



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Executive Board – Seventieth Session

Rome, 13 - 14 September 2000

PLANNED PROJECT ACTIVITIES
2001 - 2002

1. At the Second Session of the Executive Board, it was agreed that information regarding planned project activities will be presented to the Executive Board on a regular basis so that members can keep abreast of developments in IFAD's project pipeline. They will have the opportunity to comment, if they so wish, on the planned projects at an appropriate stage of the project cycle. Accordingly, such information has been regularly provided to each subsequent session of the Executive Board in the form of annexes to documents submitted under the relevant agenda items.

2. At an early session of the Board, some members requested that the nature and intended purpose of the annexes be clarified. The requested explanation was provided at the Eighth Session and is repeated below for convenience. The information contained in Annex E was requested by the Board at its Thirty-Fifth Session.

(a) Annex A

Annex A is a vehicle for bringing before the Board a summary of available information on projects that have reached an advanced stage of design, and are thus likely to be presented at one of the Board's forthcoming sessions. Since the comments of Executive Board members on project summaries presented in Annex A are obtained at the session at which the relevant document is considered, such project summaries are not included in the Annex A portion of documents placed before the Board at subsequent sessions.



(b) Annex B

Annex B provides a comprehensive list of pipeline projects that were reviewed by the Fund's Technical Review Committee to ascertain their suitability for IFAD support. The annex includes projects that have been identified only, those that have reached an advanced stage of processing (and have consequently been included in the Annex A portion of the document or of a previous document), and projects that are being presented to the Board for approval at the same session. Thus, Annex B provides a list, for ready reference, of all projects in the pipeline.

(c) Annex C

Annex C summarizes in tabular form the amounts provided for activities under the Project Development Fund facility within the technical assistance grant programme included in the Programme of Work and Budget of IFAD, approved by the Governing Council.

(d) Annex D

Annex D provides brief descriptions of technical assistance grants (TAGs) under the Special Operations Facility (SOF) that have been approved by the President, pursuant to the authority delegated to him by the Executive Board.¹

(e) Annex E

Annex E contains a summary of information available – for comment thereon by the Board, if so desired – on proposed TAGs for agricultural research and training that, having reached an advanced stage of design, are likely to be presented to the Board at a forthcoming session.

3. The information contained in Annexes A, B and E is only intended to provide an indication of developments in the Fund's operations at various stages of the project cycle. Some of the projects or grants listed may not materialize, while others not yet listed may enter the pipeline at a later stage. It should be noted that the inclusion in these annexes of one or more project or grant for a country does not imply any definitive judgement concerning the suitability of a given project or grant or with regard to the amount of assistance that may be appropriate for any given country or the number of projects to be financed.

4. The foregoing explanation applies both to previous documents and to the annexes attached to the present document.

¹ Descriptions of any TAGs approved by the President since the Board's last session will be tabled at the current session.



Region: Eastern and Southern Africa (Africa II)	Country: Tanzania, United Republic of
Programme Name: Rural Financial Services	Per Capita GNP¹: 220
Programme Cost (USD million): 24.0	Population (million)¹: 32.1
IFAD Loan (USD million): To be determined	Leading External Financier²: IFAD
Proposed Terms: Highly concessional	Cofinanciers: Discussions ongoing with Finland, Sweden, Switzerland, United Nations Development Programme (UNDP) and The Consultative Group to Assist The Poorest (CGAP)
Present Status: Under appraisal	Appraising Institution and Loan Administrator: IFAD and the United Nations Office for Project Services (UNOPS)

Programme Objectives

Recognizing the important role the rural financial sector could play in poverty alleviation in the United Republic of Tanzania, the overall aim of the proposed programme will be to further rationalize and strengthen the grass-roots microfinance institutions (MFIs) in order to enable the rural poor to access their services in an effective and efficient manner. Specific objectives of the programme will be to: (i) support the design and development of a comprehensive grass-roots level financial system that will be owned, operated and managed by the members of MFIs, based on the principles of private banks; (ii) enhance MFIs' technical, operational and outreach capacity to provide financial services to the rural poor for productive and income-generating activities; (iii) empower the rural poor by removing legal, regulatory and social barriers to ensure their active participation within MFIs, and provide them with the opportunity to enhance their business and technical skills; and (iv) strengthen the financial instruments, skills and capital base grass-roots MFIs and the financial intermediaries. Finally, the programme will assist the Government of the United Republic of Tanzania in consolidating and deepening its ongoing rural and microfinancial services policy and institutional reforms, and developing a sustainable rural financial system that can be integrated within a gradually liberalized financial sector.

