



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
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PLANNED PROJECT ACTIVITIES

Since document EB 98/64/R.30 was dispatched to Executive Board Directors, three additional projects have reached a sufficiently advanced stage to warrant inclusion in the Annex A portion of the document. The relevant project summaries are attached.



Region: Asia and the Pacific	Country: India
Programme Name: Bihar/Madhya Pradesh Tribal Development Programme	Per capita GNP ¹ : 340
Programme Cost (USD million): 38.8	Population (million) ¹ : 929.3
IFAD Loan (USD million): To be determined	Leading External Financier ² : IFAD
Proposed Terms: Highly concessional	Cofinancier: Discussions ongoing with Department for International Development (DFID)
Present Status: Reformulation completed	Appraising Institution and Loan Administrator: IFAD

Programme Objectives

Tribal populations remain a most disadvantaged section of society in terms of poverty, illiteracy, poor nutritional and health status and lack of access to social and technical services. Among the social groups in India, scheduled tribes (STs) have the highest incidence of poverty (54% of the population). While the tribal population accounts for only about 8% of the total population, it constitutes 40% of the displaced population. In spite of the significant amount of resources allocated to the development of tribal people, benefits have not trickled down and their conditions of living have not improved. The overall objective of the proposed programme will be to promote a replicable model for the self-reliant development of tribal communities based on the exercise of their rights over the management of their natural resources. Specific objectives will be to: (i) empower tribal grass-roots associations and users' groups so that they are able to plan, implement and manage their own development activities; (ii) improve the quality of life and income of marginal tribal groups through sustainable natural resources management; and (iii) enhance the resilience of livelihood systems, especially those of women and marginal groups, on the basis of tribal know-how, culture and values.

Programme Beneficiaries

The programme will cover two of the three states with the highest proportion of tribal population in India, namely, Madhya Pradesh and Bihar. The principal beneficiaries of the programme will be tribal households, who are among the poorest in India. Special attention will be paid to marginal households and to those groups that are in the process of being marginalized, such as women, the landless, hill cultivators and those tribal groups classified as "primitive" by the Government. The programme will benefit an estimated 48 000 households located in 925 natural villages: nearly 28 750 households (60%) are located in Madhya Pradesh, with the remainder in Bihar. Approximately 242 000 beneficiaries are expected to benefit.

¹ 1995 data; GNP in United States dollars.

² The external financier who, at the request of the Government, takes the lead in project design, pre-appraisal processing and in mobilizing external resources.



Programme Components

(a) Beneficiary Empowerment and Capacity-Building

The programme will finance: (i) the creation of broad-based awareness of tribal rights and of gender and equity issues; (ii) capacity-building in legal and managerial affairs, including orientation training in legal literacy, women's rights and demarcation of natural villages; programme planning and implementation; management of self-help groups (SHGs) and credit management; and (iii) technical training, including the development of farmer-based technology generation through the establishment of farmer field schools (FFSs).

(b) Livelihood-Systems Enhancement

The component will support all production-related activities and enabling measures. Funds will be provided for: (i) land and water management/watershed development, including community-based small infrastructure; land and water conservation measures through a Land and Water Management Fund; rural potable water supply; access tracks and rural roads; and on-farm investment in the upland or the midlands (through a subsidy of not more than 20%); (ii) production systems enhancement, including agricultural production, forestry development, livestock production improvement and aquaculture activities; (iii) rural microfinance through the promotion of SHGs and the provision of improved savings and credit procedures; the establishment of a revolving credit fund, managed by a Village Credit Committee, to support mainly productive activities; and (iv) health and nutrition services in those remote areas not being served by the current public health system. Health-awareness and motivation campaigns will be conducted, including the training of village social organizers, health workers and traditional birth attendants.

(c) Programme Management and Implementation

The programme will finance salary and allowances for a skeleton Programme Implementation Unit (PIU) at the district level, the relevant operating costs for the tribal development societies (TDSs) and a skeleton Programme Management Unit (PMU), a legal defence fund, specialized and baseline studies, staff training and development of training material, exposure visits, study tours, technical assistance and the costs of capacity-building for facilitating non-governmental organizations (NGOs) and their contractual support services.

