I. Project Context

Country Context

Chad is one of the poorest countries in the world and ranks near the bottom of the global table in terms of economic and social development. The country has long suffered from chronic political instability and from recurring civil conflict, although these problems have abated somewhat since legislative and presidential elections were held in 2011. Chad’s civil society is vibrant and dynamic, with around 700 Civil Society Organizations (CSOs) operating at central and local level. Exploitation of recently discovered oil resources fuelled a remarkable increase in Growth Domestic Product (GDP) per capita from US$220 in 2002 to US$610 in 2009, but these gains are fragile and require consolidation through sustainable economic diversification. Following the surge in international oil prices that occurred during the second half of the decade, revenues from oil vastly exceeded projections, endowing the country with realistic prospects for ending the endemic poverty and laying the basis for creating a modern economy. Visible progress was made in developing the nation’s infrastructure and in accelerating urbanization, especially during the past two years. Yet even despite the recent progress, much remains to be done. Chad is ranked 183rd out of 187 countries on the 2010 UNDP Human Development Index, and it will not reach most of the Millennium Development Goals (MDGs) by 2015. According to the 2010 MDGs implementation report, only three MDGs are within reach: primary education, access to safe water, and the fight against HIV/AIDS. Chronic political instability, periodic bouts of civil conflict, a shortage of resources, weak institutional capacity, and challenging agro-climatic conditions have undermined the efforts of successive governments to reduce poverty and ensure national food security. In the absence of reliable data, it is difficult to form an accurate picture of current living conditions, but a 2003 household survey showed about 55 percent of the population living beneath the poverty threshold. The Second National Poverty Reduction Strategy 2008-11 (NPRS-II) reported that poverty in Chad is disproportionately rural, with 87 percent of the poor living in rural areas. Food insecurity was found to be widespread, affecting an estimated 44 percent of the population. Food purchases account for 65.3 percent of expenses for Chadian households, rising to 70.1 percent for the poorest quintile. More recently, a series of external shocks have further eroded the country’s economic base, putting additional pressure on steadily declining living standards and contributing to rising levels of poverty and food insecurity. These external shocks have included the global food price crisis that began in 2008, the international financial crisis that followed in 2009, and the political upheaval in Libya that broke out in late 2010, causing more than 90,000 Chadians to flee the conflict there and return home. The influx of new mouths to feed has placed further pressure on already scarce food supplies, and it could increase tension between farmers and pastoralists over access to land and water resources.

Food insecurity in the country has worsened appreciably in recent months following two years of below-normal agricultural production. In 2010, a prolonged drought led to widespread crop failures and the loss of large numbers of livestock. The following year, the delayed onset of the rainy season and significantly below-normal precipitation levels led to further steep declines in production of crops and livestock. Based on the findings of surveys carried out by the Government of Chad, the Food and Agriculture Organization of the United Nations (FAO), the Famine Early Warning System Network (FEWSNET) and the World Food Programme (WFP), food crop production in 2011-12 is projected to be 34 percent lower compared to 2010-11, and 8 percent lower than the average production level during the previous five years. Livestock production is estimated to have decreased by about 42 percent in 2011 compared to 2010. Overall in December 2011, about 3.6 million people were affected by food insecurity (38.5 percent of the population). The impacts have been felt most acutely in the Sahelian region, where food production fell by an estimated 56 percent during the recently concluded cropping season, compared to the previous year.

Chad is very vulnerable to climate-related risks, both short-term risks associated with climatic variability and long-terms risks associated with climate change. According to the National Action Program of Adaptation (NAPA, 2010), the main short-term climate risks are associated with droughts, floods, poor spatial and temporal distribution of rainfall, extreme heat, and strong winds. These factors not only have the potential to undermine agricultural production activities, but many lives could be lost in epidemics that are likely to follow weather events. The recent drought was felt most acutely in northern Sahelian zones, which are characterized by shrubby savannah with open, woody formations. The wildlife reserves in Sahelian zones have suffered the loss of many species due to lack of protection from anthropogenic activities, as well their vulnerability to climate shocks that seems to be increasing in frequency and severity. Potential longer-term effects of climate change include water shortages due to reduced rainfall, food insecurity, irreversible loss of biodiversity, and increased desertification. Chad is relatively rich in...
biodiversity, with endemic animal and plant species concentrated mainly in more forested Sahelo-sudanian zones, where national parks play an important conservation role despite facing heavy demographic pressures. The NAPA warns that climate change could cause significant losses in many productive sectors, potentially affecting food crops, cotton, livestock, fisheries, and forest resources.

