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Investing in rural people

**Report to the President**  
**Proposed additional financing to**  
**the Republic of Djibouti for the**  
**Soil and Water Management Programme**  
**(PROGRES)**

Project ID: 2000000732

**Note to Executive Board representatives**

Approved on Tuesday 10 August 2021

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- I. Updated logical framework incorporating the additional financing
- II. Updated summary of the economic and financial analysis

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### Programme delivery team

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## Abbreviations and acronyms

AF	Adaptation Fund
AWPB	Annual Work Plan and Budget
BCR	Benefit Cost Ratio
CGEP	Water Point and Pasture Management Committee
CPL	Local Steering Committee
DA	Designated Account
ECG	Environment, Climate, Gender and Social Inclusion Division
EIRR	Economic Internal Rate of Return
IGA	Income Generating Activities
LOT	Lapse Of Time Procedure
MAEPE-RH	Ministry of Agriculture, Water, Fisheries and Livestock, in charge of Hydraulic Resources
M&E	Monitoring & evaluation
NEN	Near East, North Africa and Europe Division
NPV	Net Present Value
OCC	Opportunity Cost of Capital
PMU	Programme Management Unit
PRODERMO	Rural Community Development and Water Mobilization Project
PROGRES	Soil and Water Management Programme
PROLUC	<i>Projet de Réponse d'Urgence de Lutte contre le Criquet</i>
PROMES-GDT	Programme for the Mobilization of Surface Water and Sustainable Land Management
PSC	Programme Steering Committee
SAHP	Water and Rangeland Management Plan
SWC	Soil and Water Conservation
WFP	World Food Programme

## Financing summary

<b>Initiating institution:</b>	IFAD
<b>Borrower/recipient:</b>	Republic of Djibouti
<b>Executing agency:</b>	Ministry of Agriculture, Water, Fisheries and Livestock, in charge of Hydraulic Resources – MAEPE-RH
<b>Total programme cost:</b>	US\$17.05 million
<b>Amount of original IFAD loan:</b>	US\$5.77 million
<b>Amount of original IFAD grant:</b>	US\$0.3 million
<b>Cofinancier:</b>	World Food Programme (WFP)
<b>Amount of original cofinancing:</b>	US\$ 1.7 million (estimate) from WFP Food for Work
<b>Terms of cofinancing:</b>	Grant
<b>Borrower/recipient original contribution:</b>	US\$2.52 million
<b>Beneficiaries' original contribution:</b>	US\$0.70 million
<b>Financing gap:</b>	US\$6.10 million
<b>Terms of original IFAD financing:</b>	Blend: Maturity period of 25 years, including a grace period of 5 years, with interest at a fixed rate of interest of 1.25 per cent and a service charge of 0.75 per cent per annum
<b>Amount of additional IFAD loan:</b>	US\$2.21 million
<b>Terms of additional IFAD financing:</b>	Highly concessional: Maturity period of 40 years, including a grace period of 10 years with no interest rate and a service charge of 1.70 per cent per annum for loan denominated in US\$
<b>Amount of additional international cofinancing:</b>	International Bank for Reconstruction and Development (IBRD), US\$0.09 million PROLUC  Adaptation Fund, US\$2.33 million
<b>Borrower/recipient additional contribution:</b>	US\$0.76 million
<b>Beneficiaries' additional contribution:</b>	US\$0.14 million
<b>Cooperating institution:</b>	Directly supervised by IFAD

## Recommendation for approval

According to the delegation of authority procedure approved by the Executive Board at its 126<sup>th</sup> session and detailed in document EB 2019/126/R.48/Rev.2 the President is invited to approve the recommendation contained in paragraph 48.

### I. Background and programme description

#### A. Background

1. The PROGRES was approved by the Executive Board by LOT (EB 2016/LOT/P.9), in September 2016. The Financing Agreement for the programme was signed on 23 January 2017 and ratified on 8 June 2017, which corresponds to the date of entry into force. The duration of the programme is 7 years; the current programme completion date is 30 June 2024, and the closing date is 31 December 2024. The mid-term review is planned in March 2022.
2. The programme is financed by: (i) IFAD loan of US\$5.77 million on blend terms and an IFAD grant of US\$0.3 million; (ii) WFP, with a contribution of food estimated at US\$1.7 million; (iii) the Government of Djibouti, with an estimated contribution of about US\$2.52 million; (iv) the beneficiaries, with a contribution valued at US\$0.7 million; and (v) a US\$6.1 million financing gap.
3. The Environment, Climate, Gender and Social Inclusion Division (ECG) and the Near East, North Africa and Europe Division (NEN), in collaboration with the Government of Djibouti, prepared a funding proposal (titled PROGIRES) that was reviewed by the Adaptation Fund (AF) Board in March 2021 and resubmitted in April 2021. PROGIRES will provide an amount of US\$2.33 million in supplementary financing to PROGRES, contributing significantly to meet the financing gap. Positive feedback was received from the AF Secretariat in May 2021 and official confirmation of that funding is expected in July 2021<sup>1</sup>.
4. Despite the mobilization of these financial resources, there is still a financing gap of US\$1.56 million. IFAD and the Government of Djibouti agreed to rightsize the programme based on available resources and cancel the residual financing gap. To do so, implementation duration of the programme will be reduced by 12 months thanks to the remarkable efficiency gains. Indeed, PROGRES exceeded the physical targets set at mid-term and fully disbursed the initial IFAD financing. The revised completion date of the programme would be 30 June 2023 and the closing date would be 31 December 2023.

#### B. Original programme description

5. The overall objective of PROGRES is to contribute to sustainably improve living conditions and reduce poverty among rural communities in the programme area. This will be achieved through improving rural households' access to water and local resources, and resilience to climate change. The original design of the programme as approved by the Executive Board in September 2016 remains unchanged and is described below.

### II. Rationale for additional financing

#### A. Rationale

6. The PROGRES exceeded its mid-term targets and its effectiveness and performance are both rated satisfactory by the supervision missions during 2018-2020. Main results achieved at mid-term include: (i) PROGRES achieved 100 per cent of the mid term target for the formation of local steering committees (CPL) and water

<sup>1</sup> The total funding of PROGIRES is US\$ 5.34 million, which also includes supplementary financing of the recent PGIRE project and IFAD Agency Fees.

point and pasture management committees (CGEPs), and all are functional. The water and rangeland management plans (SAHP) for all 13 rangelands targeted were formulated and are updated periodically; (ii) the filling of the cisterns and excavations built is so effective that the programme surpassed the mid-term targets for volume of water mobilized (169 per cent). It is estimated that 80% of water mobilized is available for at least 4 months and this has reduced significantly the time to fetch water for 82 per cent of the households (almost 200% mid term target); (iii) the rangeland area regenerated and sustainably managed surpassed the mid-term target (127 per cent) and the productivity of improved rangelands is 50% higher than the mid-term target; (iv) the programme is on target with its support to the creation of IGA and training of women and men, and more is required to ensure viability of these micro-enterprises; and (v) chronic malnutrition was reduced significantly thanks to the work of the mother counsellors, and the percentage of women reporting minimum diet diversity (52 per cent) more than doubled compared to the mid-term target (23 per cent).

