Summary of project and programme proposals discussed by the Executive Board

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For: Information
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Project/programme proposals

1. The following project and programme proposals were approved by the 113th session of the Executive Board, and are in line with the Debt Sustainability Framework.

A. East and Southern Africa

Uganda: Project for the Restoration of Livelihoods in the Northern Region (EB 2014/113/R.16/Rev.1)

2. The Executive Board unanimously approved a highly concessional loan for a total of SDR 34.0 million and a grant under the Adaptation for Smallholder Agriculture Programme (ASAP) of SDR 6.77 million to the Republic of Uganda to finance the Project for the Restoration of Livelihoods in the Northern Region. Overall, the Executive Board representatives for Angola and Egypt, representing List C, plus the Executive Board representative for the Bolivarian Republic of Venezuela concurred that the project was in line with IFAD policies and supported the targeting in northern Uganda given the high level of poverty in the region caused by the long-term conflict. No other issues were raised by the Board.

B. Asia and the Pacific

Cambodia: Agriculture Services Programme for Innovation, Resilience and Extension (ASPIRE) (EB 2014/113/R.17/Rev.1)

3. The Executive board unanimously approved a loan of SDR 17.7 million and an ASAP grant of SDR 10.15 million for the Agriculture Services Programme for Innovation, Resilience and Extension (ASPIRE), aimed at developing a programmatic approach for extension services for smallholders in Cambodia. Support and appreciation were expressed by the Executive Board representatives for the Bolivarian Republic of Venezuela, Argentina, Pakistan and Italy. The Executive Board representative for the Republic of Korea emphasized the need to scale up the use of communication technologies. The Executive Board representative for Germany expressed support for the programme and suggested the establishment of a proper gender monitoring system and the promotion of adequate land rights management. The Executive Board representative for the United Kingdom recommended that special attention be paid to fiduciary aspects and requested further clarification of the private-sector linkage to the extension services. The Director, Asia and the Pacific Division confirmed that high-quality fiduciary support would be ensured by a joint project unit. The country programme manager clarified the various types of extension systems and cooperation planned between the public and private sectors, which drew on existing experience, and further explained the integration of ASPIRE into the current portfolio. Finally the Executive Board representative for Switzerland encouraged development partners to coordinate efforts through the technical sectoral group. Written questions conveyed by the Executive Board representative for the United States of America on environmental and social scoping would be followed up by email, confirming a category B rating for the programme. The programme would receive support from the ASAP Trust Fund through a dedicated environmental component.

China: Jiangxi Mountainous Areas Agribusiness Promotion Project (JiMAAPP) (EB 2014/113/R.18/Rev.1)

4. The Executive Board approved a loan in the amount of EUR 34.35 million (equivalent to approximately US$43 million) and a grant of SDR 0.55 million to the People's Republic of China to finance the Jiangxi Mountainous Areas Agribusiness
Promotion Project (JiMAAPP). In approving the project, the Executive Board welcomed the substantial counterpart funding for the project and noted the Government’s strong commitment to its development objectives. The deliberations focused on (i) the rationale for including a grant element in the project; (ii) how the phenomenon of out-migration affected the targeting strategy; and (iii) whether there was an obligation for the borrower to repay the resources allocated to financing the guarantee facility. The country programme manager clarified that (i) the grant was intended to finance some of the innovation and capacity-building elements of the project, which was in line with the provisions of the IFAD Policy for Grant Financing, and that it would finance only studies and technical assistance (consultancies and training) and not administrative costs (salaries, allowances or operating costs); (ii) the purpose of the project was to enhance business opportunities for smallholder farmers and increase the incentives for them to return to their lands, thus reducing their need to migrate; and (iii) the borrower had an obligation to repay the loan, irrespective of the nature of the activity to be financed by the loan. Written comments and requests for clarification were received prior to the meeting on (i) the importance of including lessons and experiences from projects and programmes funded by other development partners; (ii) the need to ensure coordination with other ongoing operations in the project area; and (iii) the need for more policy background with regard to urbanization, food security and the national strategy on agriculture development. Written responses were provided to these comments.

C. Near East, North Africa and Europe

Egypt: Sustainable Agriculture Investments and Livelihoods Project (EB 2014/113/R.20)

5. The Executive Board unanimously approved the provision of a loan of EUR 50.25 million on ordinary terms and a grant of SDR 0.95 million, as well as a grant of SDR 3.38 million from the ASAP Trust Fund to cofinance the project. The Board highlighted that the Sustainable Agriculture Investments and Livelihoods Project was in line with IFAD policies and emphasized the relevance and importance of the project to the alleviation of rural poverty in Egypt.

Sudan: Livestock Marketing and Resilience Programme (EB 2014/113/R.21/Rev.1)

6. The Executive Board approved the provision of a grant of SDR 16.55 million and a grant of SDR 4.73 million from the ASAP Trust Fund to the Republic of Sudan to provide cofinancing for the programme. It was noted that IFAD would ensure close monitoring of measures to mitigate financial management risks and would report back through the disclosed supervision reports. IFAD would also include value-for-money considerations as part of its supervision of the programme. Many Executive Board representatives expressed support for the project’s strong poverty focus.

7. The records of the session shall reflect that the United States, in light of its policy and legislative mandates, opposed the proposed Livestock Marketing and Resilience Programme in Sudan.

8. At the request of the representative of the United Kingdom, her country’s reservations on fiduciary grounds about working with the Government of Sudan shall be recorded in the minutes of the session.