


**From:** "Esther Penunia (AFA)" <afaesther@asianfarmers.org>   
**Subject:** Re: APPROVED -- GAFSP Kyrgyz Republic -- Agricultural Productivity and Nutrition Improvement Project (APNIP)  
(review deadline: Friday, 03 July 2015 COB)  
**Date:** July 28, 2015 9:50:29 AM GMT+08:00  
**To:** Aira Maria Htenas <ahtenas@worldbank.org>  
**Cc:** "steering@gafspfund.org" <steering@gafspfund.org>, Robert Townsend <rtownsend@worldbank.org>

2 Attachments, 36 KB

Thanks, Aira. We thank the Project team of the GAFSP project in Kyrgyz for responding to our comments.

kind regards,  
esther\*

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empowering small scale women and men farmers in asia*



*family farmers care for the soil through sustainable, agro-ecological approaches*

On Jul 27, 2015, at 11:32 PM, Aira Maria Htenas wrote:

Dear Steering Committee members,

Comments were received from ActionAid USA, the Asian Farmers Association for Sustainable Rural Development, and Dr. Champak Pokharel during the review period, which have been addressed below by the project team. Thank you for the review. We consider the Kyrgyz Republic project approved by the GAFSP Steering Committee.

#### ActionAid USA

Hello all, If it is not too late, one of our partners in Kyrgyzstan asked if it is possible to clarify if the project includes engaging orphanages in the context of the nutrition work? Would it be possible to add "and orphanages" into the nutrition section?

**Response: The PAD (par. 15, p.28 on Component 3 Nutrition Improvements) will be revised to clarify that orphans will be a part of the targeted vulnerable groups to be supported by the project if present in the selected project areas.**

#### Asian Farmers Association for Sustainable Rural Development

We appreciate the support to the Food Security Council (FSC). We suggest that the FSC (a) explicitly include also nutrition, not only food security, in its TOR or mandate; (b) it will involve civil society; (c) that the government can approve a program on food security and nutrition by which the FSC can draw its actions from; (d) that the FSC meets and works on a regular, not on a reactive, basis.

**Response: The Food Security and Nutrition Policy, which is currently awaiting the Government's approval, discusses the mandate and work plan of the Food Security Council (FSC) in detail. The PAD (par. 40, p. 31 on Component 3.4. Improved national coordination for food and nutrition security) will be revised to read "This sub-component will facilitate the broadening of the mandate of the FSC to incorporate nutrition issues in addition to food security and social protection, and the establishment of a secretariat to support the FSC in overseeing and monitoring the Food Security and Nutrition Program. The FSC will be responsible for overseeing the implementation, monitoring and assessment of the FSC. Food security assessment is expected to be prepared on quarterly basis both at the national and regional levels. Measures and corrective action to**

address food security issues will be taken in the annual action plan following the comprehensive assessment at the end of each year.”

Will it be possible to describe more clearly how the Secretariat of the Food Security Council will be supported after the APNIP project?

Response: The PAD (par. 40 , p. 31 on Component 3.4. Improved national coordination for food and nutrition security) will be revised to read that “The secretariat will be supported by the project, in coordination with FAO, WFP and UNICEF, for an initial period of two years and subsequently integrated into the Government structure. The effectiveness and financing of the FSC will be evaluated after this period. The Government is expected to find budget resources to support the FSC after the two-year period.”

We note that a Steering Committee will be established. We suggest that a representative from the national level water user association and the NGOs working on nutrition be included in the committee. The Union of Water User Association is the leading national-level WUA and can be engaged as well in all the components of the APNIP, e.g. in the selection process of WUA for infrastructure rehabilitation and post rehabilitation works, oversight of civil works to assure independent social control, and in disseminating relevant knowledge and information on food security and nutrition to WUA members.

Response: In line with the approved proposal of the Government to the GAFSP, the Government has established the APNIP Steering Committee through the MOALI's order No. 291 from November 14, 2014. The Union of Water User's Associations is suggested to send a formal letter of request to the Government, if it wishes to become a member of the committee.

Dr. Champak Pokharel

Overall, the posted KYRGYZ PAD is a well organized and comprehensive appraisal document.

Response: Thank you.

Due diligence review by CU has been quite helpful. PAD descriptions and the website information of GAFSP on KYRGYZ which included also the previous proposals were helpful in understanding the process through which the current PAD has evolved. It is pleasing to note that positive persuasion has taken place for the project with patience and encouragements by the project team to arrive at the current stage to PAD. The persuasive approach followed by the project team is commendable, as developing countries have multiple constraints in reaching to a desirable standard of a proposal. Likewise, the PAD has extensive coverage. Since the exercise has already gone through long efforts, there are only few comments.

Response: Thank you, noted.

The components covered for the project are very relevant. While irrigation rehab helps in increasing food production faster through agriculture intervention, covering also nutrition adds more effectively to food security in poor countries with high poverty and mal nourishment. Nutrition education becomes additionally relevant when food access exists in reality. Given high poverty, malnourishment and food insecurity, the importance of such kind of project high.

Response: Thank you.

Various Projects in developing countries do have a problem of standing alone and away from national priority. As proposed APNIP contributes to implementing the Country Partnership Strategy 2013-2017, the project seems to be in coherence also to country priority. Likewise, implementation part seems to have received due consideration by trying to build the system already practiced, to the best possible and stronger M and E framework, as revealed from PAD.

Response: Thank you.

PAD indication of high EIRR (26.3), FIRR (24.8%) and B-C ratio of 2.5 and robustness of the project against fluctuation of cost benefit within the margin of 20 % in sensitivity analysis reveals that project formulation by the team is strong. Likewise, Idea of building impact evaluation in the project itself is good. Else, it gets often overlooked when left to the government to take care after the project is completed.

Response: Thank you, noted.

It is understood that the The GoK's initial project proposal to GAFSP had received US\$ 16.5 million in May 2012 and Current, US\$ 38.0 million project has a linkage also to that. As stated, the GAFSP component of US\$ 16.5 million is being implemented under the National Water Resource Management Project-Phase 1 (NWRMP-1), It would be better if the performance track of that is also briefly highlighted by PAD, based on factual data.

Response: The NWRMIP has become effective in April 2015 and as such no results are yet to be reported.

Initial half part of paragraph 8 of PAD is somewhat ambiguous; as the current project is of \$38 million while the addition of the two components: already financed \$16.5 million approved in 2012 and subsequently approved \$23.5 million in 2013 also make \$38 million. I have understood that the proposed \$ 38 million is additional to previously funded 16 .5 million (based on my understanding by going through the second proposal submitted by KYRGYZ available in GAFS website). Is that right?. If so, better to add one or two sentences for more clarity.

Response: Thank you, noted. PAD (par. 8, p. 3) will be revised to clarify the sources of funding as in "APNIP is financed through a trust fund (TF) provided by the Global Agriculture and Food Security Program (GAFSP). The GoK's initial project proposal to GAFSP for US\$ 43.5 million was approved for US\$ 16.5 million in May 2012. A subsequent proposal to GAFSP for additional financing of US\$ 23.5 million was approved in September 2013 for US\$ 21.5 million. A total of US\$ 38.0 million, which will fund the proposed APNIP, has been approved by GAFSP. The initial project proposal comprised five components, including a component on further strengthening of the capacity of the water sector in general and WUAs in particular. As GAFSP approved only US\$ 16.5 million, this component is being implemented under the National Water Resource Management Project-Phase 1 (NWRMP-1), financed through a separate TF by the Swiss Agency for Development and Cooperation (SDC). SDC committed financing to the first phase of the NWRMP, with the intention to finance the second phase, which would continue until end-2020. The second phase of investments and financing will be considered during the last year of NWRMP-1. NWRMP is a comprehensive water sector capacity building project, and as such the NWRMP, OIP-2 and its Additional Financing (AF) and APNIP are complementary projects: investments in the rehabilitation of on-farm and critical off-farm I&D infrastructure and equipment are financed under the on-going OIP-2 AF and APNIP; and technical assistance to improve management, operation and maintenance (MOM) for both on- and off-farm I&D infrastructure and WUA capacity is financed under NWRMP. APNIP also includes agricultural advisory services and nutrition improvements."

Risk Analysis part has raised some serious issues, however, which may have connotation also to funding. As per PAD para 32, the overall risk rating is substantial on the ground of i) the complexity of the multi-sectoral and integrated approach in combining investments in I&D, agricultural advisory services and nutrition; (ii) the coordination required (iii) the unstable political and institutional environment and (iv) the coordination with the technical assistance under NWRMP for WUA capacity development (para 32). The components mentioned are very pertinent worth attention for the project's success. However, write-ups elsewhere in several paragraphs (para 1, 2, 18, 22, 29, 30, 37, 38, 40, 51 etc) tend to provide somewhat different notions, if I understood correctly. Due attention has to go to this aspect.

