I. Project Context

Country Context

1. Following the visit to the Great Lakes Region of the President of the World Bank Group and the United Nations Secretary-General in May 2013, the World Bank announced its support for an integrated program to consolidate peace, revitalize regional economic development, create jobs and opportunities for young people, and improve the livelihoods of the people in the Region of the Great Lakes that would include the Democratic Republic of Congo (DRC), Burundi, Rwanda, and possibly Tanzania. A project was subsequently identified, which has since evolved into the Regional Great Lakes Integrated Agriculture Development Project (RGLIADP). This project responds to the regional opportunities and constraints in developing agriculture across the countries associated with the Great Lakes Region. The Great Lakes region shares many agro-ecological features and is centrally located across a major corridor running from Kinshasa in the West to Dar
Es Salam in the East.

2. The RGLIADP was originally conceptualized to encompass the Democratic Republic of Congo (DRC) and Burundi in the first phase, and in future to potentially include other countries in the Great Lakes Region. However, due to the current fragile situation prevailing in Burundi, it was agreed to pursue a sequential approach. This proposed project would finance activities in the DRC, but would include activities which support the Regional Peace, Security and Cooperation Framework adopted by the countries for the Great Lakes region. It would also support other regional priorities including: (i) interventions in protected areas management and safeguarding the Lake Tanganyika resources; and (ii) regional dialogue through existing entities such as CEPGL and LTA. The project support for Burundi under the RGLIADP would be processed as a second Series of Projects (SOP) as soon as the situation in the country stabilizes. This projects amounts to $150 million ($100 million national IDA Credit and $50 million Regional IDA Credit).

Sectoral and institutional Context

8. Agriculture plays a major role in the economy of the DRC. DRC has 80 million hectares of arable land, diverse climatic conditions and abundant water resources. It has considerable agricultural potential and extensive pastoral areas. The country’s lakes and rivers provide rich opportunities for fishing and aquaculture. Agriculture is the most important sector in terms of GDP share and employment, accounting for 42.5 percent of GDP and employing 70 percent of the active population (62 percent men and 84 percent women). Most of the sector is made up of small-scale family farms relying on low intensity crop production, livestock and fisheries. Production of food staples is stagnant and has not kept up with population growth, but some agricultural sub-sectors – notably coffee, oil palm, and flour production -- are more dynamic. Both smallholder and commercial farmers grow rice, sugar cane, cassava and maize.

9. The main constraints of the agricultural sector in the DRC are: the low productivity of farming systems due to the lack of availability of and access to modern inputs (improved seeds, fertilizers, pesticides, hybrid races, vaccination, etc.) and technologies; low sustainability due to lack of watershed protection; weak access to markets and information on market and prices; poor productive infrastructure and equipment (water, energy, roads); lack of agro-processing facilities resulting in high production, processing and transaction costs; and large post-harvest losses of crops, dairy products, and fisheries. Given DRC’s tremendous untapped potential, addressing the above constraints will help improve agricultural performance, which in turn will further strengthen the sector’s contribution to food security, employment and poverty reduction.

10. Eastern DRC, South Kivu and Tanganyika have considerable agricultural potential and extensive pastoral areas. There is a wide and diverse range of agricultural products in these areas, from food crops to vegetables and fruits, industrial crops, cattle and small ruminants, as well as poultry. This part of the country is also endowed with forests, timber and non-timber products. Unfortunately, the potential in these areas have not been fully realized. Due to insecurity, unfriendly business environment, unclear land access, poor road infrastructure, heavy taxation, and limited access to markets, agriculture has been limited to small-scale, low-risk subsistence activities.

11. The following major commodities are produced in the different ecological zones of the area: (i) rice, sugar cane, cassava and maize are grown by both smallholder and commercial farmers
as commercial crops in the Ruzizi River Plain; (ii) livestock is produced in the mid-lowland extension of the plain, a seasonal grazing area for cattle, are owned both by local herders and pastoralist groups that come down from the plateau; (iii) extensive rainfed crop and grain production (maize and cassava in particular, as well as rice) take place in the lowland central-basin of the western part of Tanganyika (Kongolo and Nyunzu territories in particular); (iv) artisanal fishing is practiced in Lake Tanganyika; and (v) the large number of abandoned fish ponds in the Ruzizi River Plain indicates that aquaculture used to be an important production sector.

12. From the nutritional perspective, the diet of rural populations is limited in variety and quality, consisting largely of roots and tubers, especially cassava and sweet potatoes, and some cereals; sometimes accompanied by limited amounts of vegetables, some pulses and, very seldom, animal products. Households mainly rely on their own production. The intra-household distribution of food can also be an issue, with men and boys receiving, when available, the majority of the animal sourced food (animal protein). The other contributing factors of malnutrition include, among others, inadequate health services, poor access to sanitation and drinking water, and also a general vulnerability of women-headed households which has been reported to be a common condition in rural setting.

