

Document: EB 2020/130/R.14/Add.1  
Agenda: 8(c)  
Date: 28 August 2020  
Distribution: Public  
Original: English

**E**



## **Approved Financing for the Rural Poor Stimulus Facility (RPSF) as of 1 September 2020**

### **Note to Executive Board representatives**

#### Focal points:

#### Technical questions:

##### **Edward Heinemann**

Lead Technical and Policy Adviser to  
the Associate Vice-President  
Programme Management Department  
Tel.: +39 06 5459 2398  
e-mail: e.heinemann@ifad.org

##### **Tim Balint**

Senior Technical Adviser  
to the Associate Vice-President  
Tel.: +39 06 5459 2790  
e-mail: t.balint@ifad.org

##### **Daniel Higgins**

RPSF Programme Officer  
Tel.: +39 06 5459 2514  
e-mail: d.higgins@ifad.org

#### Dispatch of documentation:

##### **Deirdre Mc Grenra**

Chief  
Institutional Governance and Member  
Relations  
Tel.: +39 06 5459 2374  
e-mail: gb@ifad.org

Executive Board — 130<sup>th</sup> Session  
Rome, 8-11 September 2020

---

**For: Review**

## I. Newly approved financing

1. Since the Report on the Status of Implementation of the Rural Poor Stimulus Facility and IFAD's Wider Operational Response to COVID-19 (EB 2020/130/R.14) was finalized, a further 20 proposals for financing under the RPSF have either been approved by the President, or been recommended for his approval by the Quality Assurance Group.<sup>1</sup> In total, the value of these additional proposals amounts to US\$13.0 million, and this is complemented by a further US\$1.2 million in cofinancing. The cofinancing comes mainly from recipient governments in the form of logistical support and tax exemptions, as well as in-kind contributions from beneficiaries. Details of each of these new proposals are outlined in the annex.
2. All but one of these proposals are single-country initiatives financed by the country-level allocations. The other proposal is an innovative five-country initiative from the Latin America and the Caribbean region (LAC). This proposal will be funded by both the relevant country-level allocations and resources from the allocation for regional initiatives. Coordinated by Agriterra, a Dutch non-government organization that will act as the overarching implementing partner, the initiative will draw upon cross-country synergies and strategic partnerships to establish a tailored range of digital solutions in each country that support their governments' short- and longer-term response to COVID-19. Given the efficiency and time-saving afforded by this type of grouped proposal, regional teams are now being encouraged to explore possibilities to replicate this model in future proposals.
3. As with the first round of approvals, the reviews of these new proposals confirmed their strategic relevance and alignment with the four pillars of the facility. The reviews also highlighted better integration of IFAD's mainstreaming themes after this was highlighted as a key area for improvement from the first round.
4. In addition to these 20 proposals, a further 12 have been submitted and are currently under review. These are all single-country proposals and are for a combined financing of US\$6.9 million, with an additional US\$0.8 million in cofinancing. If they pass the review process, these proposals are expected to be approved by mid-September.

## II. Overview of financing so far

5. The 11 approved proposals detailed in the main document, and the 20 additional proposals that have been approved (or recommended for approval) since then, amount to a combined financing of US\$24.2 million: US\$5.5 million from the regional allocation and US\$18.7 million from country-level allocations. They are complemented by a total of US\$6.4 million in cofinancing.
6. Table 1 provides an overview of the 28 country-level proposals approved so far through the RPSF by region, including the combined proposal for the five countries from LAC (meaning the proposals cover a total of 32 countries). The greater concentration of proposals in the West and Central Africa region reflects the larger number of at-risk countries in this region according to the risk index used to allocate RPSF financing. Given that all proposals are government-driven, the spread of financing across the four pillars offers an interesting insight into the different challenges caused by COVID-19 in each region, and thus the different priority areas that the RPSF is being used to address. For instance, RPSF financing in the Near East, North Africa, Europe and Central Asia region has mainly been used to fill urgent gaps in accessing inputs, while digital services have been prioritized in the LAC region. Countries in Asia and the Pacific and in West and Central Africa seem to be prioritizing both input access and digital services, while in the East and Southern

---

<sup>1</sup> This addendum was drafted on 17 August. An update on the progress of these and new proposals will be provided on 31 August.

Africa region there has been a need for a broader range of solutions, leading to financing being spread across the four pillars.

