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Enabling poor rural people
to overcome poverty

Summary of project and programme proposals discussed by the Executive Board

Executive Board — 102nd Session
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For: **Information**

Summary of project and programme proposals discussed by the Executive Board

1. The project/programme proposals listed below were approved by the 102nd session of the Executive Board and are in line with the Debt Sustainability Framework.

A. West and Central Africa

Sierra Leone: Smallholder Commercialization Programme (EB 2011/102/R.15/Rev.1)

2. The Executive Board approved a grant of US\$50.0 million to the Republic of Sierra Leone under the Global Agriculture and Food Security Program for the Smallholder Commercialization Programme. Representatives expressed full satisfaction with the programme presented and with the highly participatory design process undertaken by IFAD. Clarifications were provided on the importance of this financing and on the accountability of IFAD as the supervising entity.

B. Asia and the Pacific

Indonesia: Smallholder Livelihood Development Project in Eastern Indonesia (EB 2011/102/R.19/Rev.1)

3. The Executive Board approved a loan of SDR 30.3 million on intermediate terms, and a grant of SDR 0.67 million to the Republic of Indonesia for the Smallholder Livelihood Development Project in Eastern Indonesia. In approving the loan and grant, the representatives for Brazil, India and the United States sought clarifications on: (i) the Government's contribution; (ii) technical evaluation processes; (iii) partnership with local governments; (iv) private-sector engagement in the project; (v) the natural resource management component and the Global Environment Facility financing; and (vi) community participation in procurement. Responses were provided to the Board's satisfaction. The representative for India recommended that, during project implementation, IFAD pursue further policy dialogue on the issue of rural finance.

Lao People's Democratic Republic: President's memorandum: Rural Livelihoods Improvement Programme – Attapeu Province – supplementary financing (EB 2011/102/R.20/Rev.1)

4. The Executive Board approved supplementary financing, with a grant of SDR 1.55 million, to the Lao People's Democratic Republic for the Rural Livelihoods Improvement Programme – Attapeu Province. In approving the financing, the Executive Board: (i) urged IFAD to stay engaged with partners on the issues of access to land and land concessions; (ii) invited IFAD to pay special attention to community consultations in annual planning processes and actual project implementation; (iii) recommended that the programme focus on fewer value chains giving priority to the most promising ones; and (iv) encouraged IFAD to follow up on its partnership with the German Agency for International Cooperation [Deutsche Gesellschaft für Internationale Zusammenarbeit] (GIZ), the SNV Netherlands Development Organisation and other development organizations in the country.

Mongolia: Project for Market and Pasture Management Development (EB 2011/102/R.21/Rev.1)

5. The Board approved a loan of SDR 7.25 million to Mongolia to finance the Project for Market and Pasture Management Development. In doing so, the representative for the United States pointed out the similarities between the project's activities and those financed by the United States Agency for International Development and implemented by Mercy Corps. It was explained that IFAD had ensured alignment with these activities during the project design process, as well as with projects financed by the World Bank and the Swiss Agency for Development and Cooperation in the livestock sector.

**Pakistan: Gwadar-Lasbela Livelihoods Support Project
(EB 2011/102/R.22/Rev.1)**

6. The Executive Board approved a loan of SDR 18.55 million to the Islamic Republic of Pakistan to help finance the Gwadar-Lasbela Livelihoods Support Project. In approving the loan, the representative for Denmark informed the Board that she had received a comprehensive and satisfactory written response from IFAD to questions submitted in writing on (i) the sustainability of project interventions and the handover of the community financial service facility to the community organizations; (ii) the risk that the Government's counterpart contribution might not materialize; (iii) the possible consequences of Pakistan's current external and domestic debt burden on the loan repayment; and (iv) the possibility that the security situation in Pakistan could prevent IFAD from carrying out project monitoring functions. The representative for India welcomed the proposal, and asked to what extent the security situation in Pakistan could affect project implementation. It was explained that the security situation was an issue beyond the control of the project, and as such had been highlighted as a potential risk facing the project. Moreover, although some parts of Balochistan were objectively insecure, the coastal area in general – and the two districts targeted by the project in particular – were relatively safe. Design and appraisal missions had been carried out without any problem, and although this did not guarantee per se that the situation would remain unchanged in the future, no major problems were expected to be encountered during project implementation.

**Tajikistan: Livestock and Pasture Development Project
(EB 2011/102/R.23)**

7. The Board approved a grant of SDR 9.3 million to Tajikistan to finance the Livestock and Pasture Development Project. In doing so, the representative for the United States sought clarification on the measures taken to monitor and mitigate fiduciary risks. It was explained that a governance and anticorruption framework would be prepared at project start-up with a focus on the involvement of beneficiaries and communities in ensuring transparency and good governance in project implementation.

C. Latin America and the Caribbean

**Dominican Republic: Rural Economic Development Project in the Central and Eastern Provinces
(EB 2011/102/R.24)**

8. The Executive Board approved the provision of a supplementary loan under the Spanish Food Security Cofinancing Facility Trust Fund of EUR 11.43 million to the Dominican Republic for the Rural Economic Development Project in the Central and Eastern Provinces. The supplementary financing does not imply any modification to the project, which was approved in April 2010. Representatives sought clarifications on how the project would (i) ensure coordination at ground level with all stakeholders; (ii) ensure environmental protection; and (iii) support a national insurance programme for project beneficiaries. Responses were provided to their satisfaction.

D. Near East, North Africa and Europe

**Azerbaijan: Integrated Rural Development Project
(EB 2011/102/R.26/Rev.1)**

9. The Executive Board approved a loan of SDR 12.25 million to the Republic of Azerbaijan to finance the Integrated Rural Development Project. In approving the loan, the representative for the Netherlands pointed out that there was a perceived lack of coordination among the different governmental entities in Azerbaijan and a lack of harmonization among donor interventions, and asked whether the project had taken this dimension into account and foreseen measures to mitigate related risks. Responses were provided to the Board's satisfaction. The large cofinancing from the Islamic Development Bank was highlighted and hailed as an important milestone towards a stronger partnership with the Bank.