7. Given the continued relevance of the programme, the Government of Djibouti formally requested additional financing under the current PBAS cycle to cover part of the PROGRES financing gap, identified at design. The Government agreed to reduce the implementation period by 12 months and cancel any residual financing gap, to build on the high level of programme efficiency achieved so far.

#### **Special aspects relating to IFAD's corporate mainstreaming priorities**

8. **Gender.** In the nomadic pastoralist communities targeted by the programme, the distribution of daily tasks largely reflects subordinate role of women and caregiving functions. The main tasks performed by women and girls are fetching water and collecting firewood, caring for small livestock, domestic chores and childcare. Men and young people, on the other hand, are responsible for fetching water over long distances requiring the use of camels, caring for large livestock, and going on transhumance. Women are more vulnerable to poverty because of their unequal access to education, economic opportunities, property ownership, and credit. The programme promotes a gender mainstreaming approach.
9. **The youth.** Various studies report that the young participate little in the country's economy due to a very high unemployment rate. About 38.5 per cent of the population is under 15 years of age and almost 73.5 per cent are under 35 years of age. Youth unemployment is much higher (71.9 per cent) than the overall unemployment rate. The programme is not youth sensitive, but is offering training and employment opportunities for youth through infrastructure works.
10. **Nutrition.** In 2015, Djibouti ranked 104<sup>th</sup> out of 116 countries on the Global Hunger Index (GHI - IFPRI, 2015) with a score of 33.2. UNICEF surveys have shown that acute and chronic malnutrition, as well as underweight children under five, are above critical thresholds, even exceeding the emergency threshold of 15%, in almost all regions, including Djibouti City. Nationally, there are very high rates of underweight (26.6 per cent), chronic malnutrition (29.7 per cent) and global acute malnutrition (17.8 per cent) among children under five. The programme includes nutrition activities.
11. **Climate.** Climate forecasts suggest the following trends by 2050: (i) an increase in average temperatures ranging between 0.6 and 2.4°C, which is significant even in the low end of the range of uncertainty, given the baseline aridity and high temperatures; (ii) an increasingly erratic rainfall regime, featuring a higher frequency of extreme events such as extended drought periods and torrential rainfalls; (iii) a rise in sea level ranging between 8 and 39 cm, with a multi-model average prediction of 20 cm, aggravating the phenomenon of salt water intrusion into coastal aquifers. These developments are expected to increase erosion problems (both coastal and inland), degradation of vegetation cover, degradation of water quality and availability, and increase water requirements. The key natural

resource management issues are: (i) access to water for people, animals and pastures/cropland; (ii) restoration of biomass and soil fertility; (iii) better distribution of animal load on pastures; (iv) prevention of excessive erosion and retention of runoff water.

12. **COVID pandemic.** As of April 2021, Djibouti registered more than 10,000 Coronavirus cases and 106 deaths. The rate of recovery from the infection reached 84 per cent. The COVID pandemic mainly affected the training activities that PROGRES planned in 2020. The programme management unit (PMU) of PROGRES successfully implemented the first RPSF project, which provided agri-inputs to 950 poor households to secure nutrition and livelihoods. IFAD is currently examining the second RPSF proposal, which extends the provision of agri-inputs to 1,050 households.
13. While PROGRES – and its additional financing – is fully in line with IFAD’s latest environment, climate, gender and youth strategies and action plans, it will not be formally validated against IFAD11 Commitments as the value of additional finance is below US\$ 25 million.

## **B. Description of geographical area and target groups**

14. There is no change in the target area, target groups and number of households reached. PROGRES will continue to operate in the regions of Arta, Dikhil and Tadjourah, covering a total of 13 rangelands used for transhumance. The beneficiaries are all households having their base camps in localities within these rangelands and living under extremely precarious and climate-vulnerable conditions. The number of direct beneficiaries is 11,075 households, or about 66,400 people, representing 68% of the population in the targeted rangelands. At mid term, the programme has reached 8,158 households (74 per cent target), and 31 per cent households reached are headed by women.
15. **The target group** is composed of all households based in the localities situated in the programme area. With regard to social targeting, even if there are differences in the level of poverty in terms of the size and nature of the livestock owned, all of these households live in extremely precarious conditions and are vulnerable to climatic hazards. The risk of elite capture of programme benefits appears to be very limited due to the strong tradition of mutual aid that persists between households with more resources (e.g., pack animals) or wealth, and those in highly vulnerable situations.

## **C. Components, outcomes and activities**

16. The programme is structured around two technical components: (i) Hydraulic and environmental improvements; (ii) Improving rural incomes and services; and (iii) a third component on Coordination and monitoring-evaluation. The expected outcomes are: (i) rural communities are better able to plan, develop and manage natural resources; (ii) water is better mobilized; (iii) rangeland plant cover is preserved and densified; (iv) rural activities are diversified and generate additional income; and (v) improvements are made in hygiene practices and diversification of diets. The programme description remains as initially designed.
17. **Component 1. Water and environmental improvements.** This component operates in transhumance rangelands managed by communities according to well established traditional rules and has three subcomponents.
18. **Subcomponent 1.1. Capacity-building in local planning and management.** The programme supports communities to update or develop a SAHP for each rangeland, in a participatory manner. To this end, the programme supports setting up, organizing and training: (i) CPL responsible for implementing and monitoring SAHPs; and (ii) CGEPs responsible for ensuring that each hydraulic structure and rangeland improvement is operated and maintained properly.

19. **Subcomponent 1.2. Mobilization of water.** PROGRES finances hydraulic structures based on priorities set in SAHPs. The hydraulic infrastructure developed include: underground tanks, excavation reservoirs, recharge and spreading weirs, solar powered boreholes, solar powered agro-pastoral wells, shelters at the level of reservoirs and boreholes for the women and children who come to get water, as well as the construction of access roads for building hydraulic works. The physical targets for this component remain unchanged except for the reduction in number of pastoral wells and weirs due to reduced programme financing (see annex 1 logframe).
20. **Subcomponent 1.3. Regeneration and densification of plant cover.** The programme adopted the unit-based protection and regeneration approach developed under the previous PROMES-GDT and replicated by PRODERMO, a World Bank financed project. Each unit is selected on a participatory basis by beneficiaries in accordance with technical assurances in terms of feasibility, high potential for forage production. To this end, the programme focuses on resting and regenerating plant cover through direct seeding of local species, introduction of assisted natural regeneration techniques, revegetation of excavation reservoirs. PROGRES also installed 10 meteorological stations in the programme area supported by a geographical information system and this will be increased by another 10 units during remaining period. The physical targets for this sub-component were increased (see annex 1).
21. **Component 2. Improving rural incomes and services.** This component aims to diversify the incomes of rural households and improve hygiene, nutrition and health conditions for the targeted populations. It is structured in two subcomponents.
22. **Subcomponent 2.1 Improving and diversifying incomes.** PROGRES provides support for the economic valorization of livestock through: a study of the market opportunities of the livestock sector; awareness-raising sessions aimed at identifying the "negative" points related to the overstocking of livestock; and support for the commercialization of products. The programme also supports value-added basket-making activities for women, through training in improved basket-making techniques and support for improved inputs, as well as the creation of fodder gardens for income generation. The physical targets for the trainings were increased for a higher sustainability of the activities developed (see annex 1).
23. **Subcomponent 2.2. Access to essential basic services.** PROGRES works to improve hygiene, sanitation and nutritional practices, as well as literacy skills. The programme works with mother counsellors to raise awareness and encourage good practices in nutrition, health and hygiene; as well as promote home gardens. It also supports literacy training for men and women which is an added activity to support the training on income generating activities (IGA). The physical targets for this sub-component were increased (see annex 1).
24. **Component 3. Coordination and Monitoring & Evaluation.** The technical and administrative coordination, planning and M&E of activities, and resource management are under the responsibility of a PMU, placed under the technical oversight of MAEPE-RH. The PMU has administrative and financial autonomy.