Programme Beneficiaries

The programme will be primarily concentrated in areas where IFAD's initial pilot experience has provided some demonstrable results. It will initially cover the regions of Dodoma, Mbeya and Kilimanjaro during the first phase intervention. The programme will target the rural poor who comprise 90% of the total rural population. The target group consists of marginal farmers with less than two to three acres of cultivable land, the landless, women (who are already members or intend to become members of rural solidarity groups and grass-roots MFIs – Savings and Credit Cooperative Organizations (SACCOs) and Savings and Credit Associations (SACCAs) and village banks). The programme expects to alleviate poverty by increasing incomes, assets and food security of poor rural households. Approximately 42 500 households will benefit from the programme during the first phase. As a result of increased membership in MFIs, it is estimated that approximately 115 000

¹ 1998 data; GNP in United States dollars.

² The external financier who, at the request of the government, takes the lead in project design, preappraisal processing and the mobilization of external resources.

households could benefit in the long run from investments made during the programme's first phase. It is also estimated that 115 MFIs will receive major support in the form of institutional strengthening, capacity-building and loan funds during the programme's first phase.

Programme Components

The programme will involve three distinct phases that will be integrated in a logical sequence of growth and transformation of MFIs. The programme's four components will be implemented by adopting a flexible programmatic approach, which will permit adjustments during implementation.

(a) Improved Managerial Capacity and Performance of Grass-Roots MFIs

Support will be provided for: (i) developing detailed policy guidelines and operational framework for grass-roots MFIs in order to create an enabling environment for their operations and reducing risks; (ii) undertaking a comprehensive training programme, including capacity-building of training service providers (TSPs), training-needs assessment of MFIs and preparation of training material; (iii) strengthening the management capacity of MFIs, including support to solidarity group organizations wishing to form new grass-roots MFIs; (iv) providing demand-based MFI training (technical, training for field officers) and monitoring and evaluation (M&E) of TSPs; (v) promoting participation in grass-roots MFIs through mass media communication and promotional campaigns; and (vi) institutional support for grass-roots MFIs, including study tours and workshops, equipment and incremental financing to the viable and efficient MFIs to increase their outreach.

(b) Rural Financial System Development

Through this component, the programme will: (i) strengthen the backward and forward linkages between formal banking institutions and grass-roots MFIs to promote financial sector deepening, mobilize savings and provide additional capital for investment by the rural poor; (ii) support innovative linkages between NGO-based MFIs and poor rural clients (e.g. the establishment of micro-finance "delivery outlets", piloting the modular approach of the "village banking" and testing micro-leasing for rural women); and (iii) establish broad-based microfinance industry associations at the national and regional levels to improve and coordinate the overall system development and performance.

(c) Empowerment of Rural People

The component aims at empowering poor rural households, particularly women members, to benefit from rural financial services. Support will be provided for: (i) skill development through the organization of training programmes ranging from gender sensitiveness, leadership building to business skill development for microentrepreneurs; and (ii) the provision of microfinance lending to enable the rural poor, including prospective women entrepreneurs, to increase their income earning capacity and employment-generation opportunities. To this end, *inter alia*, a variety of lending instruments will be experimented, on a limited scale, to provide financing at a market rate to selected MFIs in the form of loan funds, lease funds, equity funds and partnership funds.

(d) Programme Coordination and Management

The component will finance the institutional support required to enable the Government of the United Republic of Tanzania to manage and coordinate this programme, including the establishment of M&E mechanisms, and the provision of technical assistance to support programme managers to ensure quality control in service delivery supported by the programme.



Programme Implementation

Actual programme implementation will rest with grass-roots MFIs (SACCOs, SACAS and village banks) through their respective Board of Directors under the overall coordination and guidance mechanisms to be established by the Bank of Tanzania. Each MFI will establish appropriate linkages and affiliations with financial intermediaries based on convenience, services and facilities that will be extended to them. NGOs will provide assistance to MFIs for various activities relating to sensitization, awareness-building, training, etc. The Village Community and Cooperative Development Officers of the Ministry of Agriculture (MOA) and the Ministry of Community Development will be the major catalyst in organizing, mobilizing and registering MFIs. This nine-year programme will be managed through the decentralized district offices, under the overall coordination of the Prime Minister's Office.