13. The harvest of fisheries resources from Lake Tanganyika has declined by about 30 percent in the past two decades, to approximately 90,000 tons per annum, mainly due to overfishing. In 2011, the Lake Tanganyika Authority, governing the lake and its basin on behalf of the four riparian countries determined that the total numbers of fishers and canoes doubled in the past two decades and about 50,000 fishers originate from DRC.

14. The project area is characterized by significant levels of environmental degradation. Diminishing forest areas globally threaten important biodiversity as well as the sustainability of agricultural investments, because of landslides and erosion-related sedimentation on steep slopes, and reduce availability of charcoal, the most important fuel source in the rural areas. Protected areas on the periphery of the project area are poorly managed, particularly the vast Itombwe Nature Reserve in the DRC, a globally important site. Poaching is rampant in some of these areas; in Itombwe, resident forest elephant and great ape (gorilla and chimpanzee) populations are threatened.

II. Project Development Objective(s) / Global Environmental Objective(s)
A. Project Development Objective(s)
The project development objective (PDO) is to increase agricultural productivity and commercialization in targeted areas in the DRC, improve agricultural regional integration, and provide immediate and effective response in the event of an eligible crisis or emergency.

B. Global Environmental Objective(s)
N/A

III. Project Description
Component Name
Component 1: Value-chains productivity enhancement (IDA financing of US$59 million).

Comments (optional)
The aim of this component is to increase the productivity and production of selected value-chains, in particular rice, cassava, dairy products and fisheries in the targeted areas of the East DRC (South
Kivu and Tanganyika provinces). Expected results will be in the form of increased volume and quality of marketable produce (rice, cassava, milk and fish). The Project will finance a mix of interventions depending on the targeted value-chain.

**Component Name**
Component 2: Support for the development of agro-industrial parks (IDA financing of US$40 million).

**Comments (optional)**
To support the Government’s national plan to develop agro-industrial parks (AIPs) across DRC, the project will finance the selection and technical design of AIPs in selected areas along the corridor of Bukavu-Kalemie. This investment would support the objectives of: (i) linking farmers, herders and fishing communities into input and consumer markets through a public-private partnerships (PPP) leading to the establishment of a number of AIPs; and (ii) attracting private sector investment in agriculture and promoting agribusiness by addressing business environment constraints, finance constraints, and knowledge constraints.

**Component Name**

**Comments (optional)**
Component 3 will address various risks and drivers of conflict, poverty and environmental degradation which are prevalent in the project area, through a combination of interventions including: (i) conflict mitigation and promoting reconciliation, such as improving land tenure security and livelihoods-related activities for the most vulnerable communities to diminish tensions; and (ii) supporting environmental activities to preserve the landscape for future generations.

**Component Name**
Component 4: Regional integration (IDA US$12.2 million).

**Comments (optional)**
Component 4 will contribute to the development of more effective regional integration mechanisms by: (i) creating an enabling environment for regional cooperation and joint natural resources management and (ii) promoting a regional agricultural research and development (R4D) agenda.

**Component Name**
Component 5: Support Services and Program Management (IDA: US$12.1 million)

**Comments (optional)**
The project will provide national and provincial actors (including public, private and civil society) with capacity building opportunities to reinforce their skills and capabilities to perform support functions during program implementation. A Steering Committee will be established to provide strategic guidance to the project and ensure achievement of intended objectives. It will also ensure coordination of the involved departments. A formal decree establishing the Steering Committee signed by the responsible national authority needs to be published prior to project effectiveness. In addition to this, an arrangement needs to be set up to ensure facilitation for regional coordination through existing institutions such as CEPGL and ALT that will be supported under component 4.

### IV. Financing (in USD Million)

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<th>Description</th>
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<td>Total Bank Financing:</td>
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<td>Financing Gap:</td>
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### V. Implementation
The design of the institutional and implementation arrangements takes into account lessons learned presented above, the weak capacity of the public sector as well as coordination deficiencies at regional level to be addressed for the project to achieve its development impact. Implementation arrangements take into account the required regional facilitation mechanism, the national project oversight instrument and the provincial and local project implementation design. The main responsibilities of the core structures of the implementation arrangement are briefly summarized below. A more detailed presentation of the arrangement and responsibilities is presented in Annex 3 on implementation arrangements.

### VI. Safeguard Policies (including public consultation)

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<td>Environmental Assessment OP/BP 4.01</td>
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</table>

Comments (optional)

### VII. Contact point

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