

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK
MULTILATERAL INVESTMENT FUND

TRINIDAD AND TOBAGO

MAKING AGRICULTURE PROFITABLE AND SUSTAINABLE

TT-T1067

DONORS MEMORANDUM

This document was prepared by the project team comprised of: Kavita Maharaj (MIF/CTT) Project Team Leader; Vashtie Dookiesingh (MIF/CTT), Project Team Co-leader; Luis Mejia Caniz (MIF/CGU); Monica Otsuka (MIF/CSA); Gerard Alleng (CSD/CCS); Stefan Wright (SMC/CJA); and George Rogers (GCL/GCL).

This document contains confidential information relating to one or more of the ten exceptions of the Access to Information Policy and will be initially treated as confidential and made available only to Bank employees. The document will be disclosed and made available to the public upon approval.

TABLE OF CONTENTS**PROJECT SUMMARY**

1. THE PROBLEM	2
2. THE SOLUTION	3
3. ALIGNMENT WITH IDB GROUP, SCALABILITY, AND PROJECT RISKS	7
4. COST AND FINANCING	8
5. PROJECT PARTNERS AND IMPLEMENTATION STRUCTURE	9
6. COMPLIANCE WITH MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS	10

PROJECT SUMMARY

MAKING AGRICULTURE PROFITABLE AND SUSTAINABLE

(TT-T1067)

Agriculture in Trinidad and Tobago (T&T) is dominated by small scale subsistence farmers who sell primarily to wholesalers, and by extension are price takers. Additionally, many farmers cultivate on lands concentrated on hillside areas in the country's main watersheds, and in direct proximity to key water courses. As a result of climate change and specifically, higher levels of drought, farmers are responding through (i) increasing use of unsustainable practices in land clearing and preparation in multiple sites and (ii) high use of inorganic chemicals that contaminate water courses. These actions contribute to increased flooding due to loss of watersheds, increased CO₂ emissions due to a loss of carbon sinks and direct health effects on both farmers and consumers. Previous efforts to assist farmers in adopting sustainable land preparation and cultivation practices have not proved sustainable. Participating farmers indicated that additional costs and inputs required were not offset by higher profits. The key barriers to achieving higher levels of income required for sustainable agricultural practices are (i) small farmers lack access to higher-value market channels, (ii) sustainable produce is not branded in T&T (iii) consumers have expressed low confidence in unverified/uncertified sustainable farmer produce. The missing link to higher value markets for outputs has therefore impeded the adoption of sustainable agricultural practices.

This project proposes a model to overcome these challenges and scale adoption of Climate Smart Agricultural (CSA) practices by integrating training and technical support to farmers, introducing testing and branding of sustainably cultivated outputs and access to higher value sales channels. The project will (i) deliver training in sustainable farming practices to 500 farmers operating in the country's largest watershed, (ii) support the introduction of third party testing to verify that produce is free from chemicals (iii) provide access to higher value market channels starting with 4 premium supermarkets serving 150,000 customers in Trinidad, and (iv) support community based reforestation of degraded areas within the targeted farming communities, thereby increasing carbon sinks. This complex multi-faceted intervention requires co-ordination of technical and commercial actors, and the proposed partners have demonstrated capacity, reach and interest to support scaling both nationally and regionally. MIF will play a catalytic role in piloting and demonstrating the commercial viability and sustainability of the approach. MIF as the lead IDBG private sector partner in T&T is well positioned to co-ordinate this effort. Additionally, the project will initiate a business relationship between MIF and one of the region's largest conglomerates which can be leveraged to position the IIC/other members of the IDBG for further business development opportunities. The project is well aligned with the MIF strategy for climate smart agriculture, the Trinidad and Tobago Country Strategy and IDBG's institutional strategy which specifically focuses on increased support for smaller states and a particular focus on climate change adaptation.

