints. This policy is triggered based on the urgent need of assistance due to food security crisis as reflected in the IPC data for Haiti. More information related to the situation can be found in section B.

Country, Sectoral and Institutional Context

4. Haiti continues to struggle with political instability, corruption, and fragility. Gross Domestic Product (GDP) growth has been anemic due to a lingering political and institutional crisis, gang violence, and vulnerability to natural hazard shocks. The country is frequently battered by various natural hazards shocks, the most recent being the magnitude 7.2 earthquake and tropical storm Grace both in August 2021. More than 93 percent of the country’s surface and more than 96 percent of its population are exposed to two or more hazards. The impact of these shocks has been exacerbated by the impact of COVID-19 and has constrained the country’s capability to sustain growth over the long term. GDP growth averaged 0.2 percent between 2015 and 2021, well below population growth of 1.4 percent over the same period. In recent weeks the country has struggled with high levels of gang violence that has limited movement of goods and people in the metropolitan area. According to the Displacement Tracking Matrix, as of 31 August 2022, almost 88,000 people have been



displaced due to the upsurge in gang violence. These challenges have continued to worsen the food security situation as indicated by the high number of citizens facing acute food insecurity. In the current period September 2022–February 2023, the IPC update estimates 48 percent of the population equivalent to 4.7 million people, are classified as IPC3+. Of the 32 areas analyzed, 15 are in Phase 4 (Emergency) and mainly in areas including the Grand Sud which was affected by the earthquake of August 2021 and is one of the intervention areas for the PARSA project. For the period March to June 2023, the projected situation remains with 48 percent of population considered IPC3+ and in need of urgent action. The World Food Program (WFP) Haiti Vulnerability Tracking, October 2022 states that almost 68 percent of households eat only one (or no) meal a day and food is the priority for 81 percent followed by agricultural inputs (15 percent) and water, sanitation and hygiene (13 percent). Only 5 percent of households say that they received food assistance in October nationwide.

5. Haiti has one of the highest levels of chronic food insecurity in the world and 22 percent of children are chronically malnourished, according to the WFP. Children who are facing severe acute malnutrition are especially vulnerable to the spread of cholera, which has recently had a resurgence in Haiti, along with the other well-known issues linked to malnutrition such as permanent, widespread damage to growth, development, and well-being as well as future productivity and prospects. Provision of adequate nutrition, through activities such as school feeding, is key to (i) ensuring students' preparedness to learn, by improving their energy and concentration, particularly in the current food insecurity context; and (ii) improving their resilience, given that an important element of Haiti's severe food insecurity can be attributed to climate-related events. These events such as droughts, floods, and other forms of climate variability affect agricultural production and cause food scarcity and push up prices. More information on school feeding can be found in the annexes.

6. Despite the agriculture sector's importance to the country, it continues to be beset by problems, that are driving food insecurity and malnutrition. Agriculture is critical and fundamental to addressing food insecurity in Haiti. Between 2015 and 2021, agricultural sector output has contracted on average by 1.2 percent per year, due to drought, low rainfall, and watershed degradation. The sector's low and declining productivity has made Haiti very dependent on food imports, with 55 percent of food consumption met by imports, according to the Ministry of Agriculture, Natural Resource and Rural Development (MARNDR). This scenario stresses the importance of continued investment in the sector to increase domestic food production and improve agriculture productivity.

7. With a 20 percent contribution of GDP, the agricultural sector is also an important source of jobs and income, employing over two-fifths of the workforce. Providing employment through labor-intensive participatory community work, such as those proposed under this AF, would have a direct impact on rural households, increase their ability to afford food and are designed to generate long-term benefits in terms of increased production and resilience to weather events and climate change trends. A Community Participatory Works approach was proven through a previous agriculture project in Haiti – Relaunching Agriculture: Strengthening Agriculture Public Services II (P126744). Furthermore, the temporary employment programs will provide services that are needed for agricultural production and land management. This will also create opportunities for those with disabilities who may not be able to participate in the labor-intensive infrastructure works and free up women, through childcare and meal preparation, to also be able to participate. This also contributes to the gender impacts of the wider PARSA project.