Some Important Features

The programme seeks to support the development of sustainable rural financial systems and is in line with IFAD's strategy for the United Republic of Tanzania, which aims to enable the country to tackle the major constraints that face rural households. It builds upon IFAD's comparative advantage in supporting sustainable smallholder development by strengthening beneficiary participation and increasing the capacity of grass-roots institutions. The programme also builds on the positive experiences learned in three IFAD projects in which financial services for smallholder solidarity groups, SACCOs and SACAS have been piloted on a limited scale. An intensive participatory and consultative process guided programme design, including two stakeholders workshops (in the field and in the donor coordination committee). The programme will directly complement the World Bank-financed Rural and Micro-Financial Project, by operationalizing the macro-level legal and regulatory framework at the grass-roots microfinance level and various donor-supported projects (the Danish International Development Assistance's (DANIDA) programme under the Cooperative and Rural Development Bank (CRDB), including the microfinance projects of the Department for International Development (DFID) (UK) The Netherlands, etc.) presently implemented in the country. Within IFAD's gender mainstreaming focus, women in particular will have access to training to develop leadership, business and entrepreneurial skills as well as income-generating activities. Finally, the programme incorporates major recommendations related to rural and microfinance outlined in the IFAD policy paper on rural finance recently approved by the Board.

Main Issues

During appraisal, the following issues will be addressed: (i) exploring possibilities for cofinancing and determining whether training activities could be undertaken by other donors; (ii) examining the possibility of diversifying activities supported by MFIs; and (iii) reviewing the project implementation period and preparing guidelines for operationalizing the flexible lending mechanism (FLM) within M&E.

Previous IFAD Operations

The United Republic of Tanzania has so far received eight loans, one of which was funded through the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (SPA), for a total loan amount of USD 9.49 million and SDR 56.46 million through Regular Resources, and SDR 6.79 million through Special Resources. IFAD initiated seven of the projects; three projects are currently ongoing. The country has also received six grants through the Belgium Survival Fund (BSF) for a total grant amount of BEF 552.31 million.



Region: Asia and the Pacific	Country: Cambodia
Project Name: Community-based Rural Development Project in Kampong Thom and Kampot	Per Capita GNP¹: 260
Project Cost (USD million): 20.4	Population (million)¹: 11.5
IFAD Loan (USD million): To be determined	Leading External Financier²: IFAD
Proposed Terms: Highly concessional	Cofinanciers: Discussions ongoing with the German Agency for Technical Cooperation (GTZ), the Australian Agency for International Development (AusAID), the German Development Service (DED) and World Food Programme (WFP)
Present Status: Under appraisal	Appraising Institution and Loan Administrator: IFAD and UNOPS

Project Objectives

The overall goal of the proposed project will be to reduce the poverty of targeted households in the provinces of Kampong Thom and Kampot, which are among the most vulnerable to food insecurity in Cambodia. The project objectives will be: (i) to sustain increased food production and farm incomes from intensified and diversified crop and livestock production; and (ii) to increase the capacity of the poor to use their natural resources and the services available from Government and other sources for their own social and economic development.

Project Beneficiaries

The project will be located in the two provinces of Kampong Thom and Kampot with a total population of 1.10 million (representing approximately 211 901 households), of which 91% live in rural areas. The target group will comprise 77 400 rural households living below the poverty line of KHR 35 500 per capita per month (USD 112 per year). More than 40% of children (below five years old) in the project area suffer from moderate or severe malnutrition. It is estimated that, at full development, an estimated 36 000 poor households, or 19% of the rural population, will directly benefit from project assistance. It will have a positive impact on women and improved household nutrition and food security. and will enhance the role of women as agents of change in the process of social and economic development.