In December 2011, the Government of Chad responded to heightened food security concerns by issuing an appeal to the international community for emergency assistance. At the same time, it introduced transitional measures designed to delay the onset of famine, including: (i) subsidizing of food for vulnerable households, especially in drought-affected regions; (ii) providing equipment and support to food production and income-generating activities among affected farmers; (iii) distributing free food to prevent malnutrition among the most vulnerable groups; and (iv) facilitating access to animal feed and rehabilitating watering points for livestock. These transitional measures, which the WFP and other donors have committed to support, are expected to help many of those who are at the greatest risk, but they will not provide sustained access to food beyond the next few months.

II. Sectoral and Institutional Context

Agriculture (used here in a broad sense to refer to production of crops and/or livestock) accounts for 21 percent of GDP in Chad and is the major source of employment, engaging more than 2.3 million people (80 percent of the labor force). Approximately 4.6 million new job seekers will enter the labor market over the next 15 years, including 3.1 million people in rural areas, so for the foreseeable future agriculture will continue to play a major role in ensuring growth and stability.

Agriculture in Chad is currently performing far below its potential. Crop productivity is very low, and average crop yields lag far behind the average yields achieved in neighboring countries. Only 6 percent of the land area is cultivated, and water resources remain largely untapped (only 9 percent of the potential is used). Livestock productivity also is very low, reflecting the widespread use of traditional extensive management practices and limited use of improved genetics and purchased veterinary inputs. The poor performance of the agricultural sector depresses rural incomes and limits export earnings, despite the fact that regional demand for crops and livestock products is large and rapidly growing (the population of Nigeria, Chad’s enormous neighbor to the south-west, will increase by 50 million people over the next 15 years). As pressure increases on natural resources, endemic food insecurity and recurring tension between farmers and pastoralists over access to land and water resources are becoming major challenges. The 2010 and 2011 food shortages had lasting impacts, leaving many rural households severely decapitalized and paving the way for the full-blown humanitarian crisis that has emerged in early 2012. National post-harvest surveys on household food security carried out in December 2011 by the Government and its partners revealed that food stocks will last only three months in Sahelian zones and eight months in Sahelo-sudanian zones. Six households out of 10 in Sahelian zones and four households out of 10 in Sahelo-Sudanian zones are already experiencing food insecurity.

Action is urgently needed to address the constraints that are limiting agricultural growth and undermining food security. Priority actions mentioned in the NRSP-II include: (i) improvement of land and water management; and (ii) diversification and intensification of agricultural production by improving access of rural households to factors of production (land, water, inputs, machinery, and finance) and to improved technologies. With a view to better aligning its support with the Government’s overall agricultural development strategy, the World Bank recently carried out a review of the agricultural sector. One of the main results of this review, which was conducted in 2011 in collaboration with FDA, was to highlight the extremely high level of risk faced by rural producers. This high level of risk is associated mainly with weather shocks and is compounded by poorly functioning markets characterized by high transaction costs and missing markets (particularly for credit, technical advice, insurance). Based on findings of the review, a number of possible interventions were identified that can improve food security and accelerate agricultural growth: (i) development of small-scale irrigation; (ii) adoption of integrated watershed management approaches; (iii) development of rainfed rice production systems; (iv) development of production systems based on recession cropping (culture de décure); (v) proactive management of transhumance; (vi) development of feeder roads to link farmers to markets; (vii) building capacity of rural communities and producer organizations; and (viii) provision of improved technology packages for crop production. Because most of these interventions not only help to boost agricultural productivity but also increase the climate resilience of agricultural activities, they can help rural communities better withstand, mitigate, and manage the climactic shocks which are occurring with increasing frequency.

