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Investing in rural people

Republic of Uganda  
National Oil Palm Project  
Addendum

Executive Board — 122<sup>nd</sup> Session  
Rome, 11-12 December 2017

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For: Approval

# National Oil Palm Project

## Addendum

The attention of the Executive Board is drawn to the following addenda and modifications to the President's report on the National Oil Palm Project (EB 2017/122/R.14). For ease of reference, the changes to the text of the report are shown in boldface, while underline indicates deleted text.

Page v, Financing summary

Amount of IFAD loan: US\$75.82 million)

Amount of IFAD grant: US\$1.21 million)

Page 6, paragraph 34

The paragraph should read:

"Flow of funds. Funds will flow through a holding account \_\_\_\_\_ in the Bank of Uganda. Growers' organizations at each hub will operate through \_\_\_\_\_ project-specific bank accounts \_\_\_\_\_. The PMU will be delegated full authority to carry out payments to shorten the payment processing cycle."

Page 6, paragraph 35

The first sentence should read:

"Audit and governance. Internal audit will either be performed by MAAIF or by an independent qualified service provider, while external audits will be done by the Auditor General, either directly or through an appointed firm, based on terms of reference duly approved by IFAD in accordance with International Standards on Auditing."

Page 7, Table 1

See revised numbers in bold:

Table 1  
**Project costs by component and financier**  
(Thousands of United States dollars)

Component	IFAD loan		IFAD grant		Private sector		Beneficiaries		Borrower/ counterpart		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1. Scaling up smallholder oil palm development	<b>52 954</b>	29.0			90 622	49.7	17 208	9.4	<b>21 616</b>	11.9	182 399
2. Livelihoods diversification and resilience	<b>9 866</b>	79.1	1 209	9.7					<b>1 393</b>	11.2	12 468
3. Oil-palm-sector development framework	<b>3 051</b>	81.4							<b>696</b>	18.6	3 747
4. Project management, M&E and knowledge management	<b>9 953</b>	84.1							<b>1 877</b>	15.9	11 831
Total	<b>75 824</b>	36.0	1 209	0.6	90 622	43.1	17 208	8.2	<b>25 582</b>	12.2	210 445

Page 8, Table 2

See revised numbers in bold:

Table 2

**Project costs by expenditure category and financier**

(Thousands of United States dollars)

Expenditure category	IFAD loan		IFAD grant		Private sector		Beneficiaries		Borrower/ counterpart		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
<b>1. Investment costs</b>											
(a) Credit and guarantee funds	<b>23 751</b>	45.1					15 088	28.6	<b>13 831</b>	26.3	52 670
(b) Works	7 894	77.3					484	4.7	1 839	18.0	10 217
(c) Goods, services and inputs	<b>32 710</b>	77.9	1 209	2.9			1 236	2.9	6 857	16.3	42 012
(d) Vehicles	<b>2 045</b>	61.6							1 275	38.4	3 320
(e) Nucleus estate establishment and mill					90 622	100					90 622
<b>Total investment costs</b>	<b>66 400</b>	33.4	1 209	0.6	90 622	45.6	16 808	8.5	23 802	5.0	198 840
<b>2. Recurrent costs</b>											
(a) Salaries and allowances	6 973	91.4							658	8.6	7 631
(b) Operating costs	<b>2 451</b>	61.7					400	10.1	1 123	28.2	3 974
<b>Total recurrent costs</b>	<b>9 424</b>	81.2					400	3.4	1 780	15.3	11 604
<b>Total</b>	<b>75 824</b>	36.0	1 209	0.6	90 622	43.1	17 208	8.2	25 582	12.2	210 445

Page 11, paragraph 54

The resolutions should read:

"RESOLVED: that the Fund shall provide a loan on highly concessional terms to the Republic of Uganda in the amount of seventy-five million eight hundred and twenty thousand United States dollars (US\$75,820,000), 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 Republic of Uganda in the amount of one million two hundred and ten thousand United States dollars (US\$1,210,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein."