



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
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REPORT AND RECOMMENDATION OF THE PRESIDENT

TO THE EXECUTIVE BOARD ON A PROPOSED

TECHNICAL ASSISTANCE GRANT

FOR THE

**PROGRAMME OF ACTIVITIES
LEADING TO THE PUBLICATION OF
IFAD'S RURAL POVERTY REPORT, 2000**



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I submit the following Report and Recommendation on a proposed technical assistance (TA) grant of USD 630 000 (six hundred and thirty thousand United States dollars) to be used by IFAD over a period of two years to finance studies and workshops leading to the publication of the Rural Poverty Report, 2000.

I. BACKGROUND

1. The global poverty scenario has changed significantly over the last two decades. While, in many parts of the world, the incidence of poverty has declined at unprecedented rates since 1970, in others (such as the arid and semi-arid areas and in Africa) the situation has hardly improved at all. Both the location and the character of the poor have changed, as has the nature of the institutions they depend on.
2. New and critical challenges have come to the fore. Poverty reduction has lagged globally and has proved vulnerable to recession, for example, in Latin America during the 1980s and recently in many parts of Asia. There has been a slowdown in the growth of food yields in developing countries, accompanied by an apparent exhaustion of traditional technology potential. At the same time, the development and dissemination of technology is rapidly becoming the domain of the private sector.
3. While aid to developing countries has declined, that which is provided now is perhaps more poverty-focused. There is, however, great uncertainty about the most appropriate form of poverty alleviation assistance and as to whether poverty should be addressed as a social or economic issue.

II. RATIONALE AND RELEVANCE TO IFAD

4. A number of international agencies (World Bank, United Nations Development Programme, Asian Development Bank, etc.) have launched major initiatives to take stock of emerging trends in global poverty at the start of the new millennium. IFAD has both a unique mandate and considerable operational experience in issues relating to rural poverty. It is responsible for ensuring that, in a world where the majority of the poor still live in rural areas, the centrality of rural, as opposed to global, poverty is brought to the forefront of discussions. In this way, rural poverty will be presented in terms of specific, concrete problems that need to be overcome, stock taken of existing knowledge on what works in rural poverty eradication, and a clear operational agenda articulated in terms of new partnerships that must be forged to make decisive inroads into solving the problem.



5. Various aspects of the problem — both old and emerging — are well known, thanks to the direct experience of IFAD and other institutions coupled with greater academic research and review. These aspects will need careful examination so as to arrive at a clear understanding of the causes of poverty (in the form experienced by the poor themselves) and to be able to articulate a forward-looking vision of what can and must be done and to define the role of the various actors and institutions involved. IFAD has already begun work on this review and has set in motion a process of internal regeneration. It has developed a corporate strategy that focuses on participation and client orientation, on achieving the desired impact at the field level, and on developing IFAD as a knowledge organization. The Fund's portfolio management process has been strengthened and country strategic opportunities papers have been developed in response to the need for a more strategic country-level approach.

6. In April 1998, IFAD initiated an intensive in-house/external consultation to define the focus and scope of the programme. This involved preparing a concept note and an internal paper on poverty issues and IFAD's past operational experiences in that area. This was followed by the preparation of an issues paper by the Poverty Research Unit of Sussex University in the United Kingdom, in consultation with IFAD for presentation to a brainstorming workshop in October 1998. A report on the first phase of this activity is scheduled for presentation at the present session of the Executive Board.

III. THE PROPOSED PROGRAMME

7. The programme of activities to be supported by the proposed grant (referred to as activities leading to the publication of IFAD's Rural Poverty Report, 2000) will include the following:

- In-depth studies on regional and subregional specificities to ensure that IFAD's knowledge and experience, gained through 20 years of operation, are used in defining the principal issues and obstacles faced by the rural poor in maintaining and improving their livelihoods.
- Linkages with international agencies, academics, institutions and, most importantly, the non-governmental organization (NGO) community and other civil-society organizations, in order to learn from their operational experience and reflections.
- Workshops focusing on salient themes arising from regional studies.
- Working with a group of international experts to capture the state of the art in relation to poverty issues; balance external knowledge with that available in-house; and focus on what is already known, what is needed to be known, and the options and opportunities that exist to forge a global coalition in support of rural poverty eradication.
- Sharing of knowledge with IFAD's stakeholders — Member States, donors and civil-society organizations — through the publication of information and workshops on the knowledge which has been accumulated and synthesized. In more concrete terms, this will involve the production and distribution of IFAD's statement on rural poverty through a publication entitled "IFAD's Rural Poverty Report 2000", which is expected to set the stage for increased consensus building and operational programming.