ANNEXES

ANNEX I	Results Matrix IDBDOCS#40669492
ANNEX II	Budget Summary IDBDOCS#40669489

APPENDICES

Draft Resolution

INFORMATION AVAILABLE IN THE TECHNICAL DOCUMENTS SECTION OF MIF PROJECT INFORMATION SYSTEM

ANNEX III	Detailed Budget IDBDOCS#40669491
ANNEX IV	Diagnostic of Needs of the Executing Agency (DNA) IDBDOCS#40667895
ANNEX V	Reporting Requirements and Compliance with Milestones, Fiduciary Arrangements and Integrity Due Diligence IDBDOCS#40669481

ACRONYMS AND ABBREVIATIONS

DNA	Diagnostic of Executing Agency Needs
IDB	Inter-American Development Bank
IIC	Inter-American Investment Corporation
MIF	Multilateral Investment Fund
CSA	Climate Smart Agriculture
IDBG	Inter-American Development Bank Group
T&T	Trinidad and Tobago
HA	Hectares

PROJECT INFORMATION
MAKING AGRICULTURE PROFITABLE AND SUSTAINABLE
(TT-T1067)

Country and Geographic Location:	Trinidad and Tobago		
Implementing Partner:	The Cropper Foundation		
Focus Area:	Climate Smart Agriculture		
Coordination with Other Donors/Bank Operations:	RG-T2255, "Investment Plan for the Caribbean Regional Track of the Pilot Program for Climate Resilience"		
Project Clients:	Direct beneficiaries: 500 farmers		
Financing:	Technical Cooperation:	US\$ 795,375	48%
	Equity:	US\$ 000,000	
	Loan:	US\$ 000,000	
	Other (explain):	US\$ 000,000	
	TOTAL MIF FUNDING:	US\$ 795,375	
	Counterpart:	US\$ 867,000	52%
	TOTAL PROJECT BUDGET:	US\$ 1,662,375	100%
Execution and Disbursement Period:	36 months of execution and 42 months of disbursement.		
Special Contractual Conditions:	Special conditions precedent to first disbursement will be: (i) Selection of technical coordinator (ii) Memorandum of Understanding with Massy Stores (anchor company)		
Environmental and Social Impact Review:	This operation was screened and classified as required by the IDB's safeguard policy (OP-703) on Sept. 12, 2016. Given the limited impacts and risks, the proposed category for the project is C.		

1. THE PROBLEM

Problem Description

- 1.1 Watersheds in the Northern Range of Trinidad and Tobago (T&T) are negatively impacted by the poor agricultural practices of small scale producers. The Northern Range occupies 25% of land mass in T&T and provides key ecosystem services including flood control, provision of freshwater¹ and carbon sequestration. Within the past ten years over 35,000 HA of forest cover in the Northern Range has been lost due to forest fires, and on an annual basis, an estimated 2000 downstream communities suffer from resulting flooding and landslides. Additionally, recent reports have found the presence of chemicals in downstream rivers as a result of overuse of pesticides and fertilizers by small scale subsistence farmers operating near these water sources².
- 1.2 Small scale farmers that occupy the Northern Range are experiencing the effects of climate change such as increased aridity.³ These farmers are responding to and compounding these problems through (i) increasing use of unsustainable practices in land preparation including slash and burn at multiple sites with little investment in soil conservation and (ii) high use of chemical pesticides and fertilizers to maintain production levels.⁴
- 1.3 In the rural hillside areas of Trinidad's Northern Range, small scale farming is an important contributor to poverty alleviation and food security⁵. In recognition of the environmental and economic impact of small scale farmers, The Cropper Foundation has engaged these actors to promote adoption of more sustainable farming practices (SFP). The results of these interventions indicate that although existing small scale farms are ideally sized for transition to more SFP (reduced use of chemicals, pesticides, fertilizers and more sustainable land preparation techniques), in the absence of access to higher value markets, farmers are unable and unwilling to invest the required time and resources to change their current practices.
- 1.4 Typical market outlets for these farmers are limited to traditional municipal markets or selling to an intermediary party (wholesaler). Farmers are therefore price takers and have few opportunities to differentiate or brand their products or to access higher value markets locally or regionally. Larger agrarian economies in Latin America have long recognized the importance of market linkages as a driver of change amongst small farmers. In T&T, the dominance of the country's energy sector has traditionally crowded out focus and investment in the agricultural sector as well as in climate resilience and environmental management. Due to the current downturn in the country's energy sector which has impacted foreign exchange generation as well as food security, and given the

¹ The Northern Range provides at least 80% of the freshwater sources for T&T, according to the ¹ Environmental Management Authority, "State of the Environment Report- an Assessment of the Northern Range of Trinidad and Tobago (2004)

² Environmental Management Authority, "State of the Environment Report- an Assessment of the Northern Range of Trinidad and Tobago (2004)

³ T&T is experiencing longer and more-severe dry seasons 2015 was the driest year on record

⁴ FAO country profile for T&T shows that between 1990-2000 the amount of disturbed forests and woodlands doubled. Additionally, chemical overuse by T&T farmers has been documented in research conducted by Dr. Wayne O. Ganpat a lecturer at The University of the West Indies St. Augustine. Dr. Ganpat has compiled his research into a book entitled "Sustainable Food Production Practices in the Caribbean".

⁵ T&T currently produces only 10% of locally consumed food with an annual import bill that accounts for 66% of the budget deficit, according to "Medium Term Policy Framework 2011"

country's heavy reliance on imported items, Massy Stores is seeking to increase their procurement of local goods to reduce their levels of imports.

- 1.5 Due to the high fragmentation of the local agricultural sector, characterized by small scale part time farmers, low levels of mechanization and small plot sizes, achieving production scales typically required for sale in a higher value market would be extremely difficult to achieve. Research by The Cropper Foundation indicates that the higher costs (money and time) required for the adoption of sustainable farming practices are not offset by additional profits as participating farmers are negatively affected by (i) lack of access to higher value markets, (ii) inadequate branding (iii) low customer confidence in unverified/uncertified sustainably farmed commodities and (iv) absence of linkages between consumer demand and production of crops.⁶ The missing link to higher value markets impedes the sustainable adoption of climate smart agricultural practices.
- 1.6 **Beneficiaries:** The project will focus on four large farming communities operating within the Northern Range watershed in Trinidad and will directly benefit at least 500 low-income, smallholder farmers (typically farming 2-10 hectares). Many of the farmers in these watershed communities farm on a part-time basis as farming does not generate sufficient income to sustain their families. Over 33% of farmers in these communities are women, many of which head single parent households.⁷ Gender considerations will therefore inform the nature of the training for example: on-site training to minimize disruptions to family care and household management of participating women farmers. A market driven transition to climate smart agricultural practices, by offering higher prices, will increase returns to farmers providing a basis for the sustained adoption of climate smart agricultural practices, this will reduce current levels of water contamination and degradation of forest cover while providing a healthier option for consumers of local produce.

2. THE SOLUTION

Project Description

- 2.1 The objective of this project is to mitigate the environmental degradation of watersheds in the Northern Range of Trinidad and Tobago by demonstrating the technical and commercial viability of climate smart agricultural practices to low income small scale farmers operating in this critical ecosystem.
- 2.2 **The proposed model/solution:** the proposed solution facilitates direct market access for at least 500 small scale farmers to a higher value market channel, specifically, Massy Stores, Trinidad and Tobago's largest supermarket chain. Recognizing both the environmental impact of current farming practices and consumer demands for healthier, chemical free vegetables and produce, Massy Stores has agreed to purchase directly from farmers. Massy Stores, in partnership with a consolidator, will provide sorting, packaging and branding services for the following crops: tomatoes, lettuce, cucumber, cabbage and peppers, which are grown in accordance with sustainable farming practices without chemical additives or fertilizers. This model therefore aligns economic and environmental incentives for the adoption of climate smart agriculture by providing participating farmers with a channel for generating higher incomes for products

⁶ "Scoping the Demand for Eco-Friendly Agricultural Products" Alexander Girvan

⁷ This figure is based on The Cropper Foundation's direct observation and documentation over the past 15 years and is supported by the Inter-American Institute for Cooperation on Agriculture.

cultivated using these techniques. Furthermore, Massy Stores, as part of its social responsibility agenda, will provide counterpart financing to rehabilitate degraded watersheds in the communities from where they are sourcing sustainably farmed produce.

