

## Concept Note

### Infrastructure for quality improvement

#### **A. Strategic context of the project**

The Government of Sierra Leone launched its second Poverty Reduction Strategy paper for 2008-2012 (PRSP II) the “Agenda for Change,” with a focus on four key priorities: energy; transportation; agriculture; and human development. Following the commencement or completion of several large road and energy infrastructure projects, agriculture has been identified as the President’s top priority. This has been reflected in steadily increasing public investment in the sector, with a budget allocation at 9.9 percent in 2010 and expected to increase to 10 percent in the near future. In September 2009, the Government launched NSADP, the Country Compact under the CAADP. The vision of the NSADP is to make agriculture the engine for socioeconomic growth and development through commercial agriculture. More specifically, its aim is to provide short, medium and long term Investment Programmes to increase commercialisation of the sector and promote “farming as a business.” The Smallholder Commercialisation Programme (SCP) is identified as the priority to delivery this goal.

In addition to the CAADP and NSADP, the Government has in place a number of other policies to support the agriculture sector. The Decentralisation Policy has been revised and the Local Government Act (2004) approved into law, to accelerate the transfer of power to local communities and chiefdoms, and enhance service delivery to small farmers through an ongoing process of devolution of technical and financial resources. With a view to supporting small farmers to make the transition toward commercialisation, the Government’s Private Sector Development Strategy has been put in place, focusing on (i) improving access to finance; (ii) improving the legal and regulatory framework; (iii) promoting and supporting entrepreneurship; (iv) making markets work better; and (v) improving physical infrastructure. Agriculture is also one of the key target growth sectors in the National Export Strategy (2010-2015), including through the mobilisation of Sierra Leone Investment and Export Promotion Agency (SLIPA). The Government has also made significant efforts to support its young population through establishing a number of initiatives to promote employment, such as the Youth Agricultural Farm Scheme.

Over the last decade, donor activity has been making a transition from post-conflict and emergency relief to longer-term development. After the war, donors and NGOs were primarily focused on resettlement and rehabilitation of farming land and rural communities, using project-based approaches. More recently donors shifted to more programmatic designs, and refocused activities towards building rural infrastructure including feeder roads.

#### **B. Justification**

There are multiple constraints commercialising smallholder production. Higher levels of agricultural technology are not affordable due to low economic returns from commodities. There are a lack of rice milling facilities, feed mills and mechanics to ensure that farmers can benefit from sales of their final products and use of mechanized technologies. Fertilizer use at 4kg/ha compared to 9kg/ha for sub-Saharan Africa is low due to high prices and lack of commercial markets for fertilizable commodities

such as rice. With some exceptions, these farmers produce low value commodities which have experienced declining real prices over the past decades and increasing competition from medium to large-scale producers. As such, the majority of smallholder families are trapped in a low-intensified production cycle, whereby many farmers produce the same commodities, using traditional, low input/output systems and invest little to gain greater productivity levels and profits.

In spite of these difficulties there is a real potential for more intensified agricultural production, greater value addition and marketing – through domestic and international outlet. Only 10 percent of cultivable land is cropped each year, amounting to around 600,000 hectares. With around 5 percent of smallholder farmers using fertiliser, herbicides and pesticides and mechanised machinery, any increase from this low base will lead to higher production figures. Furthermore, post-harvest losses are estimated to stand at around 40 percent. Reducing these losses would generate considerable additional income for farmers and also increase food security.

### **C. Potential intervention zones and target groups**

Potential intervention areas include major lowland rice growing areas in Southern and Northern Regions of Sierra Leone – Port Loko, Kambia, Bombali, Tonkolili, Pujehun, Bonthe, Moyamba.

### **D. Main Objectives of the Project**

**Global objective:** The objective of this component is to promote commercialisation of smallholder agriculture through increasing productivity, value addition, and marketing.

#### **Specific Objectives:**

- To increase food security
- To promote quality assurance

### **E. Description of the Components, Outputs and Activities**

Component 1: Rehabilitation and construction of drying floors and stores.

Component 2: Establishment of well equipped milling stations.

<b>Component</b>	<b>Output</b>	<b>Activity</b>
1. Rehabilitation and construction of drying floors and stores.	Drying floors and stores rehabilitated / constructed	<ol style="list-style-type: none"> <li>1. Assess and identify priority communities/location .</li> <li>2. Develop bill of quantities.</li> <li>3. Award contracts.</li> <li>4. Training of FBOs on the use and maintenance of facility</li> </ol>
2. Establishment of milling stations	Functional Milling stations established	<ol style="list-style-type: none"> <li>1. Assess and identify priority communities /location .</li> <li>2. Award contracts for procurement and installation.</li> <li>3. Training of FBOs on the use and maintenance of facility</li> </ol>

### **G. Implementation Strategy of the project**

The component will be implemented through MAFFS, who would be lead actors in strengthening and facilitating the creation of FBOs who would be formed on the basis of FFS. MAFFS would contribute to the establishment of Agricultural Business Centres (ABCs), created by 3-5 FBOs who would come together and function as the primary gateway to commercialisation of smallholders. ABCs would provide a range of technical, operational and marketing services to smallholders and be a main entry point for MAFFS extension support. . ABC growth and commodity chain development and market access will be

facilitated and actively promoted by District and Ward councils reflected in enhanced decentralised planning and development activities.

## **H. Project Organization and Management**

- MAFFS assumes overall responsibility for the project implementation
- Min. of Works provides technical support to the project
- District councils will provide oversight
- FBOs will work with Councils to provide oversight

## **I. Monitoring and Evaluation**

The District Agricultural Officers will produce monthly reports based on submissions of M&E officers in the District.

Local councils to carryout independent assessment of progress and report appropriately.

## **J. Risks**

- Willingness of the communities to participate fully in the project
- Favourable political climate for the implementation of the project
- Timely release of funds
- Contract award and service procurement are done on time
- Staff of various institutions are well motivated to participate in the project

Project/Program	Objectively Verifiable indicators	Means of Verification	Important Assumptions/ Risks
1. Global objective:			
The objective of this component is to promote commercialisation of smallholder agriculture through increasing productivity, value addition, and marketing	Amount of commodity and services reaching communities  Amount of produce reaching markets Post-harvest loss	Drying floors, mills and stores constructed  Production output  Farmer income increased	Quantity of rice reaching markets will increase.  Improved quality of rice reaching the market
2. Specific Objective			
<ul style="list-style-type: none"> <li>• To increase food security</li> <li>• To promote quality assurance</li> </ul>		Progress reports	Funds are made available
3.Outputs/Results			
<b>Component1: Rehabilitation and construction of drying floors and stores</b>			
1. . Assess and identify priority communities.		Progress reports	
2. Develop bill of quantities.		Progress reports	
3. Award contracts		Progress reports	
<b>Component 2: Establishment of milling stations</b>			
1. Assess and identify priority communities /location .			
2. Award contracts for procurement and installation.			

3. Training of FBOs on the use and maintenance of facility			
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