

**PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE**

Report No.: PIDA1088

Project Name	African Forum for Agricultural Advisory Services Second Multi-Donor Trust Fund (P143367)
Region	AFRICA
Country	Africa
Sector(s)	Agricultural extension and research (100%)
Theme(s)	Rural policies and institutions (40%), Education for the knowledge economy (30%), Rural services and infrastructure (30%)
Lending Instrument	Specific Investment Loan
Project ID	P143367
Borrower(s)	AFAAS
Implementing Agency	AFAAS
Environmental Category	C-Not Required
Date PID Prepared/Updated	17-Jun-2013
Date PID Approved/Disclosed	18-Jun-2013
Estimated Date of Appraisal Completion	18-Jun-2013
Estimated Date of Board Approval	29-Jun-2013
Decision	Project authorized to proceed to negotiations.

I. Project Context

Country Context

CAADP is the African Union (AU)/New Partnership for Africa's Development (NEPAD) Planning and Coordination Agency's (NPCA) vision and strategy for the development of African agriculture. African leaders have signaled their commitment to achieving growth in agricultural productivity and agricultural GDP through their launch of Comprehensive Africa Agriculture Development Programme (CAADP), recognizing that growth in agriculture is crucial to achieving widely shared economic growth and poverty reduction in Africa and that growth in agricultural productivity is key to achieving agricultural growth on the continent.. The goal of CAADP is to help African countries reach and sustain a higher path of economic growth through agricultural-led development that reduces hunger and poverty and enables food and nutrition security and growth in exports.

Under CAADP, the AUC, NPCA and Africa's Regional Economic Communities (RECs) work closely with countries to encourage and guide them through processes designed to: improve agricultural planning; make agricultural policy-making more evidence-based; scale up investments in the sector; and better coordinate all stakeholders (including development partners) around agreed plans. The CAADP process is framed conceptually around four Pillars: (i) sustainable land and

water management; (ii) development of infrastructure and improved access to markets; (iii) increased food supply, reduced hunger, and improved response to food crises; and (iv) dissemination and adoption of improved agricultural technologies and investment in agricultural research. Lead Pillar agencies have been established to provide technical support to countries, regions, and at the continental level within each of their respective technical areas.

Pillar IV of CAADP addresses challenges of agricultural education, research and technology uptake. The approaches advocated for these programs are articulated in the Framework for African Agricultural Productivity (FAAP). Developed through extensive consultation with Africa's communities of practice in this area, the FAAP provides principles and recommendations for program and institutional design at every level – guidance intended to help these programs and institutions become more effective at helping farmers and other agricultural enterprises to improve agricultural productivity, profitability and sustainability. Topics addressed in the FAAP include reforming agricultural institutions and services, farmer empowerment, integration of agricultural research with farmer advisory services, training and education; increasing the scale of Africa's agricultural productivity investments, and aligned and harmonized financial support. The FAAP emphasizes that the effectiveness of technology generation and dissemination depends on their relevance and responsiveness to farmers' needs, and therefore provides guiding principles for the reform of agricultural advisory services (AAS) institutions to make them more client-driven for enhanced farmer empowerment.

For AAS programs to work effectively in these ways, a paradigm shift is needed to replace the outmoded linear and top-down research-extension-farmer-framework that has failed in Africa. Institutional arrangements to achieve this may differ from country to country and each must be encouraged to learn from its own experiences. There is a need to start from the bottom up in developing rural knowledge systems and institutions using participatory methods. There is also a need for substituting traditional extension systems with farmer participatory knowledge systems that are more gender-sensitive. AAS must be established more widely and existing systems strengthened to facilitate the development of such farmer participatory knowledge systems and to promote the value addition agro-processing and marketing that can better exploit economies of scale and encompass vertical, horizontal and lateral integration from production to markets. AFAAS can play a pivotal role in distilling the experiences of national AAS systems to generate best practice options to guide this change process.

The objective (and responsibility) of AFAAS is to bring about institutional and behavioral changes in AAS providers to make them more efficient and effective. However, the ultimate measurement of success shall be at the level of the benefits that farmers and other value chain actors attain from access to AAS. AFAAS will therefore have to put in place mechanisms to ensure that all its activities are traceable to the demands of the farmers and value chain actors. This will include the establishment of explicit criteria for ensuring that the root of the needs it responds to are clearly articulated demands from farmers and value chain actors.

