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IFAD
Investing in rural people

Summary of project, programme and grant proposals discussed by the Executive Board

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For: **Information**

Summary of project, programme and grant proposals discussed by the Executive Board

I. Project/programme proposals

1. The following project/programme proposals were approved at the 111th session of the Executive Board, and are in line with the Debt Sustainability Framework.

A. West and Central Africa

Ghana: Ghana Agricultural Sector Investment Programme (GASIP) (EB 2014/111/R.7+Add.1+Sup.1)

2. The Executive Board unanimously approved the provision of a loan of SDR 23.7 million and a grant of SDR 6.5 million from the Trust Fund for the Adaptation for Smallholder Agriculture Programme (ASAP) to provide core financing for the Ghana Agricultural Sector Investment Programme (GASIP). The GASIP had been designed as a long-term programme to be implemented in three-year cycles. Scaling up was foreseen using cofinancing from the Government and other development partners, with complementary financing from IFAD to be determined in future cycles of the performance-based allocation system (PBAS). The programme would be managed by an internal programme coordination unit within the Ministry of Food and Agriculture which would provide technical support and strengthen the capacity of regional offices and district departments of agriculture. The programme would participate in the joint coordination mechanisms and initiatives active in the country. The GASIP would also forge links with the agribusiness activities supported by Japan through the Japan International Cooperation Agency, and will promote linkages between value chain actors and emerging information and communications technology providers to facilitate access to weather and market information.

B. Asia and the Pacific

India: Livelihoods and Access to Markets Project (EB 2014/111/R.8+Add.1+Sup.1)

3. The Executive Board unanimously approved a loan of SDR 32.4 million in support of the Livelihoods and Access to Markets Project on blend terms. In approving the project, Executive Board members requested clarification on the targeting approach, and wished to have further information on the cash crops to be supported under the project. It was explained that given the high rates of poverty in rural Meghalaya and the focus on watershed management, component 1 would adopt a geographic targeting approach, with all inhabitants of the selected villages participating in the village employment committees. It was further explained that for the enterprise development component, the project would adopt a self-targeting approach, with only interested households accessing the services provided. With respect to the question on food and cash crops, it was explained that the project would adopt a balanced approach whereby adequate support would be provided for both increased food crop production (for example rice, millet and cassava) and cash crop production (for example pineapple, oranges, ginger, turmeric, strawberries and off-season vegetables).

4. A number of written comments had been provided by Board members in advance of the session. These related to: (i) lending risk; (ii) the importance of climate change issues in Meghalaya; (iii) the importance of gender equality; (iv) the importance of working with NGOs during implementation; and (v) the role of mobile phones for accessing knowledge resources. It was clarified that the loan agreement was negotiated with the Republic of India and hence there was no risk of default in repayment. It was further explained that all efforts would be made to learn from other programmes focused on climate change adaptation in Meghalaya, including

the North East Climate Change Adaptation Programme supported by the German Agency for International Cooperation (GIZ) and Kreditanstalt für Wiederaufbau (KfW). On the issue of gender it was clarified that the design had mainstreamed gender at all levels. With regard to NGOs, it was clarified that the design foresaw a role for both local facilitating NGOs and resource NGOs. Finally, it was explained that the design provided for a central information repository that could be accessed through mobile phones or computers.

Myanmar: Fostering Agricultural Revitalization in Myanmar Project (EB 2014/111/R.9+Add.1+Sup.1)

5. The Executive Board approved a loan of SDR 12.15 million on highly concessional terms, and a grant of SDR 0.51 million, towards the financing of the Fostering Agricultural Revitalization in Myanmar Project (FARM). In the course of the Board's deliberations, clarifications were provided regarding the project location and target groups, scaling up by partners, private sector partnerships and gender targets. Prior to the Executive Board meeting, clarifications had been provided in writing to a number of Executive Board members on queries with respect to the technical and economic justification for the project.

6. Grant under the private-sector grants window to ICF Macro, Inc. for technical support for ex post impact evaluations

II. Grant proposal

7. The following grant proposal was approved:

Grant under the private-sector grants window to ICF Macro, Inc. for technical support for ex post impact evaluations (EB 2014/111/R.10 + C.R.P.1)

During the discussion of document EB 2014/111/R.10, containing a grant proposal under the private-sector grants window to ICF Macro, Inc. for technical support for five ex post impact evaluations, several Board members questioned the use of the grant instrument to finance such activities versus the use of the administrative budget. In addition, the issue of counterpart contribution was raised. Management clarified that the activities to be supported under the proposed grant were oriented to the production of global public goods and were therefore eligible for grant financing. Furthermore, the grant was in line with the Revised IFAD Policy for Grant Financing which set out the requirement for a counterpart contribution to be made. The amount of such contribution was not determined in the grant policy but rather in the Interim Procedures for Grant Financing which established that any grant funding to a private sector entity would include the requirement for counterpart contribution from the private company's own resources of minimum 20 per cent. Areas of overlap and/or synergy between the work of the Statistics and Studies for Development Division (SSD) and the Independent Office of Evaluation of IFAD (IOE) were discussed. Both the Director, SSD and the Deputy Director, IOE clarified that the two programmes of work were different: as in all multilateral development banks, the independent office of evaluation evaluates corporate processes, whereas the research/operations departments conduct impact evaluations. Issues relating to the choice of grantee and the countries covered were addressed by the Econometrician, SSD.