7. In terms of the different packages of activities provided through the initiatives, these focus either on immediate short-term assistance, or on a combination of short- and longer-term support to assist both response and recovery.
8. The short-term initiatives mainly concentrate on supporting the upcoming production cycle with free or subsidized inputs (see Bangladesh and Nigeria), or a combination of inputs and market support (see Eritrea and Palestine). The marketing support aims to mitigate the impacts of market closures and movement restrictions mainly by providing storage equipment to avoid post-harvest losses and facilitating transportation to buyers. The initiatives with a longer-term scope generally have a financial or digital services component. For instance, an initiative in Burkina Faso will provide subsidized inputs but will also establish a digital marketing platform and will promote partnerships along vegetable value chains that are expected to continue after the pandemic is over. In Nepal and Uganda, the initiatives target immediate and longer-term liquidity constraints by helping to establish digitized systems for local banks and village savings groups, respectively. For the aforementioned LAC proposal, and another in Myanmar, the aim is to address immediate needs for digital information, and banking and marketing services to overcome restrictions on movement and gatherings and the closure of markets and businesses, while also building digital infrastructure to support the post-COVID-19 recovery process and stimulate wider rural development.

Table 1

**Coverage of country-level proposals across regions and pillars**

(Millions of United States dollars)

Region	Countries	Financing				
		Total	Pillar 1: Input access	Pillar 2: Market access	Pillar 3: Financial services	Pillar 4: Digital services
Asia and Pacific	7	5.0	2.1	0.5	0.8	1.6
East and Southern Africa	6	4.4	1.4	1.3	0.7	0.9
Latin America and Caribbean	5	2.3	-	-	-	2.3
Near East, North Africa, Europe and Central Asia	5	2.7	1.7	0.7	0.2	-
West and Central Africa	9	4.3	2.5	1.0	0.3	0.7
<b>Total</b>	<b>32</b>	<b>18.7</b>	<b>7.7</b>	<b>3.5</b>	<b>2.0</b>	<b>5.5</b>

9. In addition, and as explained in the main document, the three approved regional proposals consist of two initiatives that will provide production and marketing support through farmers' organizations in Asia and sub-Saharan Africa, and another that will provide tailored digital services through a non-profit organization in Kenya, Nigeria and Pakistan. For these three regional proposals, worth a total of US\$5.5 million, financing will be spread across the four RPSF pillars as follows: input access: US\$2.3 million; market access US\$0.4 million; financial services: US\$0.4 million; digital services: US\$2.4 million.
10. In overall terms therefore, for the 31 proposals so far approved or recommended for approval, 41 per cent of the resources will be used for input access; 16 per cent for market access; 10 per cent for financial services; and 32 per cent for digital services.
11. Regarding outreach, the regional and country-level initiatives approved so far are expected to reach approximately 8.3 million beneficiaries, at a cost of US\$2.92 per beneficiary. This relatively low cost per beneficiary is a result of activities being highly targeted, but also because of the high cost-efficiency of the support relating to digital services, which utilize new technologies to efficiently reach a large number of people. As outlined in the RPSF results measurement framework in the main document, IFAD has set a target that 50 per cent of RPSF beneficiaries are women and 25 per cent are youth.

