



Rural Entrepreneurship Development Programme (PRODER) – Republic of Burundi

Joseph Rostand Olinga Biwole

Country Director, ESA

PMD

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Rural Entrepreneurship Development Programme (PRODER) at a glance

Map of the programme area



PRODER at a glance

Project objective

- Contribute to poverty reduction and improved nutrition and food security for rural people.

Project Financing – US\$89.4M

- IFAD loan: US\$10.7M & IFAD DSF: US\$42.9M
- Government of Burundi: US\$7.1M
- Beneficiaries: US\$3.7M
- Financing Gap: US\$25.0M

Mainstreaming Commitments

- Climate-focused
- Nutrition-sensitive
- Youth-sensitive

Outreach

- 85,000 HHs (510,000 beneficiaries)
- 50% women & 50% youth

Programme structure, outputs and outcomes



Component 1: inclusive development of youth rural enterprises, aims at providing young women and men with a path to join the agribusiness environment with US\$36.3M (40.7% of total financing)

→ **7,840 MSMEs started up or consolidated & 39,000 jobs created**



Component 2: promotion of a conducive environment for agribusiness will focus on access to land and other assets for food security and agribusiness as well as infrastructure including those necessary for transformation of products and market connectivity with US\$40.9M (45.7% of total financing).

→ **Improved food security for 40,000 households & 20 000 ha of land/1000 ha marshlands rehabilitated**



Component 3: Institutional strengthening for agribusiness & programme coordination will improve the capacities of Ministry of Environment, Agriculture & Livestock and the Programme Management Unit (PMU) to effectively facilitate implementation and contribute to rural transformation in Burundi with US\$12.1 (13.5 % of total financing).

→ **Revision/adaptation: regulations/texts & Strengthened producer organizations**

PRODER: rationale and theory of change

Project Rationale

Burundi faces intertwined fragility & development challenges including high levels of poverty in rural areas that justify the need for IFAD support

Challenges to rural development challenges:

- i. Fragility of the country
- ii. High youth unemployment and dependency rates
- iii. Insufficient organization of farmers & limited access to extension & advisory services
- iv. Degradation of natural resources & agricultural potential and lack of assets for sustainable rural transformation

Opportunities

- i. Political will for rural development
- ii. Government's political commitment to the fight against youth unemployment
- iii. External financing available

Theory of Change

Interventions will promote youth and women's agricultural entrepreneurship along the nutrition sensitive value chains to lift them from the fragility trap.

Promote equitable gender participation & representation in all activities & investments to improve productivity & make it more climate-resilient.

Incorporate policy support & capacity building activities thus empower the MINEAGRIE to make evidenced-based data driven decisions.

Improved nutrition & Strengthened Agri-SME capacity Agri-Business start-up
Increased agriculture production & access to improved quality agriculture services
→ **Poverty reduction, Access to markets, Employment creation, Job creation**

Rural Kenya Financial Inclusion Facility (RK-FINFA)



Sara Mbago-Bhunu
Regional Director, ESA
PMD

December 6, 2021

Rural Kenya Financial Inclusion Facility (RK-FINFA)

RK-FINFA at a glance

Project objective

- To increase rural financial inclusion and green investments by agriculture value chain stakeholders, leading to equitable employment opportunities, innovative and resilient production systems, and increased incomes for smallholders, poor and marginalised rural households, women and youth.

Components

- Component 1: Technical Support and Innovation Services
- Component 2: Rural Investment Instruments
- Component 3: Enabling Rural Finance Environment and Project Coordination

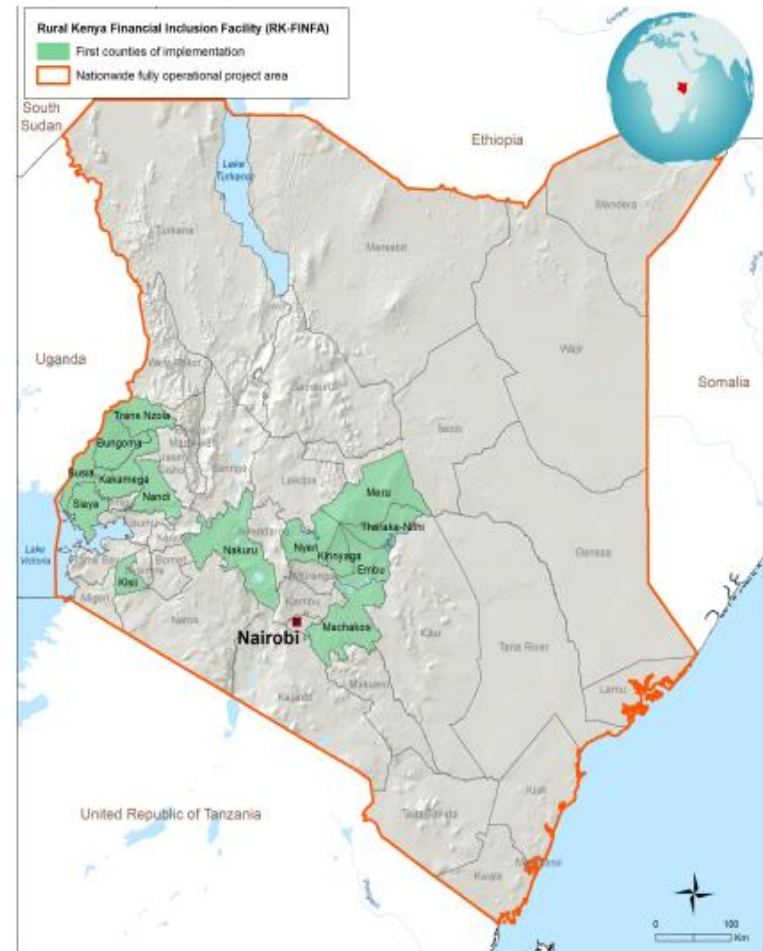
Project Financing – US\$134 M

- IFAD Loan: US\$22M (of which climate finance: US\$12.77M)
- Government of Kenya: US\$24M
- PFIs: US\$85.75M
- Co-financing non-government IPs: US\$2.3M

