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Enabling poor rural people
to overcome poverty

People's Republic of China

Hunan Agricultural and Rural Infrastructure Improvement Project

Addendum

Executive Board — 106th Session
Rome, 20-21 September 2012

For: **Approval**

Hunan Agricultural and Rural Infrastructure Improvement Project

Addendum

The attention of the Executive Board is drawn to the following addenda and modifications to the President's report on the Hunan Agricultural and Rural Infrastructure Improvement Project (EB 2012/106/R.18). For ease of reference, the changes to the text of the report are shown in boldface, while underscore indicates deleted text.

Page ii, Abbreviations and acronyms

| | |
|------------|------------------------------------------|
| Add: | |
| DRC | Development and Reform Commission |
| PCG | project coordination group |

Page iv, Financing summary

| | |
|-----------------------|-----------------------------------------------------------------------|
| Amount of IFAD loan: | SDR 30.25 million (equivalent to approximately US\$46 million) |
| Amount of IFAD grant: | SDR 0.66 million (equivalent to approximately US\$1.0 million) |

Page 5, paragraph 26

The paragraph should read as follows:

"The lead project agency is the Department of Agriculture of Hunan Province, which will be responsible for the overall coordination and supervision of the project activities."

Page 5

A new paragraph should be added after paragraph 26:

"A project coordination group (PCG) will be established at the province level to provide overall implementation guidance and coordination support. It will be chaired by the Director General of the Hunan Province DOA and composed of representatives from the local DOA, DOF and the Development and Reform Commission (DRC). Other relevant line agencies will be invited to participate as necessary."

Pages 5, paragraph 27

The first and second sentences should read:

"Project leading groups. At the Xiangxi Prefecture and county levels, PLGs will be established to oversee implementation. PLGs will be led by a senior official and composed of representatives from local bureaux of finance, DRC and key line agencies, including BoA, Bureau of Water Resources, BoT, the local Women's Federation and the Poverty Alleviation Office."

Page 6, paragraph 29

The first and second sentences should read:

"The project will establish a provincial PMO in Changsha, a prefecture PMO in Jishou for the prefecture of Xiangxi to oversee project activities in the four counties under its jurisdiction, county PMOs in the nine project counties, and, **where appropriate**, a township PMO in each of the 97 townships. These are dedicated structures **or focal points** within existing institutions."

Page 7, paragraph 33

The sixth sentence should read:

"Part of the funds will flow from the designated accounts to the ____ PMOs' project accounts."

Page 7, paragraph 34

The paragraph should read:

"Retroactive financing. As an exception to the General Conditions for Agricultural Development Financing, provision is made for retroactive financing of up to SDR **650,000 from** ____ the IFAD **loan** ____ for the first year of the project to prefinance essential items of equipment and materials, start-up training and workshops, technical assistance and studies and agricultural materials excluding vehicles, incurred as from 2 December 2011."

Page 10, paragraph 51

The recommendation should read:

"RESOLVED: that the Fund shall **provide** a loan on ordinary terms to the People's Republic of China in an amount equivalent to **thirty million two hundred and fifty thousand** special drawing rights (SDR **30,250,000**), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall provide a grant to the People's Republic of China in an amount equivalent to **six hundred and sixty thousand** special drawing rights (SDR **660,000**) and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein."