

# African Development Bank extends €121m food-production loan to Senegal to cushion impacts of war in Ukraine

The Board of Directors of the African Development Bank Group approved a €121m loan to Senegal for implementation of an emergency agricultural programme that will benefit 850,000 small farmers, 35% of whom are women.



Source: Supplied.

"Senegal's dependence on the outside world for basic commodities and foodstuffs is a real bottleneck and poses a threat to the country's food sovereignty, which has been sharpened by the war in Ukraine," said Mohamed Chérif, the Bank's country manager for Senegal.

"This operation is intended to mitigate exogenous financial, economic, social and climate shocks and to maintain the upward trend in cereal production seen in recent years, especially by focusing efforts on the availability of key inputs including seeds and fertilizers to producers," he added.

This loan is the first approved under the African Development Bank's \$1.5bn African emergency food production facility, an initiative to avert a looming food crisis exacerbated by the war in Ukraine. On May 20, the Bank Group's Board of Directors approved the facility, which will provide agricultural seeds to 20 million African farmers.

The goal is to produce over the next two years an additional 38 million tons of food, primarily wheat, maize, rice and soybeans worth \$12bn.

## How the emergency food-production programme will work

The emergency food-production programme has three components: improving access to certified seeds and advisory support; strengthening farmers' access to fertilizers; and enhancing governance and implementation of public policies in the agricultural sector.

Under the first component, the programme will help provide 7,000 tonnes of cereal seeds, 3,000 tonnes of cowpea seeds and 15,000 tonnes of seed potatoes to farmers. In addition, a partnership agreement between the Senegalese Ministry of Agriculture and Rural Equipment and the Senegalese Institute of Agricultural Research will facilitate a supply of pre-basic seeds.

This will enable at least 850 seed multipliers, 25% of them women, to receive pre-basic seeds. As a result, roughly 350,000 additional hectares will be cultivated to produce about 600,000 tonnes of cereals (rice, maize, and millet), 120,000 tonnes of cowpea and 150,000 tonnes of potatoes.

The second component of the project will support procurement of 118,000 additional tonnes of fertilizer in 2022 and 2023. This component will also support the undertaking of a diagnostic study to overhaul the fertilizer distribution system and improve the subsidy programme for agricultural inputs.

The pilot phase of an initiative to digitise inputs will target 20% of fertilizer beneficiaries, 35% of whom are women.

The third component will entail an assessment and updating of the country's Agro-Sylvo Pastoral Policy Law (2004-2025); the Letter of Agricultural Development Sector Policy (LPSDA 2019-2023); validation of the Agricultural Programme for Food Sovereignty and Sustainability (2021-2025); and preparation of a national index/climate insurance programme.

As of 30 April 2022, the African Development Bank Group's active portfolio in Senegal comprised 30 projects with a total value of €2.37bn.

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