Programme Implementation

At the state level, the Department of Scheduled Tribe and Scheduled Caste Welfare will be the nodal agency for this nine-year programme in both states. A gradual and phased approach will be adopted to allow for the satisfactory empowerment of Gram Sabhas (village assemblies) and the building-up of grass-roots institutions. Overall responsibility for programme implementation will lie with the TDSs. Each TDS will be headed by a programme coordinator, supported by an M&E officer, a finance officer and some support staff. At the district level, TDSs will be represented by the district programme implementation units (DPIUs), which will be responsible for day-to-day implementation. The programme will involve NGOs as partners to assist grass-roots institutions in implementing their programmes. The TDS will select facilitating partner NGOs, which will be responsible for assisting Gram Sabhas in the overall implementation of the programme at the block level. At the village level, the Gram Sabha will be the basic unit for planning, coordinating and monitoring programme activities. Coordination with line departments will be ensured by a Block Programme Coordination Committee and a District Programme Coordination Committee.

Some Important Features



The programme will focus on poverty alleviation through the process of empowerment and gender-sensitization and will seek to restore self-reliant and sustainable development among tribal people. It will assist the state governments concerned in putting into practice the principles established by the new Panchayat Raj (Extension to Scheduled Areas) Act of 1996, which is empowering tribal communities and establishing collaborative relationships with these communities with a view to designing resource management strategies that meet their perceptions and aspirations. The programme design has taken into account experiences emerging from IFAD's recent projects with regard to the development of grass-roots institutions. This is the first project in India to adopt watershed management as an intervention methodology. It builds on the experiences of programmes assisted by external donors, such as DFID and the German Agency for Technical Cooperation, particularly in the areas of rainfed farming and watershed management. The project will be fully demand-driven; development interventions will be identified by the community through participatory micro-planning exercises, with a view to ensuring the active self-development of beneficiary groups. Implementation responsibility lies mainly with the community-based institutions and NGOs. Thus the project will be instrumental in developing local capacity on a decentralized basis.

Main Issues

During appraisal, the following issues will be addressed: (i) assessment of the need for a small unit to monitor the overall programme and promote synergy between the two project areas; (ii) the method by which the project will be supervised; (iii) accountability in TDSs and the means to ensure full transparency; and (iv) review of livelihood systems versus household food security (HFS) systems in the context of IFAD's HFS policy and the local situation.

Previous IFAD Operations

India has received loans from IFAD for 13 projects, for a total loan amount of SDR 259.88 million. Two projects were initiated by cooperating institutions. Currently, five projects are ongoing and two are still to be declared effective.



Region: Latin America and the Caribbean	Country: Brazil
Project Name: Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid Zone of the North-East Region	Per capita GNP ¹ : 3 640
Project Cost (USD million): 98.3	Population (million) ¹ : 159.2
IFAD Loan (USD million): To be determined	Leading External Financier ² : IFAD
Proposed Terms: Ordinary	Cofinancier: none
Present Status: Formulation completed	Appraising Institution and Loan Administrator: IFAD

Project Objectives

Even though Brazil has experienced a systematic reduction in poverty levels since 1970, poverty is still a persistent and pervasive socio-economic phenomenon and is particularly acute in the north-east region where 60% of the rural poor are located. Within this context, the overall goal of the proposed project is to contribute to sustainable improvement in the social and economic conditions of poor agrarian-reform beneficiaries and neighbouring smallholders in the semi-arid zone of the north-east region of Brazil. The project's general objective will be to improve the management capabilities of beneficiary families and their involvement in the local market. These improvements will enable them to manage sustainable productive activities in agriculture, marketing, microenterprise and small-scale agroindustry, utilize financial services within normal market procedures and actively participate in municipal socio-economic programmes.

Project Beneficiaries

The project area consists of about 60 municipalities located in the semi-arid zone of five states of the north-east region. These municipalities have been selected for the high concentration of agrarian reform settlements and the poverty level of the rural population. The direct beneficiaries will be about 15 000 families, most of them located in federal agrarian reform settlements (10 500) and state agrarian reform settlements (2 250); the remaining 2 250 are smallholders living in neighbouring areas. The beneficiaries will include about 2 700 women heads of households (18% of total beneficiaries).

