

The Global Agriculture and Food Security Program

October 11, 2010



What is it?

- A response to the calls from L'Aquila (AFSI) and Pittsburgh (G 20) to develop a **multilateral** trust fund to scale-up **long-term and structural agricultural and food security** assistance to low income countries
- A mechanism to make coordinated donor **support more predictable for strategic & innovative country-led agricultural and food security plans susceptible of producing results, produced through existing aid effectiveness measures**

What is it NOT?

- **GAFSP is NOT a World Bank-led Program**
- **Is NOT emergency assistance**
- **GAFSP is NOT a Vertical Fund**
- **GAFSP does NOT produce ag/FS strategies**
- **It does NOT have a big dedicated staff, large overheads, or lending objectives that are distinct from those of existing donor coordination/country-leadership mechanisms such as CAADP or SWAPs.**

The desired approach

- Respect the **aid effectiveness** principles agreed in Accra—**country-led programs based on harmonization and alignment**
- **Reinforce and not duplicate existing efforts** to facilitate a strategic and **inclusive** approach
- Ensure that **countries that have truly made the effort to devise high-quality and inclusive** agriculture and food plans under initiatives such as CAADP get support
- **Leverage host Gov't and bilateral assistance**
- **Rapid disbursement** of funds
- **Facilitate participation** of CSOs and private sector

How it works: Governance

- A **Financial Intermediary Fund** (i.e. checking account) at the World Bank, as Trustee
- A **Steering Committee (SC)** as decision-making body composed of donors and recipient reps in equal numbers as voting members, and the potential **supervising entities (SE)**--IFAD, WBG, other MDBs, FAO and WFP--**and CSOs reps as fully participating** but non-voting members
- **Appraisal and supervision is provided by the SEs** following own regular procedures
- **A small Coordination Unit at the WB keeps the process running**, with separation of the Trustee role from the potential Supervising Entity roles of IBRD and IFC

How it works: independent TAC

- The **Technical Advisory Committee (TAC)** is composed of technical specialists independent of SEs/WB who **provide due diligence to the SC following an elaborate Terms of Reference and scoring template**
- **TAC ranks proposals according to: Country Need (12.5%), Policy environment (12.5%), Country Readiness (25%), Proposal Readiness (50%)**
- **The TAC does not identify, appraise, or supervise projects; these tasks are done by the concerned Supervising Entity using its regular procedures and governance.**

How it works: Funding

- **Present donors** are: USA, Canada, Spain, Korea, Gates Foundation, and Ireland: one more donor to be announced September 21st.
- **Recipient regional reps** are: Senegal, Sierra Leone, Bangladesh, Mongolia, Haiti, and Yemen
- **Donors will earmark funds to either a public sector window for investments and technical assistance, or a private sector window for debt and equity investments in private firms**
- **The private sector window (\$100m) is managed by International Finance Corporation** who will submit annual investment plans to the Steering Committee

Who is eligible

Public Sector Window

- Low income countries (IDA)
- Regional entities (e.g. ECOWAS)

- Clear & inclusive agriculture strategies
- Conducive policy environment
- Own budget commitments

Tech Assistance Under the Public Window

- Specialized technical agencies (centers of excellence)

- Proposals aligned to SC requests
- High quality & cost effective services

Private Sector Window

- Private sector firms in eligible countries

- Aligned business activities
- Reasonable financial health
- Equity investment exit options

How it works: Operationalization

- **National governments and regional organizations submit proposals** on the basis of calls from the SC
- The **SC allocates an envelope by country and designates a Supervising Entity** to take forward
- **Supervising entities appraise** country-led projects following **standard procedures and safeguards**
- The coordination unit **consolidates results**
- **Supervising Entities are responsible for reporting using a joint monitoring and evaluation results framework**
- **Pledges to date are \$914 million over first 3 years**—with about \$366 million received so far for the Public Window and \$47 for the just launched Private Window

Allocations to date

\$224m + \$11m admin fees allocated June 21 to:

- **Bangladesh** (\$50m), improved seed varieties and better water management techniques, via WB and FAO
- **Haiti** (\$35m), improving access to seeds, fertilizers and technology, via IDB and WB
- **Rwanda** (\$50m), reduce hillside erosion and bolster productivity, via WB
- **Sierra Leone** (\$50m), collective action for commercialization of smallholder farmers and farm management training, via IFAD
- **Togo** (\$39m), affordable credit and better access to technology, via IFAD and WB

Info and next steps

- See www.worldbank.org/GAFSP, soon to be: www.GAFSPFund.org
- Current Call expired midnight October 1
- TAC will score, rank proposals
- 21 countries submitted \$930 million in proposals to Public Window
- There is \$130 m in kitty to allocate for Public Window
- Allocation meeting of SC is Nov. 3-4
- Fundraising by SC continues at strong pace
- Further \$160-\$280 m very likely in kitty by March 31, 2011.