8. The Bank is currently implementing another IDA-financed agricultural project in Haiti that is helping to strengthen food security. The US\$ 22.75 million Resilient Productive Landscapes project (RPL/TPR – P162908) was approved on March 1, 2018, with AF-P175176 of US\$7.5 million approved November 19, 2020. This project



supports the adoption of resilience-enhancing agricultural and landscape management practices in selected sub-watersheds across Haiti, in addition to strengthening the capacity of institutions to respond to climactic impacts. The project is expected to close in December 2023 and was upgraded during the last mission in November 2022 to an overall Satisfactory rating and has disbursed 74 percent as of September 2022. Noted progress, as relates to food security and resilience under the CERC, includes support to the National Directorate of Climate Change (DNCC) to disseminate documents related to the Paris Agreement, operationalization of the Haitian Biodiversity Fund (FHB) as a financial mechanism to support actions in the fight against climate change, support to the National Center for Geo-Spatial Information (CNIGS) in the development of decision support tools to guide the development of resilient productive territories, commencement of a study of promising agricultural sectors in the Nippes region and establishment of 65 Farmers Fields School (FFS) for 1,300 people to be trained (20 people per FFS).

C. Proposed Development Objective(s)

Original PDO

The Project Development Objective (PDOs) is to support project beneficiaries' access to nutritious food and increase climate- and nutrition-smart agricultural production, including in earthquake-affected areas.

Current PDO

The Project Development Objective (PDOs) is to support project beneficiaries' access to nutritious food and increase climate- and nutrition-smart agricultural production, including in earthquake-affected areas.



D. Project Description

9. **The proposed AF will support an expansion to existing activities and addition of a new activity to the project.** The AF will allow the Government of Haiti to leverage additional funds from the IDA 20 Crisis Response Window Early Response Financing to provide emergency support in the short term and at a larger scale than originally planned by the parent project, providing increased accessibility to and availability of food for highly food insecure rural communities. These activities will build on the scope of the original Project, are fully aligned with the PDO. Unfortunately, the security situation and reality on the ground has deteriorated even more since the parent project was approved earlier in 2022 and this has been reflected in updated risk considerations. The AF would not change the PDO¹, nor the implementation arrangements, although United Nations (UN) Agencies will be used to implement most of the additional activities. As mentioned in the previous section this is partially to overcome potential absorptive capacity of the government and in the case of school feeding due to a lack of experience of implementing school feeding activities. It would allow for expansion of various existing activities as well as adding a new sub-component along with an update of the RF. Through the addition of a sub-component under Component 1: School feeding, the project would be expanding activities from the Centre Department and three Departments in the natural-disaster-affected *Grand Sud* (*Grand'Anse*, *Les Nippes* and *Sud*) and adding activities in the *Sud Est*. This new activity would promote school attendance, children's food security and improved livelihoods of their families and communities, through a sustainable meal production and delivery model, based on local food systems. The expansion of the current activities under component 1 would include engagements in the *Nord Ouest* with UNOPS. A high-level overview of the US\$50 million can be found in Table 1.

10. **The project design was informed by the climate and disaster risk screening, and the need to reduce identified vulnerabilities through project activities.** The screening showed that within the Project's focus on agricultural production the major risks are extreme temperature, extreme precipitations and flooding, drought, storm surge, strong winds, sea level rise and geophysical hazards, particularly earthquakes. The AF would address these climate vulnerabilities by supporting climate-smart and resilience-enhancing agricultural practices in the identified areas, in addition to strengthening the capacity of institutions to response to climatic impacts.

11. **After the recent official launch of the project and implementation support mission of November 2022, the project is rated as Satisfactory.** Given the continuing situation in Haiti, absorptive capacity of the Government has been discussed. The AF would increase the activities directly under implementation by the MARNDR/PIU by US\$10 million. This would be added to an activity already being undertaken (with disbursement) and the GoH has confirmed the capacity to expand to cover more beneficiaries. Support from the FAO, UNOPS and WFP and their implementation of 80 percent of the funding will overcome some of the challenges of absorptive capacity.