Project Components

(a) Training and Organization

The objective of this component is to develop and strengthen beneficiary awareness and entrepreneurial management skills. It will include a basic adult education programme (reading, writing and arithmetic); training of beneficiaries and trainers, gender-sensitization and training, and consolidation of beneficiary civil and economic organizations. A Social Investment Fund will be established to cofinance beneficiary initiatives in small social infrastructure and works. The Fund will be operated on a matching grant basis, and cofinancing arrangements will be negotiated with the municipalities.



(b) Productive and Marketing Development

The aim of the component is a sustainable increase in beneficiary income through improvements in agricultural and small-business management skills, production and marketing linkages. Specific activities include contracting of private rural development intermediaries (PRDIs) to provide technical and financial support services; training and quality control of PRDI field activities; testing and validation of semi-arid agricultural production technologies; the development of water management and conservation schemes; and support to marketing, small agroindustries and small rural enterprises. A Productive Investment Fund will be established to finance mainly water conservation works; it will be operated on a matching grant basis.

(c) Financial Services

The component will seek to improve beneficiary access to and rational use of existing financial services and credit lines, and promote and test new and innovative financial services adapted to the socio-economic characteristics of beneficiaries. Initial action undertaken by the other two components will be followed by participatory preparation of development plans, feasibility studies for beneficiary projects, establishment of accounting regulations and plans at the settlement and individual family level, analysis of the best use of different credit lines available and direct beneficiary participation in bank transactions.

Project Implementation

This six-year project will be executed by the Special Ministry for Land Policies (MEPF), with the close cooperation of the National Institute for Colonization and Agrarian Reform (INCRA). The Bank of the North-East (BN) will be responsible for the implementation of the Financial Services component and the administration of project funds. The project will establish an administratively autonomous Project Management Unit (PMU).

Some Important Features

The general strategy of the project is in line with current federal government policies and priorities for rural poverty alleviation and the consolidation of the land reform programme, as well as with IFAD's country strategy and operational guidelines. The project is designed with a participatory demand-driven annual planning process for activities and investments. The operational scheme introduces basic education and training as the cornerstone of project interventions. It establishes mandatory composition and qualifications of contracted private, rural development intermediary teams, systematic training of field staff, external quality control and supervision, and monitoring by project staff and beneficiaries. The scheme links technical support services to local and state market opportunities; gender-oriented policies will be implemented at all levels.

Main Issues

During appraisal, the following issues will be addressed: (i) review of the financial services component, including the long-term sustainability of the credit component; (ii) the final design of BN's training needs, as well as of the staff of savings-and-loan cooperatives; (iii) definition of the institutional arrangements among MEPF, INCRA and BN; (iv) review of the list of selected municipalities and clusters of municipalities within the five states, including project targeting mechanisms to ensure that the rural poor are the major beneficiaries; (v) review and simplification of the project operational procedures; and (vi) definition of preliminary agreements with potential partners in project implementation.



Previous IFAD Operations

Brazil has so far received three loans from IFAD, one of which for a project initiated by a cooperating institution, for a total loan amount of SDR 38.84 million. Two projects are currently under implementation.



Region: Near East and North Africa	Country: Tunisia
Project Name: Integrated Agricultural Development Project in the Governorate of Zaghouan	Per capita GNP ¹ : 1 820
Project Cost (USD million): 51.8	Population (million) ¹ : 9.0
IFAD Loan (USD million): To be determined	Leading External Financier ² : IFAD
Proposed Terms: Ordinary	Cofinancier: Discussions ongoing with the Islamic Development Bank (IsDB)
Present Status: Under formulation	Appraising Institution and Loan Administrator: IFAD and the Arab Fund for Social and Economic Development (AFESD)

Project Objectives

Set within an area facing environmental, technical, social and institutional development constraints, the proposed six-year project will respond to the needs of the targeted population by improving the management of natural resources in the project area in a participatory and sustainable manner. Improved management will lead to increased productivity and incomes, and thus improve living standards and conditions. This integrated rural development project has been given high priority by the Government of Tunisia and conforms to the objectives and priorities of the country.

Project Beneficiaries

The project area, which covers the four south-eastern communes in the Zaghouan Governorate, has a population of 83 000 inhabitants in 1994 figures (59% of the overall population in the Governorate), 70% of which live outside the rural towns. The number of households is estimated at 16 000. The target group will comprise the poorer inhabitants of the area, in which 93% of all farmers hold 20 ha or less and 53% have an average farm of 2 ha or less. The project will also target rural women with specific activities to enhance their economic condition.