Project Components

(a) Community Development

The aim of the component is to build the capability of the communities, their committees and self-managing/self-help grass-roots organizations to participate in their own economic and social development through participatory and gender-sensitive approaches. Specifically, the project will: (i) promote a process of social mobilization and participatory development planning to empower the local communities, the poor and women in the effective use of their resources and services and participation in the decision-making process at all levels; (ii) provide institutional support to the Provincial Department of Rural Development (PDRD) and other service providers to promote a



change in their work culture towards participatory development and accountable governance; and (iii) assist the local government in land registration in priority development areas.

(b) Agriculture and Livestock Development

Financing will be provided to: (i) support a farmer-based extension and demonstration programme to promote the adoption of simple and proven crop and livestock production technologies to address the constraints to both crop and livestock production, and improve household food and income security; and (ii) develop a cadre of lead farmers as farmer-extension agents and expand the coverage of village livestock associations (VLAs) in the villages to provide the link between the target group and services available from the Provincial Department of Agriculture, Fisheries and Forestry (PDAFF) and others at district level; (iii) strengthen the capacity of PDAFF's selected staff and its district offices in each province through training and human resource development. This will allow them to carry out demand-driven adaptive research, extension and training programmes to address the needs of farmers in agriculture and livestock.

(c) Rural Infrastructure

In response to the needs identified by communities during the participatory rural appraisals (PRAs), the project will support the rehabilitation of small and medium irrigation and water control schemes, access to safe drinking water and rural access roads. Beneficiaries will be involved from scheme identification through operation and maintenance (O&M) and evaluation and will assume full responsibility for the investment's O&M. In addition, the project will develop the capacity of the provincial departments to plan, manage and monitor rural infrastructure development and will support the Government's efforts to introduce a regulatory framework for the establishment of water users associations (WUAs).

(d) Support to Institutional Development

The component aims at establishing a functioning system of decentralized development, planning, financing and implementation so that project services are delivered to the target group in a sustainable and participatory manner. To this end, the project will support the Provincial Rural Development Committees (PRDCs), both to coordinate project activities and rural development programmes of all agencies in the project area. Support will also be provided to the Project Support Unit (PSU) under the Ministry of Rural Development to provide national/interprovincial coordination and liase with the donors.

Project Implementation

Project implementation and management responsibilities will be decentralized to the provincial governments within the framework of the *Seila* programme for decentralized development, planning, financing and implementation. The Ministry of Rural Development will be the project lead agency at the national level under the *Seila* Task Force. The project will be implemented over a period of seven years.

Some Important Features

The project represents a strong partnership effort between IFAD and other development actors. Some innovative features include: (i) the introduction of sustainable arrangements for O&M of the infrastructure investments financed by the project; (ii) the provision of support and empowerment for grass-roots organizations and self-help groups; (iii) the promotion of accountable governance through transparent staff selection processes and contracting arrangements for the implementation of all project activities; (iv) introduction of a monitoring and evaluation (M&E) approach to impact



assessment and beneficiary monitoring directly linked to the objectives and outputs of the logframe; (v) promotion of gender-mainstreaming and gender-awareness among communities and project staff; and (vi) the provision of institutional support to the decentralization structure, not only for this project, but also for coordinating all rural development programmes in the project area.

Main Issues

During appraisal, the following issues will be addressed: (i) coordination among all partners in project planning and implementation; (ii) development of measurable indicators to monitor the implementation of the community-mobilization activities; and (iii) validation of the proposed monitoring system and implementation mechanisms.

Previous IFAD Operations

The Fund has so far approved two projects for Cambodia for a total of SDR 9.65 million. Both projects are currently under implementation.



Region: Asia and the Pacific Region	Country: China
Project Name: Western Guangxi Poverty Alleviation	Per Capita GNP¹: 750
Project Cost (USD million): 111.2	Population (million)¹: 1 239
IFAD Loan (USD million): To be determined	Leading External Financier²: IFAD
Proposed Terms: Highly concessional	Cofinanciers: WFP
Present Status: Under appraisal	Appraising Institution and Loan Administrator: IFAD/WFP and UNOPS

Project Objectives

China has made enormous efforts to reduce absolute poverty, which is now increasingly concentrated in the resource-poor, densely-populated mountain and low plateau areas of the centre, north-west and the south-south-west, where minorities usually live. In Western Guangxi, the limited natural resources and infrastructure, and the isolation of the area results in substantial food deficits and low performance of government services, especially in extension, health and education. Women suffer particularly from the lack of these facilities and have a very high level of illiteracy and a higher than average incidence of health problems. The proposed project will seek to address these problems through a multisectoral approach that provides improved rural infrastructure, better facilities for social development, capacity-building and training, and opportunities for income-generating activities. The project's overall goal will be to achieve sustainable and equitable poverty reduction in the project area by securing a sustainable increase in productive capacity, both on and off-farm, and by offering increased access to economic and social services, including agricultural extension, education, health and social networks.