Outreach

- 190,000 rural HHs
- 50% women & 30% youth

Map of the programme area



Mainstreaming Commitments



Youth Sensitive

- ✓ Supporting jobs creation by & for young people
- ✓ Increasing employment opportunities through access to financial literacy & business development skills



Climate Finance

- ✓ US\$12.77M (58% of total IFAD project costs)
- ✓ Adaptation finance
- ✓ Green lending products



Gender Mainstreamed

- ✓ Specific financial products & trainings
- ✓ Financial support to women-owned MSMEs
- ✓ 50% representation quotas
- ✓ Gender Action Learning System

RK-FINFA Rationale & Features

Project Rationale

- Increasing unmet demand for rural & agriculture finance and the core development objectives shared by IFAD & the GoK on rural & agricultural development;
- Effective transformation of rural sector could be achieved through:
 - (i) a substantially increased private sector focus in the development & investments of the sector;
 - (ii) improvements in the productivity of smallholder operations through modern cultivation methods & climate smart technologies, linking farmers to well-operating value chains & building farmer capacity to increase their readiness for innovation and diversification.
- RK-FINFA: one of the instruments aiming to ensure that appropriate & adequate financial services would be available for the planned transformation & growth of the rural economy.

Theory of Change

Key Development Problem: Limited investment flow hinders modernization and improved income flows in the smallholder and agribusiness sectors, despite high development potential and significant positive impacts on rural livelihoods and food systems development, poverty reduction and climate change resilience



RK-FINFA Solutions: (i) Technical Support and Innovation Services (TSIS) both to PFIs & their potential pipeline of clients; (ii) Rural Credit Guarantee Scheme to help reduce risks, unlock private capital flows, & to introduce rural outreach innovations; and (iii) Green Financing Facility to provide liquidity to finance green investments of rural MFBs & SACCOs.



Expected Results: (i) Stronger rural financing support institutions; (ii) Increased rural investments; (iii) employment creation; (iv) higher rural incomes; and (v) gender equality in finance.



Programme for Inclusive Agricultural Transformation (DEFIS) – Republic of Madagascar

Ibrahim Bamba

Country Director, ESA
PMD

December 6, 2021



Programme for Inclusive Agricultural Transformation (DEFIS)

Map of the programme area



DEFIS at a glance

Project objective

- Transform family farming through large-scale adoption of high-performing, resilient production systems and integrate family farms into profitable value chains

Components

- Component 1. Improving the productivity and resilience of crop and livestock farming systems
- Component 2. Development of inclusive value chains
- Component 3. Institutional support and programme coordination

Project Financing – US\$250.0M

- IFAD 12: US\$83.5M & IFAD 11: US\$53.0M
- OFID: US\$20.0M
- Green Climate Fund: US\$53.9M (*to be mobilized*)
- Government of Madagascar: US\$25.3M
- Beneficiaries: US\$14.3M

Mainstreaming Commitments

- Climate-focused
- Nutrition-sensitive

Outreach

- 320,000 HHs (1.6M beneficiaries)
- 30% women & 30% youth

Key Implementation approach

Approach

**Structuring investments
in agricultural development Hub**
(water management, seed, extension, basic
market infrastructure, contract farming)

Demand driven investments
by producers' Organizations
Via Fonds de Development
Agricole

Scaling up results

- Strengthening Farmers' Organizations capacities at various levels initiated by IFAD –funded AROPA
- Contract farming facilitated by the regional Chamber of Commerce initiated by PROSPERER
- Concentration of investments for value chain development following the lead of IFAD-AD2M
- Increasing the capacity of Fonds de Development Agricole in collaboration with operations funded by EU and Agence Française de Développement
- Working with decentralized institutions

Eight priority value chains



Main Achievements

- ✓ Irrigated land rehabilitated completed on 7,618 ha (22% target); construction under way on 1,608 ha of irrigated areas;
- ✓ 280 MT of certified seeds & 385,000 coffee seedlings produced by FOs
- ✓ Delivery of agricultural advisory & extension services to nearly 63,000 family farms through livestock & farmer field schools
- ✓ Technical & organizational capacity of 1,789 FOs strengthened
- ✓ 33 contractual arrangements negotiated between FOs & PS firms (13% target)
- ✓ On-going policy engagements for the reform of the chamber of agriculture, law on contract farming, strategy of agriculture service to producers, seed strategy & investments in basic infrastructure (roads in the South)

Selected Results



Emerging Lessons



- Need for intensified capacity-building in decentralized rural institutions;
- Need to accelerate planned investments in water management infrastructure, considering potential of each targeted region;
- Use of performance triggers, as policy engagement tools have incentivized Government of Madagascar to introduce policy reforms (e.g. sustainable funding options for FDA & more investments in roads in the south);
- Beneficiaries who are resilient to the impact of the ongoing drought have access to irrigated areas, multiservice water points, agro-ecological block, water harvesting technologies (REEPS), access to small ruminants, technologies for processing cassava into gari, nutrition-sensitive activities (e.g. home gardens)

Thank You