Project Components

(a) Irrigation Development

Under this component, existing irrigation systems will be upgraded and new irrigated surface areas created, with the aim of increasing the total irrigated area from 3 150 to over 5 200 ha by project closure. Emphasis will be placed on the management of existing perimeters and plots and on the introduction of water-saving technology, in particular on tree crops. The community development component will provide accompanying investment activities in support of existing and newly established water users' associations (WUAs) in zones under irrigation.

(b) Soil and Water Conservation

This activity aims at reducing erosion, controlling and capturing run-off and improving the water balance in the project area, as well as recharging local water tables. Techniques envisaged



include light terracing of cropped land (trees and annuals). In degraded rangelands, stone run-off breakers will be constructed. Ravines will also be corrected.

(c) Sylvo-Pastoral Development

The aim of this component is to avoid further degradation of the natural resources, enhance the productivity of natural plant cover and establish better complementarity between the different ecological sectors. This will be achieved through various technologies (including reforestation, planting of fodder shrubs, forage cropping enhancement and forestry infrastructure) according to the land-tenure regime, the regeneration and development potential, and the effective deficit in the fodder balance and other products.

(d) Agricultural Development

The crop production sub-component will include mechanical weed control in existing olive plantations and support the establishment of new tree plantations (mostly olives and table grapes). A small programme for miscellaneous fruit tree crops will be supported. Under the livestock production sub-component, activities will be oriented towards increasing productivity and improving animal husbandry. These will include improvement of dairy production and husbandry, and development of the productivity of the ovine and caprine population. Hives will also be added to the project area as the potential for bee-keeping and honey production is excellent. Support will be provided to beneficiaries for group formation and marketing of their produce.

(e) Socio-Economic Infrastructure Development

This component will support the upgrading of essential infrastructure to satisfy such basic needs as access roads and domestic water-supply systems in remote areas. This will mobilize targeted communities in support of the project's proposed programmes.

(f) Community Development and Rural Women

Activities relating to community development will focus on the WUAs and will include awareness and information campaigns, training in management and accounting, and recruitment and training for young people as liaison-support officers. An informal revolving fund will be included for income-generating activities, and credit will be financed through the design of microfinance mechanisms to be tested on a pilot basis. In order to specifically target rural women, community development centres will be constructed where training and awareness-building campaigns will be provided in public health, agricultural extension, and artisanal and other income-generating activities. Support mechanisms will be designed to empower women and thus allow them easier access to technical and financial services, including microfinance.

(g) Project Management

In line with the government policy of upgrading local and regional institutions within the framework of administrative decentralization, a small Project Management Unit (PMU) will be set up within the Regional Commission for Agricultural Development (CRDA), whose existing services will be provided with technical and logistic support for the implementation of various project activities. This component will also contribute to the institutional building of CRDA. Services that do not exist in CRDA will be provided by the PMU. These will include: community development and rural women, adaptive research, monitoring and evaluation, and administration and finance.

Project Implementation



All project activities that fall within existing CRDA services will be executed by those services. Responsibility for activities for which there is no capability within CRDA will be implemented by the PMU. Overall implementation will be coordinated by the PMU, which will comprise professional staff from the Ministry of Agriculture and be located at CRDA. The Regional Commissioner for Agricultural Development will have direct authority over the PMU.

Some Important Features

Although the area has benefited from various national projects and a small project funded through the Food and Agriculture Organization of the United Nations' Technical Cooperation Programme, IFAD will be the first international financing institution to attempt a substantial response to the issues of poverty and marginalization in this part of the country. The project will be implemented in line with the new government policy requiring a fully participatory approach to investments in rural and agricultural development.

Main Issues

During appraisal, the following issues will be addressed: (i) refinement of targeting criteria in order to ensure higher levels of beneficiary participation among the poorest households; (ii) the possible development of a component to experiment with new approaches to land-tenure reform; and (iii) assessment of animal feed balance within the livestock development component.

Previous IFAD Operations

Tunisia has benefited from seven projects, all IFAD-initiated, for a total loan amount of SDR 61.59 million. Four projects are currently ongoing.