Project Beneficiaries

The target group will comprise 260 000 households (representing about 1.3 million) in the 74 poorest townships of ten of the poorest counties in the Guangxi Zhuang Autonomous Region in south-western China. The population consists of several ethnic minorities, with the Zhuang people forming the vast majority in most counties. At least 80% of the households are poor to very poor with almost 10% classified poorest; many are physically unable to undertake any type of labour. Average annual per capita income is USD 140, which is derived from an average arable area of 0.09 ha and off-farm income, which is the major source of income in many households. Women will constitute a significant part of the target group since they contribute most to the farm production, livestock-raising and household tasks. They will benefit from rural water supply, the provision of credit, technical and literacy training.

Project Components

(a) Agricultural Development

Through this component, the project will: (i) increase the productivity of agricultural land through irrigation and dryland improvements; (ii) enhance soil fertility through increased use of organic manures from higher production of crop residues and expanded livestock production; (iii) support the planting of economic trees and non-timber forest products while furthering the establishment of a sustainable natural resource management system through forest closure



mechanisms; and (iv) strengthen crop and livestock extension services while promoting gender and poverty awareness.

(b) Financial Services

The aim of the component will be to develop the rural credit cooperatives (RCCs) into an effective, efficient and viable rural cooperative banking system. Before the credit programme begins a savings and credit awareness campaign will be executed at the village level and the township RCCs will be strengthened through the provision of training to staff, village leaders and agents, including vehicles and equipment. Credit will be provided to low-income and poor individuals, especially poor women who are economically active but presently have little or no access to formal financial resources for profitable activities. These include: cereal grain production; annual and perennial cash crops; economic trees; food processing; and a wide range of income-generating off-farm activities.

(c) Social Development

Financing will be provided for: (i) the construction and/or rehabilitation of village primary schools, including the provision of skills development training for teachers and assistance, in collaboration with the Women Federation (WF), to reduce the number of girls out-of-school or dropping out of primary schools; (ii) training to health workers, the construction/upgrading of village health facilities and the launching of health, sanitation and nutrition-awareness campaigns; (iii) the promotion of basic literacy and skills training (technical and managerial) for income-generating activities, particularly focusing on women; the WF will be strengthened to implement this component; and (iv) the promotion of a programme of family biogas units.

(d) Rural Infrastructure

To facilitate full participation in economic and social development among isolated communities, the component will promote: (i) the provision of drinking water tanks, village supply systems and community tank schemes to improve drinking water availability and quality. Training in water management will also be given; (ii) the construction and/or rehabilitation of village access roads (approximately 193 km); and (iii) electric power.

(e) Project Management, including Food Handling

Financing will be provided for: (i) the establishment of township project management offices (PMOs), including training, logistical support, equipment and operating costs; support will also be offered for start-up and management workshops as well as for M&E; (ii) the strengthening of county PMOs through the provision of vehicles, office equipment and training equipment; and (iii) the provision of training for the village implementation groups. The PMOs will be responsible for handling the food rations provided as incentives for some project-supported activities.

Project Implementation

Overall responsibility for implementation of this six-year project will rest with the Ministries of Agriculture and Finance. At the province level, the Department of Agriculture will assume primary responsibility for project implementation and coordination with other agencies involved. The PMOs will be responsible for project implementation under the general guidance and direction of project leading groups (PLGs). These will be set up at the province, county and township levels; at the administrative village level, it will be termed the village implementation group (VIG). RCCs will be responsible for extending credit financed from the proceeds of the IFAD loan to farmers, both men and women. The VIGs will ensure participation arrangements.