## **D. Costs, benefits and financing**

### **Programme costs**

25. The total cost of the additional financing over the remaining period of the programme is US\$5.53 million. Component 1 (water and environmental developments) represents nearly US\$3.16 million i.e., 56.8 per cent of the total cost of the programme. Component 2 (improvement of incomes and services in rural areas) represents US\$0.99 million or 17.8 per cent of the total cost. Component 3 (programme coordination and management) is US\$1.4 million or



25.4 per cent of the total cost. Table 1 presents the original and additional financing, while Table 2 presents the additional financing by component and financier, Table 3 presents it by expenditure category and financier, Table 4 presents it by year.

Table 1  
**Original and additional financing summary**  
(Thousands of United States dollars)

	Original financing*	Additional financing	Total
IFAD loan	5 773	2 210	7 983
IFAD grant	300	0	300
Other cofinanciers (WFP, PROLUC & AF)	1 688	2 426	4 114
Beneficiaries**	702	137	839
Borrower/recipient**	2 524	758	3 282
Financial gap	6 060	0	
<b>Total</b>	<b>17 047</b>	<b>5 531</b>	<b>16 518</b>

\* See tables 1 and 2 in document EB 2016/LOT/P.9 for detailed breakdown.

Table 2  
**Additional financing: programme costs by component and financier**  
(Thousands of United States dollars)

	Government		IFAD loan		PROLUC		Adaptation Fund		Beneficiaries		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
<b>Component 1. Water and Environmental Improvements</b>											
Capacity building in local planning and management	42	12.5	41	12.2	-	-	256	75.4	-	-	340
Mobilization of water	276	11.0	1 198	47.6	-	-	960	38.1	86	3.4	2 519
Regeneration & densification of plant cover	35	11.7	100	33.0	-	-	150	49.4	18	6.0	303
<b>Subtotal</b>	<b>354</b>	<b>11.2</b>	<b>1 339</b>	<b>42.3</b>	<b>-</b>	<b>-</b>	<b>1 366</b>	<b>43.2</b>	<b>104</b>	<b>3.3</b>	<b>3 162</b>
<b>Component 2. Improving rural incomes and services</b>											
Improving and diversifying incomes	115	11.6	116	11.8	-	-	725	73.2	33	3.4	989
Access to essential basic services	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>115</b>	<b>11.6</b>	<b>116</b>	<b>11.8</b>	<b>-</b>	<b>-</b>	<b>725</b>	<b>73.2</b>	<b>33</b>	<b>3.4</b>	<b>989</b>
<b>Component 3. Coordination and M&amp;E</b>											
Coordination	263	22.8	614	53.4	92	8.0	182	15.8	-	-	1 151
M&E and Knowledge management	26	10.1	141	54.0	-	-	61	23.6	-	-	229
<b>Subtotal</b>	<b>289</b>	<b>20.5</b>	<b>755</b>	<b>53.5</b>	<b>92</b>	<b>6.5</b>	<b>243</b>	<b>17.2</b>	<b>-</b>	<b>-</b>	<b>1 380</b>
<b>Total</b>	<b>758</b>	<b>13.6</b>	<b>2 210</b>	<b>39.7</b>	<b>92</b>	<b>1.7</b>	<b>2 333</b>	<b>41.9</b>	<b>137</b>	<b>2.5</b>	<b>5 531</b>

Table 3  
**Additional financing: programme costs by expenditure category and financier**  
*(Thousands of United States dollars)*

	Government		IFAD loan		PROLUC		Adaptation Fund		Beneficiaries		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
<b>Investment Costs</b>											
Civil engineering	174	10.0	645	37.0	-	-	847	48.5	78	4.5	1 744
Equipment and supplies	111	10.0	351	31.5	-	-	594	53.4	56	5.0	1 112
Transportation equipment	31	33.0	62	67.0	-	-	-	-	-	-	93
Training and studies	105	10.0	546	51.9	-	-	365	34.8	3	0.2	1 019
International technical assistance	3	10.0	6	21.2	-	-	20	68.8	-	-	29
National technical assistance	83	16.0	94	18.0	-	-	344	66.0	-	-	521
Unskilled labour	-	-	-	-	-	-	-	-	-	-	-
<b>Total Investment Costs</b>	<b>508</b>	<b>11.2</b>	<b>1 704</b>	<b>37.4</b>	<b>-</b>	<b>-</b>	<b>2 170</b>	<b>47.7</b>	<b>137</b>	<b>3.0</b>	<b>4 518</b>
<b>Recurrent Costs</b>											
Salaries and benefits	208	23.5	431	48.8	92	10.4	153	17.3	-	-	884
Operation and maintenance	43	33.0	76	58.4	-	-	11	8.6	-	-	130
<b>Total Recurrent Costs</b>	<b>250</b>	<b>24.7</b>	<b>507</b>	<b>50.0</b>	<b>92</b>	<b>9.1</b>	<b>164</b>	<b>16.2</b>	<b>-</b>	<b>-</b>	<b>1 013</b>
<b>Total PROGRAMME COSTS</b>	<b>758</b>	<b>13.6</b>	<b>2 210</b>	<b>39.7</b>	<b>92</b>	<b>1.7</b>	<b>2 333</b>	<b>41.9</b>	<b>137</b>	<b>2.5</b>	<b>5 531</b>

Table 4  
**Programme costs by component and programme year (PY)**  
*(Thousands of United States dollars)*