Response: Thank you for the note. PAD paragraph 32 (p. 11) discusses the country and project level potential risks which are overall rated as substantial, while the remaining of the mentioned sections discuss existing arrangements and measures which have been taken care of to manage risks. The PAD write-up is in line with World Bank procedures, and therefore no revisions are made.

Kind regards,  
Aira

**Aira Htenas**  
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<image005.png>

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**From:** Aira Maria Htenas  
**Sent:** Monday, June 29, 2015 11:40 AM  
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**Subject:** GAFSP Kyrgyz Republic -- Agricultural Productivity and Nutrition Improvement Project (APNIP) (review deadline: Friday, 03 July 2015 COB)

Dear Steering Committee,  
Please find attached the Project Appraisal Document (PAD) from the World Bank for the above mentioned project that was approved by the GAFSP Steering Committee in September 2013.  
As per normal practice, the Steering Committee will have five working days to provide any comments or questions to the project team. **Please note that deadline for comments/questions is close of business July 03, 2015 (Friday).** For your convenience, attached below is a **due diligence review** carried out by the Coordination Unit (CU) on three aspects of the main report: (i) alignment with approved proposal, (ii) degree to which Technical Advisory Committee (TAC) comments are addressed, and (iii) alignment with GAFSP M&E requirements.

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**Project Name:** Kyrgyz Republic: Agricultural Productivity and Nutrition Improvement Project (APNIP)

**Financing:** Total project cost = \$38 million to be entirely financed by GAFSP which is consistent with the total GAFSP award (the combination of the two allocations made, first \$16.5 million, then \$21.5 million, the latter award was in September 2013). The Government's initial project proposal to GAFSP was for \$42 million.

**Project Development Objective (PDO):** The PAD project development objective is to increase agricultural productivity and food and nutrition security of rural households in selected areas nationwide. The PDO is more explicit on improving human nutrition, and is aligned with the PDO in proposal, namely to increase agricultural productivity and food security of rural households in selected areas nationwide.

**Project components:** Improved agricultural productivity will be achieved through (i) rehabilitation and modernization of irrigation and drainage (I&D) systems, (ii) provision of agricultural advisory services on improved agricultural and water management practices and marketing. At the household level, improved food and nutrition security will be achieved through (i) improved availability (and consumption) of nutritious food through increased production of such food; (ii) improved access to nutritious food through increased agricultural productivity and profitability (iii) provision of micronutrient supplements and vitamins for pregnant women, women of reproductive age and children under five; and (iv) improved food utilization by promoting improved practices of food preparation, balanced diets, and sanitary practices. At the national level, the project will support the Food Security Committee for improved national coordination for food and nutrition security. The project is intended to be implemented over six (6) years. The component numbers and names have remained the same between the proposal and the PAD, and the nature of planned activities is consistent with the initial proposal. The PAD mentions four (4) project components: (i) Rehabilitation and Modernization of I&D Infrastructure; (ii) Agricultural Advisory Services; (iii) Nutrition Improvements; and (iv) Project Management. One of

the proposal's components (institutional development and capacity building of WUAs) has been partly included in the PAD under component (ii), with parallel support capacity building being provided by the Swiss Agency for Development and Cooperation.

**Target areas:** The geographical focus of the project will be 60 Ayil Aimak (AA – local governance administration), 30 AA where the 30 Water Users Associations (WUAs) selected for rehabilitation are located and another 30 adjacent AA that will be selected for agricultural services (except for provisions of grants for WUA agricultural development plans implementation under subcomponent 2.1), and nutrition improvement activities (par. 15). Note: Ayil Aimak (AA) refers to the administrative territory of the Ayil Okmotu, the local government. There is an average of one Water Users Association per AA. The original proposal had cited 48 WUAs ranked according to priority and proposed to be included for funding (par. 115).

**Beneficiaries:** About 60,000 ha of non-farm I&D systems managed by 30 WUAs and Federations of WUAs (FWUAs) located in 30 AA will be rehabilitated and managed more efficiently. Around 36,000 smallholder farm families, comprising about 162,000 people will benefit directly from I&D rehabilitation. In addition to these 30 AA, 30 more AA will be selected based on poverty, health and nutrition status for agricultural advisory services and nutrition improvement activities. Agricultural advisory services for improved irrigated crop production and marketing and improved on-farm water management will cover an additional 50,400 members of WUAs and their households in the selected 60 AA. Similarly, the nutrition improvement program will benefit up to 425,000 people in these 60 AA, and specifically vulnerable families, women and children (par. 13). The overall beneficiary number of 425,000 is higher than the 356,000 in the June 2013 proposal, perhaps accounting for more of the nutrition beneficiaries. The targeted number of hectares for on-farm irrigation and drainage rehabilitation is 60,000, similar to the target in the June 2013 proposal (adjusted by the share of financing awarded relative to the June 2013 proposal request). About 50,000 farm families will benefit from improved irrigation and drainage and/or agriculture advisory services.