Important Features

The project derives from the joint IFAD/WFP pipeline and strategy that was prepared during 1998, and includes the findings of the Vulnerability Analysis and Mapping System (VAM) developed by WFP. This project will be the fifth IFAD loan in collaboration with WFP. A national team of consultants undertook project design with limited international support. The main targeting tool will be the village development plan (VDP), drawn-up in a participatory process. The project will promote the large-scale introduction of forest-closure under a system of assisted village responsibility and the creation of non-governmental farmers' professional associations. It will contribute to increasing the positive impact on the environment, valorizing local natural resources and waste, and helping defray the use of costly chemical inputs. The findings of an ongoing thematic study on microfinance in IFAD projects in China will be used as a platform for strengthening IFAD's policy dialogue with the Ministry of Finance (MOF) and the People's Bank of China (PBC) to improve further the rural finance components. All PMOs at all levels will include a WF representative as staff member to ensure the gender aspects.

Main Issues

During appraisal, the following issues will be addressed: (i) study further the lessons learned from IFAD's experience in working with RCCs; (ii) review and refine the logframe, with a particular focus on project impact; and (iii) clarify more fully how the participatory process is used for better targeting and how the participatory process will be enhanced during implementation.

Previous IFAD Operations

Since 1980 IFAD has financed 15 projects to China for a total of SDR 281.84 million. Currently, five projects are under implementation and one is still to be declared effective.



Region: Asia and the Pacific	Country: Korea, D.P.R.
Project Name: Upland Food Security	Per Capita GNP¹: ³
Project Cost (USD million): 24.0	Population (million)¹: 23.2
IFAD Loan (USD million): To be determined	Leading External Financier²: IFAD
Proposed Terms: Highly concessional	Cofinanciers: Discussions ongoing with WFP, UNDP, Swiss Agency for Development Co-operation (SDC), the Italian Government and an NGO (German Agro-Action)
Present Status: Formulation completed	Appraising Institution and Loan Administrator: IFAD and UNOPS

Project Background and Objectives

The turn of the century finds the Democratic People's Republic of Korea facing severe economic problems and a difficult human situation. A general decline in agricultural and industrial production, aggravated by a series of exogenous shocks and circumstances, has created a downward spiral from which the county is struggling to recover. The farming economy has been hit hard, leading to chronic food shortages. Production and crop yields have decreased and there are signs of increasing land degradation. Food shortage and poverty are more pronounced in the food-deficit hilly and mountain areas. Famine-related deaths have increased, and nearly an estimated one quarter of the population is now dependent on food aid. Against this backdrop, the overall goal of the proposed project will be to increase food production by supporting a longer-term rehabilitation of the rural sector. The project's objective is to demonstrate that substantially improved food production of higher quality is achievable with minimal short-term risk. Project interventions will be based on two fundamental initiatives carried out on about 45 cooperative farms: (i) the introduction of sustainable crop rotations appropriate to the main soil classes; and (ii) the adoption of catchment conservation planning, incorporating land zoning and reforestation. On these foundations, a moderately high input:high output intensive farming can be sustained, increased food production can be achieved quickly, and the rural economy can begin to be rehabilitated.

Project Beneficiaries

Project interventions will focus on four counties in two provinces (Ryanggang in the north and North Hwanghae in the south). Target beneficiaries will be the farming population of the remoter upland arable areas. Here people tend to be poorer, fewer resources are allocated to them on an area basis, but the gross area is much larger than the high potential rice-bowl of the western coastal plains. In the past these were the usual focus of national food production. The 45 cooperative farms, comprising 17 915 families (approximately 76 000 individuals), will directly benefit from agricultural rehabilitation. Cooperative farm communities will also benefit from any infrastructure or enterprise funded through the project's proposed cooperative community development fund. The credit component will benefit individual households, women in particular.

³ Estimated to be low-income (USD 760 or less).



Project Components

(a) Improved Potato Seed Production

The component will promote potato seed production through the production of high quality disease-free seed. To this end, support will be provided to the Potato Research Institute in Ryanggang Province to increase its level of potato meristem culture and test-tube plantlet production. This will include infrastructure support (including greenhouses, laboratory and office equipment); funds and field equipment for variety testing and importation of new varieties; improved potato storage; training; and study tours. Similar support will be provided to provincial and county-level multiplication facilities. Cooperative farms will be assisted in seed multiplication (certified and first or second generation seed).