	2021	2022	2023	Total
<b>Component 1. Hydraulic and environmental improvements</b>				
Capacity building in local planning and management	11	198	131	340
Mobilization of water	67	1 557	895	2 519
Regeneration & densification of plant cover	2	179	122	303
<b>Subtotal</b>	<b>80</b>	<b>1 934</b>	<b>1 149</b>	<b>3 162</b>
<b>Component 2. Improving rural incomes and services</b>				
Improving and diversifying incomes	58	613	318	989
Access to essential basic services	-	-	-	-
<b>Subtotal</b>	<b>58</b>	<b>613</b>	<b>318</b>	<b>989</b>
<b>Component 3. Coordination and M&amp;E</b>				
Coordination	214	549	388	1 151
M&E and Knowledge Management	40	87	102	229
<b>Subtotal</b>	<b>254</b>	<b>636</b>	<b>489</b>	<b>1 380</b>
<b>Total</b>	<b>392</b>	<b>3 184</b>	<b>1 956</b>	<b>5 531</b>

### **Financing and cofinancing strategy and plan**

26. The total cost of the additional financing of the PROGRES is US\$5.53 million composed of: a loan from IFAD of US\$2.21 million; a grant from AF of US\$2.33 million; Government's contribution of US\$0.76 million; and beneficiary contribution estimated at US\$0.14 million. Government contribution covers all taxes and duties on procured goods and services, and part of PMU salaries. It is expected that there will be cost-sharing of the PMU under component 3 with the PROLUC for an amount of US\$0.09 million.

### **Disbursement**

27. The current Designated Accounts (DAs) for the original loan and original grant, will be used to receive funds from the additional IFAD loan and the AF grant respectively. The financing will flow from the DAs to the respective operating accounts opened by the programme in Djibouti francs at BCIMR (Bank for Commerce and Industry - Red Sea) managed by the PMU. To track the income and expenditures/transactions and enable accurate reconciliation of the designated and programme accounts, separate ledgers will be set up and maintained for receipts and expenditures from each financing source separately<sup>2</sup>.

### **Summary of benefits and economic analysis**

28. **Benefits and Beneficiaries.** The mission of the additional financing updated PROGRES economic and financial analysis using an opportunity cost of capital (OCC) at 10 per cent. The economic internal rate of return (EIRR) of the PROGRES is estimated at 14.3 per cent, which is higher than the OCC. The Net Present Value of the programme is positive (US\$ 4.1 million) and the Benefit Cost Ratio is greater than 1 (1.4). These indicators establish the economic feasibility of the PROGRES and justify continued support and bridging the financing gap identified at design.
29. **Sensitivity Analysis.** The programme is still viable if the benefit drops by 10 per cent to 20 per cent or the aggregate costs increase by the same percentage. In terms of scenario analysis, the programme remains feasible with a simultaneous decrease of benefits and increase of costs by 10 per cent. However, a simultaneous decrease of benefits by 10 per cent and increase of costs by 20 per cent or a decrease of benefits by 20 per cent and increase of costs by 20 per cent and more, yields a non viable programme. The PROGRES is therefore a robust investment and this analysis justifies continuation of its funding.

### **Exit strategy and sustainability**

30. The sustainability of PROGRES interventions will be enabled by the following factors, despite the shorter implementation duration: (i) completing the bulk of the investments in hydraulic structures in 2022 since preliminary studies are already available and procurement is set to be completed in 2021. This will leave a year for handholding community groups and linking them to the CPLs whose capacity has been built since programme start-up and are fully operational; (ii) robust inter-departmental collaboration in MAEPE-RH leading to mainstreaming of procedures for capacity building of community groups and maintenance of water infrastructure (elaborated and fine-tuned since PROMES-GDT), and building technical departments' capacity in the domain; (iii) collaboration with the Integrated Water Resources Management Project, which has been designed in 2020 to mainstream PROGRES successes within MAEPE-RH; and (iv) stronger emphasis on support to entrepreneurs until the revised completion.

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<sup>2</sup> IFAD will need to report to the Adaptation Fund on the PROGRES project as a whole, consolidating the shares of the AF grant assigned to the PROGRES and PGIRE.

### III. Risk management

#### A. Risks and mitigation measures

31. The major programme risks and mitigation measures include the following:

Risk	Description	Mitigation Measure
<u>National Context</u>	<b>Substantial to Moderate.</b> Non-transparency in the management of programme funding. Vulnerability to shocks namely COVID pandemic	<ul style="list-style-type: none"> <li>Robust internal and external audit.</li> <li>IFAD application of zero-tolerance towards corruption</li> <li>Strengthening adaptive capacities of HH to shocks and delivery of support through RPSF.</li> </ul>
<u>Sectoral strategies and policies</u>	<b>Moderate to Low.</b> Weak community engagement in policy development	<ul style="list-style-type: none"> <li>Support deconcentration of the services of MAEPE-RH so they are more responsive to community needs</li> <li>Capacity building of community organizations and their official registration</li> <li>Policy formulation around pastoralism in a manner that is inclusive of all stakeholders</li> </ul>
<u>Environment and Climate</u>	<b>Substantial to Moderate.</b> Erosion, deterioration of vegetation cover, salt intrusion in aquifer, frequent climatic shocks (drought and flooding)	<ul style="list-style-type: none"> <li>Support to integrated and participatory management of water and rangelands</li> <li>Support to soil and water conservation</li> <li>Support to rangeland productivity restoration</li> <li>Livelihood diversification</li> </ul>
<u>Institutional capacity</u>	<b>Substantial to Moderate.</b> Programme staff may not have required technical competency and complex inter-departmental coordination within MAEPE-RH	<ul style="list-style-type: none"> <li>Programme approach is well tested</li> <li>Experienced PMU is in place and competent staff hired</li> <li>Well established inter-departmental collaboration for design and supervision of hydraulic works</li> <li>Effective partnership with development partners</li> </ul>
<u>Financial management</u>	<b>Low risk.</b> Absence of an updated procedures and the financial manual	<ul style="list-style-type: none"> <li>Updating the existing financial manual</li> <li>Supervision mission from 2018 to 2020 rated the financial management of the programme as satisfactory</li> </ul>
<u>Procurement</u>	<b>Moderate to Low.</b> Inadequate grievance mechanism, weaknesses in implementation capacity	<ul style="list-style-type: none"> <li>Grievances portal developed by the programme</li> <li>Staff capacity built-up through training</li> <li>Implementation support on procurement to improve national shopping for goods, hiring of consultants and contract management</li> </ul>
<u>Environmental, social and climatic impact</u>	<b>Moderate to Low.</b> Loss of biodiversity and ecosystem services, increased vulnerability of rural poor, child labour and exploitative work conditions.	<ul style="list-style-type: none"> <li>Programme promotes an integrated water and range management approach that conserves vegetative cover, improves water availability and recharge of aquifers</li> <li>Sensitization of communities on decent work practices</li> </ul>
<u>Stakeholders</u>	<b>Low.</b> Partial implementation of the participatory process and grievance process	<ul style="list-style-type: none"> <li>PMU adheres to the participatory approach</li> <li>PMU applies grievance redress mechanism</li> </ul>
<u>Global risk</u>	<b>Moderate to Low</b>	

#### B. Environment and social category

32. A Social, Environmental and Climate Assessment Procedures (SECAP) review of the entire programme was carried out at design in 2016, and PROGRES received a category B classification. No significant environmental or social impacts are expected to arise from programme activities. The achievements to date fit perfectly into the SECAP guidelines: (i) access to water for livestock and human use; (ii) restoration of the biomass in degraded rangelands (resting, assisted natural regeneration and planting); (iii) the construction of roads to access rangelands that are otherwise inaccessible, allowing for a better management of range which is

otherwise difficult in drought years; (iv) coaching rural women in good hygiene and nutrition practices.