- 2.3 The Cropper Foundation is a trusted partner with the managerial and technical capacity as well as network linkages required to mobilize farmers and engage rural communities. CARDI, a regional organization, based in T&T, has extensive technical capacity and experience in the development and implementation of climate resilient practices. To support farmers in transitioning to climate smart agricultural practices The Cropper Foundation will partner with the Caribbean Agricultural and Development Institute (CARDI) to design and deliver both training and field support for the adoption of climate smart and sustainable agricultural practices. The Cropper Foundation will provide convening capacity and ensure engagement of farmers in the targeted hillside communities.
- 2.4 The proposed solution will provide an integrated approach to sustainable implementation of climate smart agricultural practices by addressing the critical need to access a higher value channel which incentivizes farmers to make the required changes. Given the extensive technical capacity, experience and credibility of CARDI and The Cropper Foundation with the targeted farming population, it is expected that with the financial incentives offered, farmers will adopt and sustain new practices, which will reduce degradation of forest cover in the T&T's most important watershed.
- 2.5 **Innovation.** This model is innovative for Trinidad and Tobago as the project seeks to implement a market driven approach to protect and restore key watersheds while improving farmer profitability and enhancing resilience to climate change. The partnering of Massy Stores with The Cropper Foundation and the MIF represents an important and innovative partnership between a large corporate, a civil society actor and a multilateral development institution to deliver the incentives and support required to effect positive and sustainable change.
- 2.6 **Component I: Supporting Adoption of Climate Smart Agricultural Practices.** The objective of this component is to build and support adoption of climate smart agricultural practices in targeted watershed communities in T&T. The component will focus on training and capacity building for at least 500 farmers cultivating crops in T&T's hillside watershed communities. To ensure that the intervention addresses the project's key objective, specifically, reduction of environmental degradation, training will focus on pest and disease management, soil and water management as well as the cultivation of drought resistant crops and implementation of other climate adaptation strategies.
- 2.7 CARDI has already conducted research and testing of locally grown drought resistant varieties of produce such as tomatoes and lettuce, and has also conducted research on plant genetic resources to ensure crop diversity as one response to climate change. This partnership will leverage The Cropper Foundation's experience engaging with farmers in the targeted communities and CARDI's technical expertise supporting the agricultural sector's transition to climate resilient techniques and sustainable environmental management.
- 2.8 Project financing will be used to retain agricultural support officers/trainers who will undergo train the trainer capacity building exercises in order to assist in the development of practical training materials and will deliver on site/field based training to beneficiary

farmers while providing continuous support to them in the adoption of new methods. The primary costs to be covered are contracts and local travel costs for 10 agricultural support officers, provision of tools to assist in training delivery and assessment as well as production of materials.

- 2.9 **Watershed restoration:** Training in alternative sustainable methods of land preparation is expected to reduce the negative impact of slash and burn methods currently used by farmers. Additionally, the project's commercial partner, Massy Stores, in partnership with The Cropper Foundation, will design a mechanism for financing and oversight of community led re-afforestation of participating farming communities. These two interventions are expected to directly contribute to the MIF's aspirational indicators to reduce CO2 emissions in ten years. Financing for inputs and logistics costs as well as stipends to cover participants from community based groups involved in the re-afforestation will be provided via counterpart resources.
- 2.10 The expected results for this component are to (i) increase the volume of sustainably farmed produce (ii) reduce farmer vulnerability to climate change and (iii) initiate remediation of affected watersheds via reforestation efforts and more sustainable land preparation and cultivation practices.
- 2.11 **Component II: Developing Independent Testing.** The objective of this component is to support sales of sustainably produced agricultural products via Massy Stores by defining and implementing an independent inexpensive testing protocol to certify the absence of chemical residue. Based on market research commissioned by The Cropper Foundation consumers have indicated a willingness to pay higher prices for sustainably cultivated produce, their primary concern being the use of toxic chemical fertilizers and pesticides particularly on vegetables that are typically consumed raw⁸. For this reason the focus of component II will be the development and implementation of a simple testing protocol to determine the presence of chemical residue on samples drawn from participating farmers. This test will allow Massy Stores to brand these products as chemical free and sell them at a higher price. Project financing will cover the costs of development of testing protocols and the implementation of testing on beneficiary farmers' produce particularly in the initial stages of the project.
- 2.12 As indicated earlier, the project will focus primarily on 5 products (cucumber, cabbage, lettuce, tomatoes and peppers) based on the following rationale: (i) CARDI has already conducted specific research on climate resilient varieties of the targeted crops (ii) targeted farmers currently grow sufficient volumes of these crops to attract a commercial partner and (iii) these crops are in high demand and represent the produce that consumers are most concerned with regarding the presence of chemicals. Although training and technical support will include a broader range of agricultural practices the key standard that will be used for testing and branding of produce is the absence of chemicals which is directly related to interests of targeted consumers.
- 2.13 The Cropper Foundation will partner with the Caribbean Industrial Research Institute (CARIRI), the country's largest independent center for metrology and quality assurance services. CARIRI will design and implement practical testing mechanisms to certify beneficiary farmers' products as chemical free. CARIRI also houses the Caribbean Food Safety Centre, it is expected that the metrology department and the Food Safety Centre will collaborate during the development and execution of the testing protocols. The cost

