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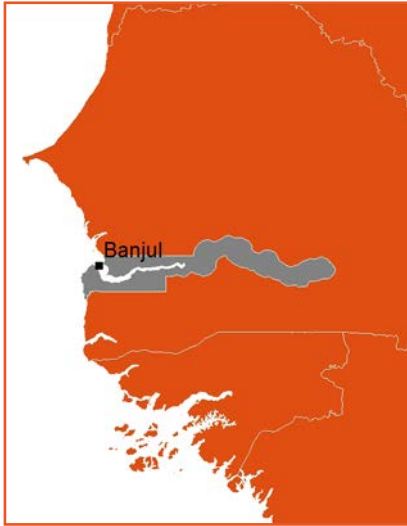
Investing in rural people in **The Gambia**

The Gambia is the smallest country of mainland Africa and one of the world's poorest nations, ranking 174th out of 189 countries in the 2018 Human Development Index of the United Nations Development Programme. Income poverty and household food insecurity are widespread, with nearly half of the population living below the absolute poverty line.

With an annual growth rate of 3.2 per cent, the population of 2 million is expected to double in the next 20 years. It is the eighth most densely populated country of the continent, with 174 persons per square kilometre. The population primarily consists of youth due to a high fertility rate combined with a low life expectancy of 63 years. This demographic trend contributes to a high dependency ratio, with an average household size of 8.3 people.

Forty per cent of the population is located in rural areas. The agricultural sector employs 70 per cent of the labour force and contributes to 25 per cent of the country's GDP; services, mainly trade, transport and communications account for 60 per cent of GDP, while the industrial sector, mostly construction and agroprocessing, contributes 15 per cent. At least half of the country's poor are farmers and agricultural workers. Paradoxically, among the poorest farmers are those who produce groundnut, the main export crop.

Poverty is higher in rural areas than in urban areas, mainly due to overreliance on rainfed agriculture and exclusion from economic opportunities and social services. Poverty also disproportionately affects young people and the elderly.



Underlying the high poverty rates is the country's relative lack of economic diversity, which makes it highly vulnerable to increasingly erratic rainfall, seawater intrusion into cultivable lands, food price volatility and financial crises. Although pockets of poverty can be found throughout the country, it is particularly prevalent in the North Bank, Central and Upper River regions, where about two thirds of the population are poor.

The Gambia faces a number of development challenges, such as:

- poverty predominantly in rural areas (48.6 per cent)
- low agricultural productivity
- food insecurity and malnutrition
- vulnerability to climate change and environmental degradation
- lack of infrastructure and public services
- weak public institutions and private-service operators
- high rate of population growth, migration and urbanization
- undiversified economy and limited access to resources.

Eradicating rural poverty in The Gambia

Since the mid-1980s, The Gambia has implemented economic policies favouring 2012-2015 macroeconomic stability, market liberalization and private-sector development. In 1996, the government adopted The Gambia Incorporated Vision 2020, which is a blueprint for national development covering a 25-year period. The government's 2012-2015 Programme for Accelerated Growth and Employment recognizes that poverty reduction in rural areas requires priority investment in agriculture, health and education. The government also introduced the 2009-2015 Agriculture and Natural Resources Policy (ANRP) as part of its commitment to transform the country's agriculture into a robust, market-oriented sector.

The country's most important proposal for agricultural development, the 2011-2015 Gambia National Agricultural Investment Programme (GNAIP), is a response to the main national strategic programmes, such as the Comprehensive Africa Agriculture Development Programme (CAADP) framework. IFAD has been the key donor supporting the government in the effective implementation of GNAIP through the design of a national agricultural and water management project, as well as the development of a comprehensive monitoring and evaluation framework to improve the performance of the agricultural sector.

The government has also developed policies in other areas, most notably the the 2010-2020 Gender and Women Empowerment Policy and the 2009-2018 National Youth Policy, which promote socio-economic growth and sustainable development.

In 2003, The Gambia and other countries in Africa pledged to allocate 10 per cent of their national budgets to the agricultural sector in the Maputo Declaration. To date, the country's actual annual allocation in the sector has been around 7 per cent. The government is adopting a public-private partnership approach to fill the critical investment and service gaps in the agricultural and rural development sectors. IFAD, in collaboration with the World Bank, is assisting the government in implementing a private-sector policy framework focusing on agricultural input service delivery to create a much-needed conducive environment for private-sector investment, with the public sector as a facilitator and catalyst.

This presents a series of opportunities for development:

- new government with ambitious vision
- agricultural sector as a driver of economic growth and resilience

- job creation, food security and nutrition
- modernization of the agricultural sector
- economic reforms
- commitment to improving Gambian livelihoods and achieving the Sustainable Development Goals (SDGs).

IFAD’s strategy in The Gambia

Since 1982, IFAD has supported 10 programmes and projects in The Gambia totalling US\$93 million and directly benefiting more than 155,000 rural households. Most beneficiaries are women. Projects focus on agricultural and rural development in the lowlands and adjacent uplands, and are aligned with government priorities.