### **C. Climate risk classification**

33. The SECAP review in 2016 concluded that, the climate risk in the context of the programme is moderate. The programme is implementing actions that reduce the vulnerability of target households by: (i) increasing the mobilizable volume of runoff water in rangelands in storage facilities (tanks, reservoirs); (ii) strengthening community-based natural resources management organizations; (iii) the improvement of the income of poor rural households by safeguarding their herds during difficult climatic periods; (iv) livelihoods' diversification through the promotion of IGA in areas such as handicrafts, beekeeping, and pastoral seed collection.
34. In recognition of the high vulnerability of rural communities to extreme climate events, the proposed IFAD additional financing will complement those expected from the AF and will be invested in strengthening the resilience of households' pastoralism and agricultural systems to climate change and climate variability.

## **IV. Implementation**

### **A. Compliance with IFAD policies**

35. PROGRES is aligned with all relevant IFAD strategies and policies, including the: (i) Strategic Framework 2016-2025; (ii) the COSOP 2019-2024; (iii) Revised Operational Guidelines on Targeting; (iv) Policy on Gender Equality and Women's Empowerment; (v) Rural Finance Policy; (vi) Private Sector Engagement Strategy 2019-2024; (vii) Rural Enterprise Policy; (viii) Environment and Natural Resource Management Policy; (ix) SECAP; and (x) Rural Youth Action Plan 2019-2021.

### **B. Organizational framework Management and coordination**

36. The additional financing does not introduce any change in the organizational framework. The Ministry of Economy and Finance, Industry and Planning represents the Borrower, and MAEPE-RH is the Lead Programme Agency of PROGRES.
37. Technical and administrative coordination, planning and M&E, and knowledge management are the responsibility of a PMU enjoying administrative and financial autonomy. The PMU is placed under the technical oversight of MAEPE-RH. The PMU comprises a central unit and two regional branches, one in Dikhil and the other in Tadjourah.
38. The Programme Steering committee (PSC) will continue to provide overall oversight of programme activities; review and approve Annual Work Plans and Budgets (AWPBs) and the Implementation Manual; promote coordination among implementing partners; identify policy issues; and ensure transparency and accountability in programme management.

### **Financial management, procurement and governance programme**

39. The quality of the **financial management** was rated satisfactory in the last two missions of 2019 and 2020. The programme's inherent and residual risks were rated low. The latest supervision mission of October 2020 reported that the programme internal control systems remain effective. Qualified and trained financial management team is in place. The disbursement was rated highly satisfactory.
40. **Procurement arrangements** are in accordance with the IFAD procurement guidelines of 2020 and provisions of the administrative and financial procedures for

the programme. Each year, a procurement plan is prepared based on the AWPB, to be approved by the PSC and no objected by IFAD. For each contract, the estimated cost, procurement method and need for prior review by IFAD, are indicated according to the applicable thresholds. Given the moderately unsatisfactory rating in 2020, IFAD is providing online training on procurement to the staff of PROGRES as well as implementation support in this domain through the assignment of an accredited Procurement Consultant to follow up directly with PROGRES on the procurement activities.

### **C. Monitoring and evaluation, learning, knowledge management and strategic communication**

41. **Monitoring and evaluation (M&E).** The M&E system set up at the PMU level is functional and deemed satisfactory by the supervision missions. The planning process set up by the programme thus far is participatory and the data collection forms are complete, comprehensive and fully integrated into the programme's M&E manual. The information generated by the M&E system is regularly used for decision-making, particularly in the identification of annual targets in the framework of the AWPB and its revisions. The monitoring system set up by PROGRES also facilitates the monitoring of contracts and recommendations of supervision missions. The M&E system will continue to monitor physical and financial progress, as well as progress towards programme objectives, and a key management tool. All data will be disaggregated by sex and age. Inputs, outputs, process and outcomes will be monitored in accordance with logical framework indicators and building on the financial information, staff reports and surveys. An impact assessment survey will be carried out in the last year of implementation before the completion.
42. **Knowledge management.** The design of the programme includes features to foster learning and sharing of knowledge in target communities, among the PMU staff, and across the wider group of stakeholders in the Government, civil society, and development assistance providers in Djibouti.
43. Lessons learned, information and knowledge generated within PROGRES are documented for dissemination to MAEPE-RH, IFAD and other institutions or partners operating in similar contexts. The additional financing will notably support the programme to systematically conduct case studies and documentation that are adequate to demonstrate the impact of the programme on the livelihoods of target groups. Social media platforms will be explored to document and share online lessons and knowledge emerging from the implementation of the programme.

### **D. Proposed amendments to the financing agreement**

44. Subject to the approval of the additional financing by the President delegated by the Executive Board, the PROGRES financing agreement will be amended to take into account the additional US\$2.21 million of IFAD funds and the new highly concessional financing terms. No new expenditure category will be created. This financing partially fills the gap of the financing plan originally approved and will not involve changes to the programme, objectives, target area or target group. The only change would be a shorter implementation period and the revised completion date would be 30 June 2023.

### **V. Legal instruments and authority**

45. An amendment to the current financing agreement between the Republic of Djibouti and IFAD will constitute the legal instrument for extending the proposed financing to the Borrower.
46. The Republic of Djibouti is empowered under its laws to receive financing from IFAD.

47. I am satisfied that the proposed additional financing will comply with the Agreement Establishing IFAD and the Policies and Criteria for IFAD Financing.

## **VI. Recommendation**

48. According to the delegation of authority procedure approved by the Executive Board at its 126<sup>th</sup> session and detailed in document EB 2019/126/R.48/Rev.2, the President is invited to approve the proposed financing in terms of the following resolution:

RESOLVED: that the Fund shall provide a loan on highly concessional terms to the Republic of Djibouti in an amount of two million two hundred and ten thousand six hundred and sixty US Dollars (US\$2 210 660) and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Donal F. Brown  
Associate Vice-President, Programme Management Department