⁸ "Scoping the Demand for Eco-Friendly Agricultural Products" Alexander Girvan

of testing of sample produce will initially be borne by a combination of MIF and counterpart financing. It is expected that over the course of the project as farmers' sale and profitability increase, they will bear testing costs beyond the period of MIF investment.

- 2.14 **Component III: Positioning Sustainable Produce in High Value Markets.** The objective of this component is to position produce from participating farmers as a premium product in high value markets to attract better economic returns.
- 2.15 Massy Stores has identified an opportunity to fulfill current consumer demand for vegetables grown locally and have agreed to pay premium pricing for products grown in accordance with sustainable farming standards. As part of a prior UNDP financed project, executed by The Cropper Foundation, a study was conducted to assess consumer demand for chemical free produce. This research indicated that consumers are willing to pay a premium for chemical free produce and The Cropper Foundation in conjunction with Massy Stores have estimated that these prices will increase premiums paid to farmers' by approximately 25-30%,⁹ as compared to prices currently available via wholesalers or municipal markets.
- 2.16 Massy Stores will brand and sell participating farmers' produce in an initial 4 of their high traffic markets serving an estimated base of 150,000 local consumers. Farmers that access training and implement climate smart agricultural practices, and whose produce have been tested and branded as chemical free, will therefore be able to receive a stable, higher income by selling to Massy Stores. Counterpart and some MIF project financing will cover costs of design, fabrication, deployment of in store branding materials and packaging in addition to consumer education on the value of chemical free produce and outreach primarily through social media channels.
- 2.17 This component addresses the critical market linkages required for sustainability by introducing a committed commercial partner that will ensure that farmers receive premium pricing for their produce. Massy Stores has an existing relationship with a packing house that can collect, sort and package produce from participating farmers. The use of a central packing facility is critical as it overcomes the current barriers of individual farmers selling small volumes to large buyers.

Project Results, Impact, and Monitoring and Evaluation

- 2.18 The project contributes to the MIF aspirational indicator under the climate smart agriculture pillar as follows;
- i) Aspirational indicator 1: In 10 years overall CO2 emissions are reduced by roughly 1.14 gigaton. This project will result in reducing CO2 emissions by 6000 tonnes.
- 2.19 Additional project results measured throughout project implementation include: number of HA sustainably farmed, number of beneficiaries trained; number of farmers implementing sustainable farming practices as well as farmer income and sales. Indicators measuring the positive impact of CSA practices on the watershed will be collected; these indicators will include water quality of surrounding water courses and soil quality.

⁹ "Scoping the Demand for Eco-Friendly Agricultural Products" Alexander Girvan

- 2.20 The technical coordinator will create and manage monitoring and evaluation systems and will collect and evaluate all qualitative and quantitative data to monitor and document project results during project execution. The technical coordinator will compare baseline data with comparator results on project completion. The Project Status Report (PSR) will be completed by the technical coordinator every six months and will be updated on an ongoing basis as required. In addition, a final evaluation will be conducted and will focus on scaling and ensuring sustainability of the intervention beyond the period of MIF's investment. There will also be a closing workshop to disseminate results of the evaluation and build on its recommendations to ensure sustainability.