The Forum for Agricultural Research in Africa (FARA) has the mandate to lead Pillar IV activities on a continental basis. FARA adequately represents agricultural research stakeholders in the CAADP roundtables and post-compact CAADP processes. However, given that FARA's core competencies are more research-oriented rather than AAS, stakeholders debated whether to attempt to establish this competency at FARA or delegate responsibility for this topic to a stand-alone institution dedicated to AAS. AAS stakeholder representatives (government, farmer organizations,

NGOs, academia, development partners) worked with FARA to form the African Forum for Agricultural Advisory Services (AFAAS) as a platform for sharing information, lessons, tools and approaches for efficient and effective AAS delivery and to provide a mechanism for supporting and coordinating the development of AAS within the CAADP framework.

AFAAS has been delegated as the continental lead on the delivery and development of AAS, formalized through a Memorandum of Understanding (MoU) signed between FARA and AFAAS in 2008. FARA is fully committed to AFAAS and its mandate, and recognizes its importance as a strategic partner in applying FAAP principles and making agricultural research more effective. There is consensus between stakeholders that AFAAS will collaborate with FARA, the sub-regional research organizations and with TEAM-Africa on meeting the goals of CAADP and, in particular, those of Pillar IV.

In the short-to-medium term AFAAS shall be directly accountable for delivering on the following specific objectives:

- (a) Ensure that CAADP Pillar IV sufficiently involves advisory services providers in its strategy, work plan and implementation, contributing to making these services more effective and relevant;
- (b) Ensure the availability and accessibility of appropriate and up-to-date knowledge on advisory services from a range of sources in Africa and worldwide;
- (c) Strengthen the capacity of country level advisory service stakeholders in determining own priorities and in improving their advisory service systems;
- (d) Build partnerships at national, regional and international levels between agricultural advisory service and other institutions contributing to sustained growth and transformation of agriculture; and
- (e) Build its own capacity to serve effectively as a continental African organization that can sustainably support national agricultural advisory services to continuously enhance their contribution to national, regional, continental and global development objectives.

Sectoral and institutional Context

One of the great challenges facing African agriculture has been the failure to increase productivity on par with most developing regions over the past forty years. Despite an almost doubling of agricultural output over this forty year period almost entirely accounted for by increases in land and labor inputs, increased total factor productivity has been marginal and has played a minor role in the growth of the sector. On a per capita basis the value added output of agriculture has been declining or is at best static over that period. This type of growth does not drive poverty reduction or the elimination of hunger. The reasons for this situation are many and complex - soil and water constraints, extremely low levels of human capital in the farm population, health of the rural population, lack of infrastructure, poorly functioning markets, etc.). It is widely accepted that agricultural research, extension and education will be essential elements in helping Africa's farm sector to address these issues and raise their productivity.

The structure of African agriculture presents a unique set of challenges to increasing productivity. The bulk of African agriculture is small-scale, in highly diversified, rain-fed farming systems. Such systems, which are often very complex, have received scant attention resulting in little knowledge of how they function. Further, there is a limited flow of information from the farm to inform research,

education and extension systems. To ameliorate this situation there needs to be an integrated approach around the research, extension and education triangle with the farmer at the center. Farmer organizations need to partner with research, education and extension organizations in a participatory system, which effectively links knowledge, innovation, science, research, education and advice. The role of AAS is to facilitate linkages in a participatory system. This integrated approach is well-articulated in CAADP's FAAP.

Women farmers need particular attention in this area as they play a leading role in all aspects of crop production and commercialization. This emphasis on female participation has to be dealt with throughout the triangle to ensure that there is adequate participation in all areas. It is not enough to provide support to women farmers, but to ensure careers in agriculture for professional women. According to the Food and Agricultural Organization of the United Nations (FAO), women in Sub-Saharan Africa produce up to 80% of basic foodstuffs for household consumption and sale. In the livestock sector, women perform 50-60% of the work related to feeding and milking larger animals, as well as raising small stock. Rural women provide most of the labor for post-harvest activities, taking responsibility for storage, handling, stocking, processing and marketing. Beyond the farm, women play a key role in land and water management. Due to a rise in the number of female-headed households as substantial numbers of males migrate to cities, more women are becoming functional heads of both households and farming activities.