## Updated logical framework incorporating the additional financing

Chaîne logique	Indicateurs				Résultats mi-parcours	Cible Finale Originale	Moyens de vérification			Hypothèses
	Nom	Situation de référence	Cible Mi-parcours Originale	Cible Finale Révisée			Source	Fréquence	Responsabilité	
Portée Outreach	<b>1 Nombre de personnes bénéficiant de services promus ou appuyés par le projet</b>						Etude de référence, Enquête mi-parcours, Enquêtes ménages, Etude d'impact, Rapport VAM, Statistiques nationales	Année 1, Année 3 ou 4, Annuel dès année 3, Dernière année	UGP/ prestataire PAM/GdD/DISED	Bonne gouvernance Pas de catastrophes naturelles majeures
	Femmes – Femmes		11 700	19 920	18 134	19 920				
	Hommes – Hommes		27 300	46 480	28 656	46 480				
	Nombre total de personnes bénéficiant de services		39 000	66 400	46 790	66 400				
	<b>1.a Nombre correspondant de ménages touchés</b>									
	Ménages dirigés par une femme – Ménages		4 550	7 753	2 556	7 753				
	Ménages autres que ceux ayant une femme pour chef – Ménages		1 950	3 323	5 602	3 323				
	Ménages – Ménages		6 500	11 075	8 158	11 075				
	<b>1.b Estimation correspondante du nombre total des membres des ménages</b>									
Membres des ménages - Nombre de personnes		39 000	66 400	49 740	66 400					
Objectif du projet Contribuer à l'amélioration durable des conditions de vie et à la réduction de la pauvreté des communautés rurales dans la zone du Programme	<b>Revenu moyen des populations pauvres ciblées</b>						Statistiques nationales	Fréquence du PAM Fréquence du GdD	UGP/ prestataire PAM/GdD/DISED	Stabilité socio-politique et sécuritaire (liée à la situation au Yémen et dans la Corne de l'Afrique)
	Revenu moyen – Nombre	87	99	117		117				
	<b>Pourcentage de population ciblée faisant état d'une augmentation du revenu moyen</b>									
	Pourcentage - Pourcentage (%)		60	60		60				
	<b>Prévalence de la malnutrition chronique chez les enfants de moins de 5 ans</b>									
Enfants de moins de 5 ans - Pourcentage (%)	63,2	62	20	30	58.2					
Objectif de développement Améliorer durablement l'accès des ménages ruraux à l'eau et aux ressources locales, et leur résilience au	<b>Nombre moyen d'heures par semaine dédiées à la corvée d'eau par ménage</b>						Etude de référence, Enquête mi-parcours, Enquêtes	BL, MTR, PCR	UGP/ prestataire PAM/GdD/DISED	Bonne gouvernance Pas de catastrophes naturelles majeures
	Heures par semaine – Nombre	35	18	13	13	17.50				
	<b>3.2.3 Ménages déclarant une diminution significative du temps consacré à la collecte d'eau et de combustible</b>									
	Ménages - Pourcentage (%)		47	80	82	80				
	Ménages – Ménages		5 805	8 860	6 689	8 800				
Membres des ménages - Nombre de personnes		27 328	46 515	40 260	46 515					



changement climatique	Hommes – Hommes		19 129	32 561	27 430	32 561	ménages, Etude d'impact, Rapport VAM, Statistiques nationales			
	Femmes – Femmes		8 198	13 955	12 830	13 955				
<b>Effet direct</b> Les communautés rurales sont capables de mieux planifier, développer et gérer les ressources en eau et les pâturages	<b>Nombre d'hectares gérés de façon participative et pérenne</b>						Etude de référence, Rapports d'activités, Enquête mi-parcours, Etude d'impact	Année 1, RMP, Année 3 ou 4, Dernière année	UGP/prestataire	Appropriation des SAHP par les communautés
	Hectares de terre – Nombre	840	2 640	6 600	4 685	5 840				
	<b>Pourcentage des Comités de pilotage locaux (CPL) et Comités de gestion des points d'eau et des pâturages (CGEP) créés toujours fonctionnels</b>									
	Pourcentage des comités - Pourcentage (%)		80	80	100	80				
<b>Produit</b> Des CPL et des CGEP sont créés et appuyés pour mettre en œuvre les SAHP	<b>Comités de pilotage locaux (CPL) créés et/ou appuyés</b>						Fiches de collecte de données pour le suivi de l'exécution	Mensuelle	Animateurs/rices, UGP, Prestataires de services	
	CPL créés – Nombre		5	5	5	5				
	CPL appuyés – Nombre	8	8	8	8	8				
	<b>Comités de gestion des points d'eau et des pâturages (CGEP) créés et/ou appuyés</b>									
	CGEP – Nombre		50	104	62	80				
<b>Effet direct</b> La capacité de mobilisation et de stockage des eaux de surfaces est accrue	<b>Nombre annuel de m3 d'eau en stock</b>						Fiches de suivi du remplissage et d'utilisation des ouvrages, Enquête mi-parcours, Etude d'impact	Dès l'achèvement des travaux d'un ouvrage, Année 3 ou 4, Dernière année	Animateurs/rices, UGP/prestataire	Les pluies sont suffisantes pour remplir les ouvrages. L'entretien des ouvrages est bien réalisé.
	m3/an dans les citernes – Nombre		2 500	10 800 <sup>3</sup>	6 340	5 300				
	m3/an dans les retenues – Nombre		180 000	560 000 <sup>4</sup>	302 000	280 000				
	<b>Pourcentage de la quantité d'eau mobilisable mobilisée au moins 4 mois/an</b>									
	Pourcentage de volume de l'eau - Pourcentage (%)		70	70	80	70				
<b>Produit</b> Des ouvrages hydrauliques sont réalisés	<b>Citernes réalisées ou réhabilitées</b>						Comptes-rendus des entreprises de construction, Rapports techniques des missions de suivi de	Mensuelle dès le démarrage des travaux, Selon le calendrier de suivi et de réception des travaux	Entrepreneurs, UGP/DHR/DGT	Participation des bénéficiaires aux travaux HIMO Pression supportable sur les ressources naturelles
	Citernes nouvelles réalisées - Nombre		21	43	21	43				
	Citernes réhabilitées – Nombre		5	11	11	10				
	<b>Retenues réalisées ou réhabilitées</b>									
	Retenues nouvelles réalisées - Nombre		7	11	7	11				
	Retenues réhabilitées – Nombre		3	3	3	3				
<b>Seuils d'épandage réalisés</b>										
	Seuils d'épandage – Nombre		2	6	2	12				

<sup>3</sup> Hypothèse de 2 remplissages/an pour chaque citerne construite/réhabilitée sur la base des réalisations actuelles du PROGRES

<sup>4</sup> Hypothèse de 2 remplissages/an pour chaque retenue construite/réhabilitée sur la base des réalisations actuelles du PROGRES