Table 1. Summary of Additional Financing by Component (US\$M)

Component	Original Amount	Additional Amount	New Amount
1. Support project beneficiaries' access to nutritious food	22	40	62
2. Increase climate- and nutrition-smart agricultural production	38	5	43
3. Promote access to nutritious food and increase climate- and nutrition-smart agricultural production	30	0	30
4. Project management, monitoring and evaluation, and studies	12	5	17
5. Contingent Emergency Response Component (CERC)	0	0	0



TOTALS	102	50	152
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Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

12. **Environmental and Social risks are rated Substantial.** The majority of potential negative environmental impacts will most likely be minimal and localized, for example risks related to disposal of any debris from minor infrastructure works and natural resource use risks particularly for water resources for surface- and rain-water irrigated or harvested. In addition, any negative impacts encountered are likely to be reversible. In other situations, the range of activities undertaken would be expected to generate Moderate environmental risk. Given the complex operating environment in Haiti, the wide geographic (nation-wide) scope of the project, and potential for negative impacts especially through occupational health and safety (OHS) risks and impacts in the labor-intensive works to be carried out, the Project is currently assessed as carrying Substantial environmental risk. While the overall social benefits are expected to be positive, identified social risks and potential impacts include : (i) contextual social risks- political fragility, deteriorating security situation and travel restrictions constitute a significant risk in terms limiting the borrower's capacity to deliver and supervise project activities, (ii) social exclusion risks especially for vulnerable stakeholders, including the risk that women, youth and persons with disabilities may not fully access the project benefits; (iii) perceived inequities in the selection of beneficiaries; and (iv) potential inadequate implementation of a robust stakeholder engagement strategy, including differentiated approaches to reach the most vulnerable stakeholders. The environmental and social risk management instruments will present an overview of the main risks and potential impacts associated with the project, and robust mitigation measures will be developed. These include an ESMF a SEP and LMP.

E. Implementation

Institutional and Implementation Arrangements

13. **The Ministry of Agriculture, Natural Resources and Rural Development (MARNDR) will have overall responsibility for the Project.** It will chair the Project Steering Committee (PSC) and will coordinate closely with CNSA, which will be represented on the PSC, along with the Ministry of Finance, the Directors of the Agricultural Departments for Grand'Anse, Les Nippes, Sud and Centre, and the PIU Director. The final composition of the PSC will be determined and recorded in the POM. This is the same arrangement as the parent project.

14. **Implementation arrangements would remain the same.** The Project is implemented by the MARNDR through one PIU split in two locations: at the central level (Unité de Gestion de Projet Centrale; PIU-C) based in

¹ Two new intermediate level indicators will be added to reflect the addition of the school feeding sub-component under component one.



Port-au-Prince, and at the local level (Unité de Gestion de Projet Locale; PIU-L). The local level PIU is in *Sud* to cover *Sud*, *Grand'Anse* and *Nippes*, and a small local unit is also based in the DDA of the *Centre Department* (in *Hinche*) to cover activities in that *Department*. This allows for additional supervision and oversight close to the areas of project intervention. The two units are nearly fully staffed with appropriate expertise, many of the staff were hired from the recently closed RESEPAG II. The two PIUs help ensure effective coordination at the departmental and communal levels, as well with the other local stakeholders. The Project Steering Committee (PSC) and Project Advisory Committee (PAC), which are already in place, will continue to provide strategic and operational guidance. The existing Project Implementation Manual (PIM) will continue to be used after update, which incorporates all operational details at the national and local levels, including procedures for the implementation of technical activities, M&E, safeguards, and administrative and fiduciary functions. The M&E efforts are supported by the Kobo Toolbox². The team would continue using this tool to support M&E during the implementation of the AF.

15. Some of the activities of the AF, will be implemented by UN agencies which will engage in line with WB procedures. Under Component 1 this would allow for an expansion of activities into the *Nord Ouest Department* under the management of the United Nations Office for Project Services (UNOPS) in conjunction with the MARNDR and PARSA PIU. Furthermore, an additional sub-component and new activities of school feeding will be added to be undertaken by the World Food Program and which will expand activities until the *Sud Est Department*. Under Component 2 and 4, activities would be expanded under the direction of the United Nations Food and Agriculture Organization.

CONTACT POINT

World Bank

Ziva Razafintsalama
Senior Rural Development Specialist

Borrower/Client/Recipient

Ministry of Economy and Finance

Fritz Gerald Louis

Economist - Focal Point

fgerald07@yahoo.fr

Implementing Agencies

Ministry of Agriculture, Natural Resources and Rural Development

Jean-Robert Chery

National Coordinator

cheryr04@yahoo.fr

² The Kobo Toolbox facilitates implementation of the field activities, including for input distributions, progress monitoring, grievance mechanisms, and citizen engagement. The system was successfully implemented and tested during the spring crop campaign.

**FOR MORE INFORMATION CONTACT**

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Ziva Razafintsalama
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Approved By

Practice Manager/Manager:		
Country Director:	Laurent Msellati	02-Dec-2022