## Overview of newly approved RPSF proposals

Country	Activities	Value
Burkina Faso (implemented through the Agricultural Value Chains Promotion Project)	Provide subsidized inputs (including climate-resilient seeds), equipment, training, and extension for digital information services for market gardens during the dry season. Establish a digital marketing platform and market information call centre, and promote partnerships along vegetable value chains.	US\$0.7 million
Burundi (implemented through the Value Chain Development Programme, Phase II)	Provide input kits containing hybrid seeds, fertilizer and plant protection products across the next two seasons; training on production practices; and weather and market information.	US\$0.7 million (plus US\$0.1 million in cofinancing)
Congo (implemented through the Inland Fisheries and Aquaculture Project)	Work through producers' organizations to support crop, livestock and aquaculture sectors by providing inputs (including climate-resilient vegetable seeds, fingerlings, chicks, feed and veterinary products); climate-smart weather readers; and training on adapted production practices.	US\$0.4million (plus US\$0.1 million in cofinancing)
Djibouti (implemented through the Soil and Water Management Programme)	Provide various inputs for crop, livestock and fish producers including seed (forage seeds for plant cover regeneration and vegetable seeds for backyard farming); fertilizers and crop protection products; licking stones for livestock; veterinary products; and fishing nets.	US\$0.2 million
Eritrea (implemented through the National Agriculture Project)	Distribute seeds and equipment including water pumps for irrigation and provide livestock inputs and training on adapted production practices. Support marketing by providing storage sacks, milk churners and transport assistance.	US\$0.4 million
Gabon (implemented through the Agricultural and Rural Development Project, Phase II)	Support chicken cooperatives, and pig and sheep farmers with inputs (including feed, housing and other equipment) and training on adapted production practices and financial management.	US\$0.2 million (plus US\$49,000 in cofinancing)
Gambia (implemented through the Resilient Organizations for Transformative Smallholder Agriculture Programme)	Focusing on women and youth working on vegetable gardens, provide crop and livestock inputs and digital cash transfers; support safe and hygienic transportation to markets; and provide equipment to ensure that all market actors can continue to operate. Establish a multi-purpose mobile phone application for market information, training and other uses.	US\$0.3 million
Guinea (implemented through the Family Farming, Resilience and Markets project in Upper and Middle Guinea)	Working through farmers' organizations, provide production kits in partnership with private suppliers, along with production and protective equipment, technical assistance and training on adapted production practices and marketing, and market information. Provide transport equipment and inject money into local financial service providers.	US\$0.5 million
Guinea-Bissau (implemented through the Economic Development Project for the Southern Regions)	Provide inputs, technical assistance, training and protective equipment and hygiene kits, and establish national radio broadcasts to provide information on market prices and supply and demand for specific value chains.	US\$0.4 million
Haiti, Plurinational State of Bolivia, Guatemala, Honduras, Peru (stand-alone implemented by Agriterra)	Establish wide-ranging digital services, with activities including provision of related equipment and training; connecting producers' organizations with private sector buyers and increasing their e-commerce capacity; helping groups to establish certified procedures and protocols on biosafety and risk management; and equipping local financial service providers with digital technologies to ensure business continuity.	US\$1.9 million (plus US\$0.1 million in cofinancing, and US\$0.4 million from regional pot)
Malawi (implemented through the Sustainable Agricultural Production Programme)	Provide agricultural inputs in collaboration with a private supplier; provide the Government with e-extension services and support to certify the seeds produced by farmers' organizations involved in seed multiplication, using a digital system to increase efficiency. Provide market information; assist in identifying markets for crops and transporting to market and for aggregation; and implement a livestock pass-on programme.	US\$0.6 million (plus US\$69,000 in cofinancing)

Myanmar (implemented through the Fostering Agricultural Revitalization in Myanmar Project)	After conducting an assessment of the digital agriculture landscape, the project will digitally register beneficiaries to ensure that they are able to access a range of digital services, providing training on digital literacy, expanding internet coverage and access to mobile money services, and helping to enhance regulatory, incentive and business frameworks for long-term digital transformation.	US\$0.6 million (plus US\$35,000 in cofinancing)
Pakistan (stand-alone implemented by Ministry of National Food Security and Research)	Provision of cash transfers for inputs through e-wallets, programmed to be used only for inputs at selected suppliers.	US\$1.1 million
Papua New Guinea (stand-alone implemented by Fresh Produce Development Agency and Department of Agriculture and Livestock)	Provide free inputs at farm gate; cover the 10% contribution required to access a loan from the ongoing Markets for Village Farmers Project; provide working capital to local transport operators to maintain their service; and facilitate access to digital market price platform.	US\$0.4 million
Senegal (implemented through the Rural Youth Agripreneur Support Project [Agrijeunes Tekki Ndawñii])	Provide subsidized inputs and small equipment for potato and watermelon producers, and provide capacity-building and advisory support for producers' groups on adapted horticultural production practices and how to access digital services for market information and input suppliers.	US\$0.5 million (plus US\$0.5 million in cofinancing)
Sierra Leone (implemented through the Agricultural Value Chain Development Project)	Provide inputs (including fast- and high-yielding seeds) and land preparation machinery; support improvement of collection centres; and establish a digital platform to serve as a repository for extension and market information.	US\$0.5 million
Somalia (stand-alone implemented by Somali Disaster Resilience Institute)	Provide inputs and minor equipment for crop, livestock and fish production, and equipment and training to minimize post-harvest losses and add value. Organize local purchases from smallholder farmers' groups.	US\$0.6 million (plus US\$0.1 million in cofinancing)
Sudan (stand-alone implemented by Federal Ministry of Agriculture and Natural Resources)	Provide production inputs to smallholders, including vegetable seeds for women to be used for home gardens; training on adapted production and post-harvest practices and financial management; hermetic storage bags; support collection centres, and disseminate production and market information through SMS and radio. Inject money into local financial service providers to increase credit access and the ability to send and receive money.	US\$0.7 million (plus US\$32,000 in cofinancing)
Uganda (stand-alone implemented by management unit of the Project for Financial Inclusion in Rural Areas)	Support local credit and savings groups by providing cash grants combined with capacity-building support on management and extension on digital technologies (plus internet costs).	US\$1.0 million (plus US\$53,000 in cofinancing)
Yemen (stand-alone implemented by Social Fund for Development)	Depending on need, provide free inputs and assets for horticulture and livestock production, combined with training on adapted production practices.	US\$0.8 million