	<b>Forages à exhaure solaire réalisés</b>								travaux, PV de réception			
	Forages – Nombre		2	3	2	3						
	<b>Puits agro-pastoraux réalisés</b>											
	Puits agro-pastoraux – Nombre		4	8	4	13						
	<b>Abris réalisés</b>											
	Abris – Nombre		10	14	4	17						
<b>Produit</b> Des pistes d'accès sont ouvertes	<b>2.1.5 Kilomètres de routes construites, refaites ou améliorées</b>											
	Longueur des routes (km)		300	420	400	420						
<b>Effet direct</b> Le couvert végétal est préservé et densifié	<b>kg de MS de fourrage produite annuellement par hectare</b>								Enquêtes de référence (début, mi-parcours, finale)	Année 1, Année 3 ou 4, Dernière année	UGP/prestataire	Pas de très fortes sécheresses répétitives
	Kg/ha/an – Nombre	70	100	200	155	200						
	<b>3.2.2 Ménages déclarant l'adoption de pratiques et technologies durables et résilientes au changement climatique</b>								enquête spécifique	RMP, Finale	UGP/Prestataire service	
	Ménages - Pourcentage (%)		45	90	83	90						
	Membres des ménages - Nombre de personnes		624	1 440	1 320	1 248						
Ménages – Ménages		120	240	220	240							
<b>Produit</b> Des travaux de CES/DRS et des activités de mise en repos des pâturages sont réalisés	<b>3.1.4 Hectares de terres soumises à une gestion résiliente au climat</b>								rapports d'activités et techniques	annuelle	UGP/Prestataire de servie/Animateur/rice	Participation des bénéficiaires aux travaux HIMO Discipline de mise en repos et d'exploitation respectée
	Superficie en hectares-Superficie (ha)		3 675	5 760	4 685	5 000						
	<b>Hectares de terre mise en repos</b>								Rapports d'activités, Rapports techniques des missions de suivi de travaux	Selon nature des travaux à mener, Bilans mensuels des animateurs/rices pour les pâturages et en général trimestriellement pour les retenues	UGP/Prestataires de services, Animateurs/rices	
	Hectares de terre - Superficie (ha)		3 600	5 600	4 600	4 800						
	<b>Hectares de forêt d'épandage acacia créés</b>											
	Hectares de terre - Superficie (ha)		75	160	85	200						
<b>Stations météo installées</b>												
	Stations météo – Nombre		10	20	10	10						
<b>Effet direct</b> Les activités	<b>Pourcentage de ménages enregistrants une augmentation de leur revenu annuel d'au moins 10%</b>								Etude de référence,	Année 1, Année 3 ou	UGP/prestataire	Disponibilité de marchés pour les produits ruraux

économiques et/ou moyens d'existence des ménages bénéficiaires sont diversifiées et génèrent des revenus additionnels	Households - Pourcentage (%)		10	30		30	Enquête mi-parcours, Etude d'impact	4, Dernière année		
<b>Produit</b> Des ménages sont appuyés pour mieux valoriser leur cheptel, les activités de vannerie et de production fourragère	<b>Nombre d'AGR appuyées et fonctionnelles</b> <sup>5</sup>						Comptes rendus des séances de sensibilisation, Rapports d'activités des animateurs/rices, Rapports d'activités	Trimestrielle et Annuelle	Prestataires, Animateurs/rices	Disponibilité de cadres du MAEPE-RH pour appuyer les activités dans les parcours d'intervention
	Nombre d'AGR appuyées et fonctionnelles	0	10	40	10	40				
	Femmes déclarant avoir diversifié leurs activités socioéconomiques	0	152	377	152	N/A				
	Hommes déclarant avoir diversifié leurs activités socioéconomiques	0	89	315	89	N/A				
	<b>1.1.4 Personnes formées aux pratiques et/ou technologies de production</b>									
	Nombre total de présences aux sessions de formation – Nombre		260	700		N/A				
	Hommes formés à la production animale - Hommes		182	500	220	364				
	Femmes formées à la production animale - Femmes		78	200	115	156				
	Personnes formées à la production animale - Nombre de personnes		260	700	335	520				
	<b>Femmes formées et appuyées en vannerie</b>									
	Femmes – Nombre		360	520	435	520				
	<b>Femmes formées et appuyées en production fourragère</b>									
Femmes – Nombre		20	50	20	50					
<b>Effet direct</b> Les pratiques	<b>Pourcentage de ménages ayant amélioré le score de diversité du régime alimentaire</b>						Etude de référence,	Année 1, Année 3 ou	UGP/prestataire, DISET	Existence de compétences nationales

<sup>5</sup> Nouvel indicateur proposé à la mi-parcours

d'hygiène sont améliorées et le régime alimentaire est diversifié	Pourcentage de ménages - Pourcentage (%)	18	23	60	43	37	RMP et enquête finale	4, Dernière année Fréquence à définir Fréquence à définir		en méthode d'éducation nutritionnelle et de santé en milieu rural		
	<b>1.2.8 Femmes déclarant une diversité alimentaire minimale (MDDW)</b>											
	Femmes (%) - Pourcentage (%)	18	23	60	52	37	Etude de référence, RMP et enquête finale	ER, RMP, Achèvement	UGP/DISET			
	Femmes (nombre) – Femmes		1 050	3 000	2 611	1 850						
	Ménages (%) - Pourcentage (%)	18	23	60	43	37						
	Ménages (nombre) – Ménages			2 500	1 792	1 542						
	Membres des ménages - Nombre de personnes			15 000	8 960	7 710						
<b>Produit</b> Des séances de formation à l'hygiène, la nutrition et l'alphabétisation sont réalisées	<b>1.1.8 Ménages recevant un soutien ciblé pour améliorer leur nutrition</b>									Rapports d'activités	A l'issue de chaque campagne, Mensuelle	Animateurs/rices, Prestataires
	Nombre de personnes qui participent - Nombre de personnes		2 500	9 000	7 602	6 000						
	Hommes - Hommes		500	2 000	1 760	1 000						
	Femmes – Femmes	0	3 500	7 000	5 842	5 000						
	Ménages – Ménages		2 083	5 500	4 895	4 167						
	Membres des ménages bénéficiaires - Nombre de personnes		12 500	33 000	29 370	25 000						
	<b>Nombre de personnes bénéficiant de l'alphabétisation fonctionnelle pour s'approprier les acquis du programme<sup>6</sup></b>											
	Nombre de personne participants aux séances d'Alphabétisations	0	0	500		N/A						
	Hommes – Nombre	0	0	300		N/A						
	Femmes – Nombre	0	0	200		N/A						

<sup>6</sup> Nouvelle activité et nouvel indicateur proposés à mi-parcours

## Updated summary of the economic and financial analysis

Table A  
Financial cash flow models (FDJ)

representative financial mode	Investment Y1	Gross margin Y. 1	Gross margin Y. 10	Annual Inc. net benefits Y. 10	NPV @ 10% (DJF)	IRR	Return per household (Y. 10)
Reservoirs rehabilitated	21.756.213	57.741.545	95.417.309	27.759.215	142.980.326	76.9%	111.037
New reservoirs	21.756.213	57.703.545	83.439.645	7.821.776	37.823.019	28.7%	333.759
Crafts (basketry)	15.739.168	69.904.000	59.696.000	66.010.770	189.530.702	27%	59.696.000
Acacia	15.739.168	4.166.400	124.499.200	9.374.400	11.269.531	15.3%	7.001.850
Cactus and fodder	878.919	878.919	508.966	508.966	1.017.331	20.8%	508.966
Animal health	1.940.417	5.003.583	12.152.000	6.249.600	23.263.900	35%	36.456