3. ALIGNMENT WITH IDB GROUP, SCALABILITY, AND PROJECT RISKS

Alignment with IDB Group

- 3.1 Both the current Country Strategy (2011-2015) as well as the analysis currently underway in preparation for a new country strategy highlight Trinidad and Tobago's vulnerability to climate change in the agriculture sector and in the water sector, primarily due to (a) increase in extended periods of drought (b) contamination of water sources (c) flooding in rainy periods due to loss of watershed and non-sustainable use of land space. In addition the Country Development Challenges prepared in 2015 as part of the Country Strategy process highlight food price inflation linked in part to declining participation in local production and projections that yields will decrease further due to climate change. The proposed project responds to the climate change challenges identified in both the existing strategy as well as the strategy in progress. This project is also aligned with the IDBG Institutional Strategy 2010-2020 by tackling the emerging development challenge of social exclusion and inequality by investing in a model that provides an economically vulnerable group with a sustainable income.

Scalability

- 3.2 Project scale will be achieved via a national and regional path once commercial and technical viability of the model is demonstrated.
- 3.3 **National Scaling:** The Cropper Foundation is partnering with a state-run agency, the National Agricultural Marketing and Development Company Ltd (NAMDEVCO), with a mandate to boost T&T agricultural productivity and environmental sustainability, which will assist in the national rollout of this project. Specifically, NAMDEVCO will extend training in sustainable practices to farmers outside of the targeted communities and will offer an alternative channel for chemical free produce via its network of farmers and niche export markets. NAMDEVCO will not only provide additional market channels to the beneficiary farmers but will roll out the practices under this project to their current client base of 35,000 farmers.
- 3.4 Massy Stores currently operates 18 high end supermarkets in T&T serving at least 600,000 customers. Massy Stores is therefore positioned to increase the sale of produce through its national supermarket chain locally and potentially beyond Trinidad and Tobago. Regionally, there are 46 Massy stores¹⁰ and the group wishes to consolidate

¹⁰ Other locations include Guyana, Barbados, St. Lucia and St. Vincent.

procurement in Trinidad and Tobago including the increased sourcing of locally produced goods.

- 3.5 **Regional Scaling** CARDI is a technical partner in the IDB financed regional pilot program for climate resilience (RG-T2255) to model the effects of climate change in the region. CARDI's role is to develop climate resilient agricultural systems and disseminate this to other countries. CARDI will partner with The Cropper Foundation to pilot climate resilient agricultural practices in Trinidad and Tobago. CARDI can subsequently scale the project model via the current TC RG-T2255 to the 6 participating countries, Jamaica, Haiti, St. Lucia, Grenada, Dominica and St. Vincent.

Project Risks

- 3.6 **Lack of acceptance by consumers**, possibly based on mistrust of the validity of certification. To mitigate this risk the project includes a consumer awareness campaign to provide transparency regarding status of chemical free testing and branding of produce as well as the engagement of a strong and credible testing agency. Project resources will also be utilized to develop well-defined processes to monitor and manage the testing program beyond the period of MIF investment.
- 3.7 **Lack of collaboration/engagement of key stakeholders with initiative:** Mainstreaming this model requires co-operation, active involvement and action by key institutional stakeholders such as CARDI, CARIRI and Massy Stores as well as NAMDEVCO during and beyond the period of MIF investment. MIF's convening capacity and institutional relationships with these stakeholders will support The Cropper Foundation's own relationships and track record for working collaboratively with these key organizations. In addition formal MOUs will be signed with each participating institution outlining their role and timing of financial/non-financial contribution to the project, each institution will participate in project steering and governance via a Project Steering Committee.

4. COST AND FINANCING

- 4.1 The project has a total cost of US\$1,662,375, of which US\$795,375 (48%) will be provided by the MIF, and US\$867,000 (52%) by the counterpart. MIF financing in the amount of US \$795,375 will be a non-reimbursable technical cooperation.

	MIF	Counterpart	Total
Project Components			
Component 1: Supporting Adoption of Climate Smart Agricultural Practices	452,000	484,000	936,000
Component 2: Developing Independent Testing	100,000	60,000	160,000
Component 3: Positioning Sustainable Produce in High Value Markets	21,000	229,000	250,000
Administrative Support	164,000	94,000	258,000
Auditing & Evaluation	20,500		20,500
Contingencies	37,875		37,875
Grand Total	795,375	867,000	1,662,375
% of Financing	48%	52%	100%

5. PROJECT PARTNERS AND IMPLEMENTATION STRUCTURE

Project Partner(s) Description

- 5.1 **The Cropper Foundation:** Since 2000, The Cropper Foundation has successfully implemented 20 development-related projects focusing on **sustainable land management and climate change adaptation and mitigation**. Currently The Cropper Foundation has partnered with the IDB to implement a non-reimbursable technical cooperation, TT-T1057, “Piloting an Innovative Approach to Adaptation in Tobago” which is scheduled to close in February 2017.
- 5.2 The Cropper Foundation’s capacity and networks with key agriculture stakeholders (including the Ministry of Agriculture, Ministry of Planning & Development; regional institutions such as IICA CARDI and CARIRI and international agencies like the Food and Agriculture Organization), make it well-placed to implement the project and to ensure that project results are achieved with downstream benefits that can be scaled across the region.
- 5.3 **Massy Stores:** Massy Stores is part of the regional conglomerate Massy Group. Massy stores operates 46 retail supermarkets across 4 countries in the region and has committed to the purchase and sale of produce from beneficiary farmers starting in 4 of its largest stores in Trinidad. As Massy Stores is partnered with a packing house, there will be a central location for delivery, sorting and packaging of produce which reduces the financial and administrative costs of transacting business with small growers. Massy Stores will also provide product placement, promotion and branding of chemical free produce in stores. Massy Stores is a strategic partner in supporting the national and regional scaling of this intervention through provision of access to higher value markets for farmers.
- 5.4 The **Caribbean Industrial Research Institute (CARIRI)**¹¹: CARIRI is an established technical and project implementation partner for MIF in Trinidad and Tobago. In the context of this project, CARIRI will provide technical services to conduct sampling of produce to test for inorganic input and will provide independent third party verification that participating farmers’ produce is chemical free.
- 5.5 **The Caribbean Agricultural Research and Development Institute (CARDI)**: CARDI is a regional body that conducts research, training and technical support to advance the growth and development of the region’s agricultural sector. CARDI is currently involved in a related IDB project and under this initiative CARDI will pilot and expand climate resilient practices in 6 Caribbean countries. As a partner to The Cropper Foundation, CARDI will play a dual role in implementing the project through (a) the provision of technical assistance and development of training for farmers and (b) scaling of the intervention via its regional reach and programs, including but not limited to RG-T2255, “Investment Plan for the Caribbean Regional Track of the Pilot Program for Climate Resilience”.

¹¹ <http://www.cariri.com/new/>

Implementation Structure and Mechanism

5.6 Implementing Partner: The Cropper Foundation is the implementing partner for the project, which is the entity with the responsibility for administering the financial resources, contracting consultants, convening meetings, organizing training, writing reports, quality control, supervising activities and achieving results. The Cropper Foundation will therefore lead the implementation of the project. To this end, The Cropper Foundation will convene a project coordination unit and a steering committee.

5.7 Project Coordination Unit (PCU): The Cropper Foundation will contract a technical coordinator who will be responsible for the overall implementation and execution of the project, under the supervision of The Cropper Foundation's CEO. The main functions of the coordinator are related to assisting The Cropper Foundation with the implementation of project activities, provision of technical assistance to beneficiaries and to coordinate monitoring and evaluation of results. The technical coordinator will be supported by an accountant as well as an administrative assistant contracted by The Cropper Foundation. The PCU will be responsible for managing the project in accordance with the Steering Committee's guidance and MIF requirements, and for coordinating the activities necessary to meet the objectives and performance indicators in the results framework.

5.8 Project Steering Committee. A Project Steering Committee will be established to oversee the strategic direction of the project. Members will consist of the key strategic partners and participation in this committee is voluntary. The Project Steering Committee will meet at least once a quarter within the first year of execution and subsequent scheduling will be determined within this initial period. The key role of the Project Steering Committee is to provide oversight and institutional co-ordination of project implementation and will ensure an integrated approach to support achievement of results and mitigation of risks. Given the range of partners that are involved in the project, an initial critical activity for this group will be to define and agree a clear framework which outlines the respective roles of partners and key areas for co-ordination and support.

6. COMPLIANCE WITH MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS

6.1 Disbursement by Results and Fiduciary Arrangements. The Implementing Partner will adhere to the standard MIF disbursement by results, procurement and financial management arrangements as specified in Annex V.