

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	SURINAME/CCB - Caribbean Group
▪ TC Name:	Support for the preparation and starting stage of the Sustainable Agricultural Productivity Program (SU-L1052)
▪ TC Number:	SU-T1101
▪ Team Leader/Members:	HINTZE, LUIS HERNANDO (CSD/RND) Team Leader; VALDES CONROY, HECTOR (CSD/RND) Alternate Team Leader; HOFWIJKS, STEVEN ROMEO (CCB/CSU); RESTREPO, LISA SOFIA (CSD/RND); RIOS GALVEZ, ANA R. (CSD/RND); JIMENEZ DE ARECHAGA, MARIA DEL PILAR (LEG/SGO)
▪ Taxonomy:	Operational Support
▪ Number and name of operation supported by the TC:	Sustainable Agricultural Productivity Program-SU-L1052 - Preparation
▪ Date of TC Abstract:	Sep 13, 2017
▪ Beneficiary:	Ministry of Agriculture, Animal Husbandry and Fisheries of Suriname (LVV)
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	\$ 400,000.00
▪ Local counterpart funding:	\$ 0.00
▪ Disbursement period:	18 months
▪ Types of consultants:	Individuals
▪ Prepared by Unit:	Rural Dev & Natural Disasters
▪ Unit of Disbursement Responsibility:	Rural Dev & Natural Disasters
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and Innovation; Climate Change

II. Objective and Justification

- 2.1 To provide support to the Government of Suriname and the Ministry of Agriculture Animal Husbandry and Fisheries (LVV) in the preparation of technical economical, institutional and environmental studies required for the loan processing and approval; and for developing the LVV Agricultural Strategic Plan.
- 2.2 The Government of Suriname (GoS) requested the IDB support for the preparation and financing of a Sustainable Agricultural Productivity Program (SU-L1052). The GoS recognizes that the country has the potential to significantly increase agricultural output, become a provider of food to the Caribbean region, and reduce food imports. The recent economic and financial crisis, caused by the decline in export revenues from mineral commodities, has led the GoS to prioritize the diversification of the economy as a medium-term goal, including the strengthening and diversification of the agricultural sector. The goal of SU-L1052 is to increase agricultural productivity in Suriname through investments in infrastructure and management of irrigation and drainage (I&D) systems; to transfer operation and maintenance (O&M) responsibilities of these systems to farmers organized in water boards; and to improve the information available to decision and policy making in agriculture. The GoS needs help in prioritizing specific investments oriented to be included in the operation SU-L1052, and in preparing the studies and feasibility analyses that will guarantee that the

investments selected will contribute to the program's objective, and that they will be environmental and socially sustainable.

III. Description of Activities and Outputs

- 3.1 This TC will finance the consultancies that will provide the technical inputs required for project preparation, and for developing the Agricultural Strategic Plan, which will help to implement the recently approved Suriname's Policy Development Plan 2017-21. The major activities and outputs will be: (1.) Prioritization and analysis of investments proposed for loan operation. Considering that the demand for improving I&D systems surpasses the financial resources available to the GoS and expected for SU-L1052, this component will support in reviewing the situation of existing I&D systems, prioritize investments according to their economic, environmental, technical, and social feasibility; prepare technical analyses required to guarantee investment readiness and sustainability; prepare a capacity building and training plan to strengthen water boards and allow them to take control of Operation & Maintenance (O&M) responsibilities; design Suriname's Agricultural Information System; and help the LVV in the initial phase of execution of operation SU-L1052; (2.) Environmental, Institutional and Socio-economic analysis. The environmental, institutional and socio-economic feasibility analysis of proposed program SU-L1052 will be performed. It will include a proposal for achieving the transfer of O&M responsibilities to water users organized in Water Boards; (3.) Baseline survey for impact evaluation. An impact evaluation strategy will be proposed for the loan operation, thus providing the GoS with evidence based tools for policy and investment decisions in I&D. The evaluation requires the collection of surveys among farmers that will provide the baseline for the impact evaluation; and (4.) Agricultural Strategic Plan. The LVV requires support in preparing the Agricultural Strategic Plan 2017-21, which will help the GoS to implement the strategic sector objectives identified in Suriname's Policy Development Plan 2017-21.
- 3.2 **Component I: Prioritization and analysis of investments proposed for loan operation.** Review Irrigation & Drainage systems and of water user organizations (water boards), identify and prioritize required investments; prepare technical analyses required to guarantee investment readiness; prepare a capacity building and training plan to strengthen water boards and allow them to take control of O&M responsibilities; design Suriname's Agricultural Information System and identify activities and cost required for its implementation; and help the LVV in starting execution of SU-L1052
- 3.3 **Component II: Environmental, Institutional and Socio-economic Analysis.** This component will finance the environmental, institutional and socio-economic feasibility analysis of proposed program SU-L1052. These analyses should comply with IDB standards and should help the GoS to manage I&D systems in a sustainable way.
- 3.4 **Component III: Baseline Survey for Impact Evaluation.** This component will finance the design of the impact evaluation strategy for SU-L1052 and the collection of surveys for the project baseline.
- 3.5 **Component IV: Agricultural Strategic Plan.** This component will provide support to the LVV to prepare the Agricultural Strategic Plan 2017-21, which will help the GoS to implement the strategic sector objectives identified in Suriname's Policy Development Plan 2017-21.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Prioritization and analysis of investments proposed for loan operation	\$ 220,000.00	\$ 0.00	\$ 220,000.00
Environmental, Institutional and Socio-economic analysis	\$ 80,000.00	\$ 0.00	\$ 80,000.00
Baseline Survey for impact evaluation	\$ 50,000.00	\$ 0.00	\$ 50,000.00
Agricultural Strategic Plan	\$ 50,000.00	\$ 0.00	\$ 50,000.00

V. Executing Agency and Execution Structure

- 5.1 The TC will be executed by the IDB, through the Environment and Rural Development Division (RND).
- 5.2 In order to support the Ministry of Agriculture (LVV) in the process of designing the proposed operation, the IDB, through the Environment and Rural Development Division (RND) will be the executing agency of the OS-TC, as requested by the GoS in the Aide Memoire of the Identification Mission, considering the Bank's experience in hiring international experts in the issues required by this TC. The Bank, as executing agency, will hire the consulting services required by the operation in accordance with the Bank's current procurement policies and procedures.

VI. Project Risks and Issues

- 6.1 Considering the relevance of the proposed activities for the GoS, which was confirmed during the identification mission for SU-L1052; and that the Bank has in recent years executed similar TC operations in recent years with the LVV (beneficiary of this TC) no significant risks were identified. However, the potential risk of specific experts not been timely available in Suriname might be a challenge that has to be considered. To mitigate such risk, the Bank will execute the TC and hire the required consultants, reaching to international experts when required.

VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is "undefined".