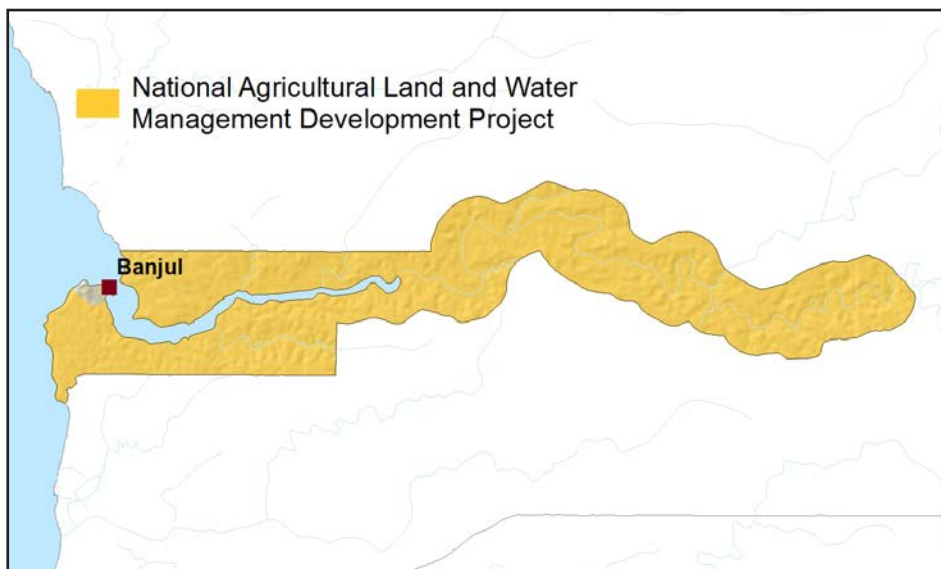
Since the mid-1980s, IFAD has strongly supported rural microfinance projects in the country as an integral part of agricultural development. Expansion of the village-based savings and credit association (VISACA) system and the establishment of a strong national apex body to coordinate VISACA services are leading to the professionalization of the microfinance sector. This is being further strengthened by the creation of a microfinance department within the Central Bank and the launch of a centre to build the capacity of all microfinance-related entities.

The inclusion of women in decision-making and training is another priority. Projects target both young women and young men with on- and off-farm job opportunities, in light of the country’s high rates of unemployment and underemployment and its increasing rural-urban migration rate.

Strong farmers’ and community-based organizations can empower poor rural people and help them overcome poverty. IFAD works with traditional kafos (collectively run village groups) to systematically tackle the economic and social exclusion of marginalized and vulnerable people in rural areas. These groups are cohesive and able to mobilize vulnerable people within local communities, and through them IFAD-supported projects can reach out to the most vulnerable households.

A new country strategic opportunities programme (COSOP) has been approved for the period 2019-2024, providing renewed strategic guidance for IFAD’s actions in The Gambia. The COSOP envisages two main objectives: (i) support to inclusive agricultural value chain development; and (ii) support to land and water development resilient to climate change.

Ongoing operation



National Agricultural Land and Water Management Development Project (Nema)

At a total cost of US\$65 million, the project is financed with support from IFAD (US\$7.1 million loan, US\$27.3 million grant, and US\$5 million Adaptation for Smallholder Agriculture Programme [ASAP] grant) and cofinanced by the African Development Fund (US\$17.7 million) and the Islamic Development Bank (US\$15 million). This nationwide project aims to reduce poverty among rural women and young people through improved productivity based on sustainable land and water management and is estimated to benefit 28,729 households.

Nema (meaning prosperity) addresses the limited productivity and economic carrying capacity of land used for farming, and poorly developed domestic markets, which generate very low real demand for the main produce of smallholders.

To address these challenges, the project supports watershed development and agricultural commercialization. It is consolidating and scaling up the approach taken by other IFAD-financed operations in the country, and targets poor smallholders, particularly women, who are the core producers of rice and vegetables. It also focuses on women and men under 30, and targets intermediaries, service providers and operators in the rice and vegetable markets, including producer organizations, and small and medium-sized enterprises.

Nema interventions benefit from the Strengthening Climate Resilience of the National Agricultural Land and Water Management Development Project (CHOSSO), with an approved grant of US\$5 million from IFAD's ASAP.

Essentially, it finances activities that require either modification or enhancement of project design in order to strengthen the climate resilience of smallholder farmers in the target areas.

CHOSSO has introduced some innovations, including piloting community water harvesting interventions and community agroforestry. It also promotes climate adaptation mainstreaming approaches with a focus on providing timely weather and climate information services to smallholders and community members for decision-making, and to reduce their vulnerability to climate-related hazards.



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IFAD invests in rural people, empowering them to reduce poverty, increase food security, improve nutrition and strengthen resilience. Since 1978, we have provided US\$20.9 billion in grants and low-interest loans to projects that have reached about 483 million people. IFAD is an international financial institution and a United Nations specialized agency based in Rome – the United Nations' food and agriculture hub.

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