The role of AAS is to facilitate the access of farmers, their organizations and other actors involved in the value chains to knowledge and information; facilitates their interaction with partners in research, education, agribusiness, and other relevant institutions; and assists them to develop their own technical, organizational and management skills and practices. The role of advisory services has widened to include issues in rural areas that go beyond agriculture (even in the broad sense of the term agriculture that includes livestock and fisheries). In designing its interventions, AAS must help farmers to become aware of, understand, and embrace technical messages and training while becoming more effective business managers of their farm enterprises, and in their linkages to market actors (financial, input providers, buyers and processors), as well as to education, public sector and government including policy dialogue.

At the governance level it should ensure that farmers are represented in all AFAAS governance structures and within the multi-stakeholder innovation platforms of Country Fora (CF). It should ensure that representatives of farmers and value chain actors take part in its planning, monitoring, evaluation and learning systems. AFAAS should seek synergies with national, regional and continental Farmers' Organizations to: (i) share information; and (ii) develop joint activities in which they can collaborate/ partner to maximize the pro-farmer impact of AAS on value chains.

Implementation of the FAAP recommendations would reverse the decline in support for AAS. It would also result in a new approach to AAS that would represent a departure from the public-sector dominated and supply-driven technology-transfer emphasis of earlier programs to what would be more demand-driven programs aimed at building human capital of farmers – building their capacity to understand their own situations and options, to make good decisions as effective critical thinkers, to work together with other farmers in farm organizations, and to make their farming endeavors more profitable. The FAAP, developed by FARA, provides guidance on the types of program characteristics which would make this possible. It calls for reforms to AAS that would improve the accountability of advisory service providers to clients, put in place a demand/market-driven service provision system, decentralize service delivery and promote increased pluralism (including

participation of the private sector) in the provision of services. These reforms represent a clear departure from earlier approaches and enjoy broad support from the professional community of practice in Africa and among development partners. A broad consensus notwithstanding, designing and putting in place such reforms is an ambitious agenda. Prior to the launch of AFAAS no institution in Africa had either the capacity or the mandate to take on this challenge. AFAAS does have this mandate – but needs a stable source of support to be able to succeed. The proposed MDTF would provide this support.

This proposed trust fund would be the second World Bank-administered trust fund for AFAAS. The first AFAAS MDTF became effective in September 2009 and was implemented by AFAAS with the support of FARA . It was designed to formally establish the AFAAS Secretariat and its legal, governance and operational structures. Another primary activity included the development of AFAAS' Strategic and Operational Plan (Strategic Plan) which was approved by AFAAS' Board and endorsed by its General Assembly in April 2011. The first AFAAS TF met its objective and closed with a satisfactory rating on June 30, 2011. The design of the AFAAS Second MDTF is based on AFAAS' Strategic Plan.

II. Proposed Development Objectives

To reform and strengthen Agricultural Advisory Services (AAS) in accordance with FAAP principles towards increasing agricultural productivity and food security.

III. Project Description

Component Name

Support to Country AAS for Engagement in CAADP Pillar Four

Comments (optional)

Component Name

AFAAS Governance, Management and Secretariat Activities

Comments (optional)

Component Name

MDTF Management and Supervision (Bank-Executed)

Comments (optional)

IV. Financing (in USD Million)

Total Project Cost:	18.40	Total Bank Financing:	0.00
Total Cofinancing:		Financing Gap:	10.90
For Loans/Credits/Others			Amount
Borrower			0.00
CAADP Pillar 4 institutions			6.50
International Fund for Agriculture Development			1.00
Total			7.50

V. Implementation

Implementation of the project will be the responsibility of the AFAAS Secretariat. AFAAS' governance system is comprised of the AFAAS General Assembly (GA), the Board and the Secretariat. The GA is the supreme AFAAS governing body. It has two official representatives from each CF (one male and one female), two representatives drawn from continental bodies of the Farmer Organizations, and a representative from FARA. Other stakeholders are invited to participate in the GA but have no voting rights. The GA meets once biennially. Its responsibilities include electing the Board, reviewing and approving overall AFAAS policies as recommended by the Board, determining the strategic orientation and priorities of AFAAS, evaluating performance of AFAAS and, reviewing and amending AFAAS' Constitution, as needed.