#### **Key changes from proposal stage:**

Component 1: Rehabilitation and Modernization of I&D Infrastructure (\$ 28 m or 73 % of total project cost). This component will contribute to increasing agricultural productivity by improving and modernizing I&D infrastructure to ensure improved and sustained access to adequate agriculture water resources. This is still broadly consistent with Component 1: Rehabilitation and modernization of I&D infrastructure at proposal stage both in terms of envisioned activities, as well as of financing allocation (74% of proposed budget).

Component 2: Agricultural Advisory Services (\$3.5 m or 9% of total project costs; share in proposal was 4 %). This component now allows for the provision of small grants of up to \$30,000 for the implementation of the agricultural development plans managed by the WUAs.

Component 3: Nutrition Improvements (\$ 4.6 or 12% of total project cost; share in proposal was 8.5%). Proposal component on Upscaling Nutrition Interventions also called for the same key areas of interventions: nutrition education program, supplemental feeding, and dietary diversification. The PAD facilitates also national coordination for food and nutrition security.

Component 4: Project Management (\$ 1.9 m or 5% of total project cost; share in proposal was 4.2%).

**Degree to which Technical Advisory Committee (TAC) comments are addressed:** The Technical Advisory Committee (TAC) raised the following recommendations to strengthen in the design (CU comments in italics referring to related elements in the PAD):

(i) Water user fees remain below what will be required to finance ongoing maintenance. *The PAD*

*acknowledges remaining issues affecting project sustainability – specifically:* “[...] (ii) the capacity for adequate MOM of the main off-farm systems; and (iii) the WUAs’ capability to generate enough revenue through the ISFs. These issues are a long-term threat to the sustainability of the sector, but they are being addressed through technical assistance under NWRMP. WUAs have gradually improved and developed into sustainable organizations over the last 10 years, but attention will be given to long-term MOM planning under NWRMP. The sustainability of the technical advice and agricultural practices provided under Component 2 will be enhanced through: (i) intensive participation of WUA members in the preparation of the agricultural development plan, which will include sustainable management practices; (ii) cost-sharing by members for the on-farm demonstrations; and (iii) building strong relationships between WUAs and advisory service providers through contractual arrangements.” (pars 29 – 30, on p. 10).

(ii) Proposal needs to specify how nutritional impact will be measured. *The project team has exerted effort to include measures at process and impact level of activities affecting nutrition. Specifically, proportion of households with food consumption score (FCS) above 28.5 points at PDO level; proportion of households participating in component 3.2 (provision of micronutrient supplements), proportion of target beneficiary participating in household nutrition campaigns, and proportion of households adopting methods to improve household nutrition at intermediate results level (Annex 1, p.17).*

**Alignment with GAFSP M&E requirements:** All GAFSP projects need to incorporate at least one relevant GAFSP core indicator from the set provided for each component in [GAFSP M&E plan](#) (see p. 33). At PAD stage, the project logical framework (Annex 1, p. 17) includes the following GAFSP core indicators:

PDO level:

- Water users provided with new/ improved irrigation and drainage services (number) – GAFSP Core Indicator 8
- Client days of training provided (number, & disaggregated by gender) – GAFSP Core Indicator 2

Intermediate Results level:

- Area provided with irrigation and drainage services (new, ha) – GAFSP Core Indicator 6
- Area provided with irrigation and drainage services (improved, ha) – GAFSP Core Indicator 7
- Operational water user associations created and/ or strengthened (number) – GAFSP Core Indicator 9
- Number of development plans prepared and being implemented by WUAs (number) – GAFSP Core Indicator 36

**Impact evaluation.** The PAD mentions that the “impact evaluation will focus on assessing the outcomes and impact of the coordinated activities across all three components. The number of AA covered will depend on the timing of completion of all activities and the availability of resources for conducting the impact evaluations. The impact evaluations should be conducted two years after the completion of physical activities and before the last year of project implementation. This will ensure that results are available for the mid-term review and end of project evaluations” (par. 58, p.47). This satisfies the GAFSP impact evaluation policy requirement.

Kind regards,  
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