Table B  
Programme costs and logframe targets

Total Costs of the Programme (with additional financing)	US\$ 22.58 Million
Beneficiaries	66 400 people 11 075 Households (HH)
Cost/ beneficiary people	US\$ 340
Cost/ beneficiary HH	US\$ 2039

**Components and Cost of additional financial (US\$ million)**

Components	Costs	outcomes	Indicators
<b>Component 1: water and environmental devlpt.</b>	3.2 (56.6%)	Operate in transhumance rangelands managed by communities. Strengthened Capacity-building, water mobilization, and Regeneration/densification of plant cover	<ul style="list-style-type: none"> <li>• Increase in the number of tanks built and rehabilitated</li> <li>• Increase in the number of new reservoirs made</li> <li>• Increase in the number of weirs</li> <li>• Increase in the number of agro-pastoral wells and boreholes</li> </ul>
<b>Component 2: Improving rural incomes and sces</b>	0.99 (17.7%)	Improved and diversified incomes of rural households and access to essential basic services	<ul style="list-style-type: none"> <li>• Increase in the average income of the targeted poor populations by 34% (from baseline to target)</li> <li>• 60% of target population reporting an increase in average income</li> <li>• Number of IGAs supported and functional: from 10 (MTR) to 40 (target)</li> <li>• Women declaring that they have diversified their socioeconomic activities: from 89 (MTR) to 315 (target).</li> </ul>
<b>Component 3: Prog. Coordination &amp; managt.</b>	1.44 (25.7%)		
<b>Total AF cost</b>	<b>5.6 (100%)</b>		

Table C  
Main assumptions and shadow prices

MAIN ASSUMPTIONS & SHADOW PRICES			
Official Exchange rate (OER)	176,832 DJF/\$	Discount rate	10%
Economic life span	20 years	Standard Conversion Factor	0.7

Table D  
Beneficiary adoption rates and phasing

Name	Baseline	MTR	Final target
<b>1 Number of people benefiting from services promoted or supported by PROGRESS</b>			
Women		11 700	19 920
Men		27 300	46 480
Total number of people receiving services		39 000	66 400
<b>1.a, Nmb er of targeted households</b>			
Female-headed households		4 550	7 753
Households other than those headed by a woman		1 950	3 323
Households		6 500	11 075
<b>1.b Estimation of the total number of household members</b>			
household members		39 000	66 400
<b>Average income of targeted poor populations</b>			
Average income	87	99	117
<b>% of target population reporting an increase in average income</b>			
Percentage (%)		60	60
Adoption rate	70%		

Table E  
Economic cash flow

	An 1	An 2	An 3	An 4	An 5	An 6	An 7	An 8	An 9	An 10	An 11	An 12	An 13	An 14	An 15	An 16	An 17	An 18	An 19	An 20	
TOTAL COÛTS ECO PROGRESS (USD)	1.581.160	2.098.286	2.893.033	2.309.625	1.823.207	705.044	568.023	568.023	568.023	568.023	568.023	568.023	568.023	568.023	568.023	568.023	568.023	568.023	568.023	568.023	
BENEFICES DU Progress (en USD)																					
1. Retenues	-	-	162.747	431.913	719.855	791.841	871.025	958.127	1.053.940	1.159.334	1.275.268	1.275.268	1.275.268	1.275.268	1.275.268	1.275.268	1.275.268	1.275.268	1.275.268	1.275.268	
3. Mises en repos paturag	-	-	-	-	1.970.000	1.970.000	410.243	393.268	2.169.095	3.122.221	3.122.221	3.122.221	3.122.221	3.122.221	3.122.221	3.122.221	3.122.221	3.122.221	3.122.221	3.122.221	
5. Agriculture (jardins)	-	96	383	2.609	2.855	3.993	111	4.050	4.050	4.050	4.050	4.050	4.050	4.050	4.050	4.050	4.050	4.050	4.050	4.050	
6. Agriculture (pépinière)	34	1.601	1.601	1.601	1.601	1.601	1.601	1.592	1.761	1.592	1.592	1.592	1.592	1.592	1.592	1.592	1.761	1.592	1.592	1.592	
4. AGR Vannerie teinte		18.362	73.446	110.169	137.712	174.435	174.435	174.435	174.435	174.435	174.435	174.435	174.435	174.435	174.435	174.435	174.435	174.435	174.435	174.435	
4. AGR Vannerie base	2.500	10.000	30.000	50.000	65.000	75.000	85.000	85.000	85.000	85.000	85.000	85.000	85.000	85.000	85.000	85.000	85.000	85.000	85.000	85.000	
7. AGR Apiculture	325	975	1.624	2.274	2.924	3.573	4.223	7.924	7.924	7.924	7.924	7.924	7.924	7.924	7.924	7.924	7.924	7.924	7.924	7.924	
8. AGR sacs améliorés		75	375	1.125	2.250	2.250	2.250	2.363	2.363	2.363	2.363	2.363	2.363	2.363	2.363	2.363	2.363	2.363	2.363	2.363	
TOTAL BENEFICES DU PGIRE	2.859	30.916	270.177	599.692	1.037.803	917.306	728.402	1.626.758	3.498.567	4.556.918	4.672.852	4.672.852	4.672.852	4.672.852	4.672.852	4.672.852	4.673.021	4.672.852	4.672.852	4.672.852	
CASHFLOW	-1.578.301	-2.067.371	-2.622.857	-1.709.933	-2.861.011	-1.622.350	160.378	1.058.735	2.990.544	3.988.895	4.104.829	4.104.829	4.104.829	4.104.829	4.104.829	4.104.997	4.104.829	4.104.829	4.104.829	4.104.829	
Cash flow actualisé cumulé	-1.578.301	-3.645.671	-6.268.528	-7.978.461	-10.839.472	-12.461.822	-12.301.444	-11.242.709	-8.312.165	-4.323.270	-218.441	3.886.387	7.991.216	12.096.044	16.200.873	20.305.702	24.410.699	28.515.528	32.620.356	36.725.185	
TRI	14,30%																				
VAN	4.107.169																				
VAN B	14.921.852																				
VAN C	10.814.683																				
BCR	1,4																				
DRC	9,8																				

Table F  
Sensitivity analysis

								EIRR(en %)	ENPV (M. USD)	
Baseline scenario								14,8	2,9	
Decrease in benefits by:	10%	10%	risk of falling sales prices, yield and adoption rate					12,4	1,4	
	20%						9,9	-0,06		
Increase in costs by :	10%		increase in production factors					12,7	1,7	
	20%						10,8	0,5		
Delayed benefits by:	1 an		Change in implementation timeframe and adoption r					11,9	1,2	
	2 ans						9,6	-0,3		
Drought each:	4 ans	0% of benefits	recurring droughts					9,6	-0,3	
	3 ans	0% of benefits					6,6	-1,9		
Analysis in terms of combined scenarios:						10%		-10%	10,4	0,2
						10%		-20%	7,9	-1,3
					<b>Costs</b>	20%	<b>Benefits</b>	-20%	6,1	2,4
						20%		-30%	-1,7	3,4
						20%		-10%	8,5	-1,0