The Board has overall governance oversight responsibility. This includes: recommending policies for approval by the GA; setting AFAAS Secretariat priorities and defining the projects to address these priorities; recruiting the Executive Director and Project Managers; overseeing the activities of the Secretariat; approval of the annual plan of activities and corresponding budgets and, approval of the financial reports.

The Board is comprised of 15 members constituted as follows: Nine (9) representatives drawn from CF, with the Chairperson selected from among the CF representatives. Her/his position as a country representative is filled by another person from the same region. The Board also has a representative from a continental or sub-regional Farmer Organization, a representative from FARA, and three members selected on merit basis. Women will constitute at least 30% of the Board membership. The Board has powers to co-opt non-voting members. It has standing committees for Finance and Administration, a Program Committee, and an Audit Committee. It has powers to put in place Technical Working groups, Ad Hoc Committees and Task Forces to assist in its work.

The Secretariat is responsible for the day-to-day management of AFAAS. The secretariat will: facilitate the functioning of the Board; develop the annual work plan and budget; manage and implement approved annual work plans and budgets; support National Platforms and other groups of stakeholders at country level; promote compliance with CAADP principles; link to the global community; promote networking among CF and other stakeholders; facilitate monitoring and evaluation and, mobilize resources and engage in lobbying and advocacy. These responsibilities will entail AFAAS working with CAADP institutions and a well-functioning consortia of Development Partners. The Secretariat will also establish functional modalities for management of the AFAAS Secretariat (including development of different strategies, operational policies, capacity building plan for the Secretariat and other AFAAS organs.

The technical staff at the Secretariat will be kept lean and will be mainly tasked with management of and providing leadership for the technical activities. In providing technical leadership, it will be supported by Thematic Working Groups made up of experts in the technical fields of operation. In this regard, the AFAAS Secretariat will establish and continuously update databases of technical experts. In order to build expertise in the technical areas within AFAAS member countries, the composition of the Thematic Working Groups will blend experts from AFAAS member countries with experts from other parts of the world. The actual implementation of the project-wide activities will be undertaken through consultancies, joint partnership activities, and out-sourcing.

Annual work planning and budgeting. Implementation of AFAAS activities will be guided by an annual work planning and budgeting process approved by the Board. The plan and budget will be

coordinated with CAADP support institutions such as AUC, NPCA, RECs and Lead Pillar institutions. It will also reflect the planned activities of CFs, as well as joint activities planned with key partners such as research establishments and human capacity development institutions. This exercise will identify the sources of funding for the proposed activities and will ensure that the activities are fully funded. A World Bank team will carry out at least two supervision missions annually to review the annual work plan and budget and assess implementation progress. Disbursements under the project will be made on the basis of agreed annual work plans and budgets between the World Bank and AFAAS.

Operational procedures. The project will be implemented within the broader AFAAS Constitution and Governance Manual, and more specifically by its Operational Manual (which includes Financial Management, Procurement, Audit and Human Resources management manuals). Most of these manuals were reviewed by the World Bank and approved by the AFAAS Board, however, further review will be done before the project becomes effective. Project implementation will also follow World Bank guidelines and the MDTF Grant Agreement to be signed between AFAAS and the World Bank.

VI. Safeguard Policies (including public consultation)

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01		x
Natural Habitats OP/BP 4.04		x
Forests OP/BP 4.36		x
Pest Management OP 4.09		x
Physical Cultural Resources OP/BP 4.11		x
Indigenous Peoples OP/BP 4.10		x
Involuntary Resettlement OP/BP 4.12		x
Safety of Dams OP/BP 4.37		x
Projects on International Waterways OP/BP 7.50		x
Projects in Disputed Areas OP/BP 7.60		x

Comments (optional)

VII. Contact point

World Bank

Contact: David J. Nielson
 Title: Lead Agriculture Services Specialist
 Tel: 473-0628
 Email: dnielson@worldbank.org

Borrower/Client/Recipient

Name: AFAAS
 Contact: Dr. Silim Nahdy
 Title: Executive Director
 Tel: 256-312-313400
 Email: msnahdy@afaas-africa.org

Implementing Agencies

Name: AFAAS
Contact: Dr. Silim Nahdy
Title: Executive Director
Tel: 256-312-313400
Email: secretariat@afaas-africa.org

VIII. For more information contact:

The InfoShop
The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 458-4500
Fax: (202) 522-1500
Web: <http://www.worldbank.org/infoshop>