8. The report will contribute to:



- focusing on issues highlighting the critical nature of rural poverty alleviation in terms of the global poverty scenario;
- developing a statement on the rural poverty problematic, indicating options for its solution;
- building coalitions with a wide range of development agencies and civil-society organizations and, within these coalitions, creating an awareness of critical issues that can be addressed by IFAD; and
- increasing awareness of the Fund and its activities and developing a strategic IFAD focus for the medium term.

9. The first phase of the activity led to the identification of broad themes for further development. These themes will be further refined through a process of intensive consultation and regional-level studies. The regional studies/consultations will enable IFAD to choose and, more especially, define the key global issues on which further work will concentrate.

10. Work will commence with the broad framework and issues raised at the recent brainstorming workshop, when attention was drawn to:

- (a) the natural resource environment of the poor: configuration of factors determining their access to such resources, constraints, and sustainability of the resource base; water issues impinging on the broader questions of desertification, etc.;
- (b) technologies and technology choices: prospects for existing technologies to provide the poor with access to productivity-enhancing options for sustainable poverty reduction;
- (c) markets and the poor: globalization; the risks involved and opportunities provided to the poor; and how to ensure benefits while reducing the risk of fluctuation and exposure;
- (d) the emerging institutional environment, and uncertainty; and
- (e) infrastructure.

Refinement of the Themes and Topics

11. As indicated above, these issues and themes will be further studied at the regional level. The resulting synthesis will allow IFAD to focus on global themes and prepare a consolidated report.

IV. EXPECTED OUTPUT

12. The major output of the programme will be:

- (a) increased awareness of the centrality of rural poverty, and both the issues at stake and solutions to overcoming the problem;
- (b) development of a coalition of partners in development for the purpose of focusing on new challenges and options for rural poverty alleviation;
- (c) identification of issues requiring action and of options, including those for IFAD itself; and



(d) broad dissemination of knowledge and the forging of partnerships through the distribution of IFAD's Rural Poverty Report, 2000 and technical thematic papers.

V. IMPLEMENTATION ARRANGEMENTS

13. IFAD's Rural Poverty Report, 2000 will be produced through a process of extensive interaction between IFAD, other development bodies, NGOs, governments and external experts. The Fund will secure the assistance of experts, scholars/academicians who will be engaged in advising and preparing the report.

14. The overall responsibility for guiding the process will be vested in a steering committee headed by the Vice President of IFAD.

15. The Executive Board will be informed of progress of activities under this TA grant by means of information notes that will be submitted to every session of the Executive Board until such time as the second phase of activities has been completed.

VI. COST TABLE

	USD per unit	Units	Total USD	%
Regional studies, USD 50 000 per study, five studies	50 000	5	250 000	40
Workshop at IFAD headquarters on regional studies	30 000	2	60 000	9
Lead scholar/expert	80 000	1	80 000	13
Theme leaders	25 000	5	125 000	20
Revision; editing, translation and printing	45 000	1	45 000	7
Establishing broader coalition/NGO participation	30 000	1	30 000	5
Work at IFAD on consolidation of in-house data, and contingencies	40 000	1	40 000	6
Total			630 000	100

16. Forty-six per cent of the cost of the study relates to regional studies and the collection/consolidation of in-house data and knowledge, whereas the share of the external experts (lead scholar and theme leaders) is calculated at 33%. Fifteen per cent has been earmarked for the participation of stakeholders in workshops, and the remaining 7% reserved for revision, editing, translation and printing.

VII - RECOMMENDATION



17. I recommend that the Executive Board approve the proposed technical assistance grant in terms of the following resolution:

RESOLVED: that the Fund shall allocate and use an amount of not exceeding six hundred and thirty thousand United States dollars (USD 630 000) out of its Technical Assistance Grant facility for the year 1999 to finance studies and workshops and undertake activities leading to the publication, printing and distribution of IFAD's Rural Poverty Report, 2000 as specified in this Report and Recommendation of the President.

Fawzi H. Al-Sultan
President