Recognizing the risks to agriculture posed by climate change, and in line with the priority actions identified in the NRSP-II for improvement of land and water management, the World Bank and the Government have agreed to associate grants from GEF and LDFC with the IDA-funded emergency operation. The blending of these resources will build sustainability into the emergency operation by allowing increased agricultural productivity to be pursued in a sustainable manner, contributing to more climate-resilient agricultural production and enhanced food security. The activities to be supported using the three sources of funding have strong potential synergies and are expected to reinforce one another. For example, GEF/LDCF funds earmarked to support the integration of ecosystem services will help to reduce the frequency and severity of flooding in agricultural lands, thereby increasing and stabilizing food production in the face of increasing climatic variability. Similarly, GEF/LDCF funds earmarked to promote the adoption of sustainable agricultural and forestry practices in watersheds can be expected to increase vegetation coverage, reduce erosion, and improve rain infiltration, improving the efficiency of water use in agriculture and reducing vulnerability to drought. Consistent with the philosophy of GEF/LDCF funding, in the process of increasing their own immediate resilience to climate change, Project beneficiaries will generate global environmental benefits. Because the emergency operation will target highly vulnerable communities and areas most at risk in the face of climate change, the SLWM interventions will contribute directly to climate change adaptation. LDCF resources will furthermore facilitate climate-proofing of the emergency operation by deepening and broadening micro-project investments in ways that will better prepare the Project beneficiaries to address future climatic conditions, given projected climate change and impacts.

III. Project Development Objectives

Project development objective: To support rural communities and producer organizations in increasing (i) the production of selected crops and livestock species in selected areas of the Recipient’s territory; and (ii) the use of sustainable land and water management practices in climate vulnerable ecosystems.

IV. Project Description

Component Name

Provision of agricultural inputs
Support to food production
Sustainable land and ecosystem management
Capacity building and institutional support to public services
Project coordination and management

V. Financing
(in USD Million)

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VI. Implementation

The Ministry of Agriculture and Irrigation (MAI) will hold overall responsibility of the Project and will ensure management and implementation functions. The Project will be housed in the Direction Générale de la Production Agricole et de la Formation (DGPAF) of MAI. DGPAF comprises three Directorates including: (i) Direction de l’Enseignement Agricole des Formations et de la Promotion Rurale (DEAFPR); (ii) Direction de la Production et des Statistiques Agricoles (DPASA); and (iii) Direction de la Protection des Végétaux et du Conditionnement (DPVC). The membership of the Project Steering Committee (PSC) will include General Secretaries of all key Ministries directly related to the Project, including: MEF; the Ministry of Infrastructure and Equipment (MINIE); the Ministry of Economy, Planning, and International Cooperation (MEPIC); the Ministry of Urban and Rural Water Supply (MURWS); and the Ministry of Regional Planning, Urbanism and Habitat (MRPUH). The organization and functioning of the PSC will be specified by an Arrêté.

The Project Coordination Unit (PCU) will operate with the following staff dedicated full-time to the Project: a Project Coordinator, a Financial Management Specialist, a Monitoring and Evaluation Specialist, an Environmental Coordinator, a Procurement Specialist, a Central Accountant, an Internal Auditor, a Team Assistant, and various support staff. A small Environmental Team (ET) consisting of an Environmental Specialist (ES), a Monitoring and Evaluation Specialist, and an Accountant will be established within the national PCU and charged with coordinating the implementation of Component 3. At the regional level, five Regional Coordination Units (RCUs) will be established to serve as relays for the PCU and facilitate the implementation of Project activities at the departmental and local levels. RCU core staff will include: five Regional Coordinators, five Agricultural Specialists, five Livestock Specialists, five Rural Engineers, and five Accountants. At the Departmental level, Departmental Action Committees (DACs) will be in charge of the review and approval of micro-projects. The DACs are currently involved in approving micro-projects being funded under LDPSP-II, and the system is working well. Details of the identification, preparation, review and validation process for micro-projects and sub-projects, including the roles and obligations of the various participants, will be spelled out in the PIM.

VII. Safeguard Policies (including public consultation)

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VIII. Contact point

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