(b) On-Farm Investment in Crop Production

This will be the core component of the project through which the project will strengthen the county committees to produce sustainable farm plans, or “whole farm plans”⁴, incorporating high but safe levels of inputs such as tractors and farm machinery, fertilizer, crop protection chemicals and seed. The basis of the farm plans will be proper crop rotations on each of the three main soil classes, with livestock being integrated into the arable crop rotation.

(c) Catchment Conservation and Land Zoning

Support will be provided for catchment conservation and land zoning. This will be carried out integrally with the whole farm plans and will be a collaborative exercise between the Ministry of Lands and Environmental Protection (MLEP) county and provincial departments, County Cooperative Farm Management Committees (CCFMCs) and technical assistance provided under the project, together with WFP. Funds will be provided for the planting of trees on cooperative farm fuelwood plots totalling 3 000 ha and the rehabilitation of 3 800 ha of sloping land. Payment for work carried out under this component will be as food-for-work, administered and monitored by WFP.

(d) Household Credit

Building on IFAD’s experience in the Crop and Livestock Rehabilitation Project, this project will provide a new line of credit funds through the existing banking system to support householders at cooperative farm level in small live-stock enterprises (e.g. small ruminants, geese and rabbits).

(e) Cooperative Community Development Fund

A small fund will be allocated to each cooperative farm to stimulate the process of participatory planning at the farm level. While it is anticipated that participants may decide to invest in directly productive enterprises (including crop production) in line with present national culture, they will be encouraged to analyse the true economic value of community investments that may not be directly productive (e.g. water supply, sanitation, access roads, bridges, support to schools and clinics, etc).

⁴ A “whole farm plan” means treating the farm as a whole business, allocating inputs where they yield the greatest returns, and paying particular attention to long-term sustainability and environmental soundness.

(f) Potato Starch Processing and Mini-hydro-electricity

This component will support the processing of potato at the farm level into higher value starch and/or noodles, which can be more readily transported and also exported. Mini-hydro-electricity to power these processing facilities will also be supported.

(g) Institutional Strengthening

This will involve the provision of technical assistance, staff training, study tours and fellowships.

Project Implementation

This five-year project will be implemented under the overall responsibility of the Ministry of Agriculture. A project management unit (PMU) established in the Ministry will coordinate inputs from MLEP, the National Academy of Agricultural Sciences and other agencies. The PMU will work principally with the four County Cooperative Farm Management Committees, two in Ryanggang and two in North Hwanghae, and through them will implement the farm investment plans.

Important Features

The project will address both the single cropping system in the north and the double cropping system in the south as a basis for finding country-wide solutions for rural rehabilitation in the longer term. The project's interventions will focus at county, cooperative and household levels, and will improve institutional and decision-making capacity, together with the resources to put decisions into effect. It will promote technically and environmentally sound crop rotations, including fodder crops and potatoes. The latter are an important crop in upland areas and produce more energy food per unit area than any other practical alternative crop: it can fit into a sustainable rotation and lends itself to processing. The project will be based on well-trying certainties, promoting a low-risk farming systems approach within which intensive and high output agriculture can be safely carried out without mining the soil. It also provides a framework within which several types of aid agencies can participate, and one that can expand or contract according to the number and type of donor participants. Women will particularly benefit in that they will be saved the drudgery of the worst field operations, which will be mechanized. They will also benefit through the household credit component and the cooperative community development fund, each of which has women-focused targets built into the monitoring mechanism. Finally, the project will provide a model for nation-wide agricultural recovery.

Main Issues

The following issues will be addressed during subsequent stages of project preparation: (i) the size of the project, which will be scaled up or down depending on the availability of funding from other donors. (ii) the precise cooperative farms to be included in the project; and (iii) the precise technical assistance inputs (from expatriate sources) to be provided to the project.

Previous IFAD Operations

The Democratic People's Republic of Korea has benefited from two loans from IFAD for an amount of SDR 31.35 million. Both projects are currently ongoing.



Region: Latin America and the Caribbean	Country: Uruguay
Project Name: National Smallholders Support Project – Phase II (PRONAPPA II)	Per Capita GNP¹: 6 070
Project Cost (USD million): 25.6	Population (million)¹: 3.3
IFAD Loan (USD million): To be determined	Leading External Financier²: IFAD
Proposed Terms: Ordinary	Cofinanciers: None
Present Status: Under appraisal	Appraising Institution and Loan Administrator: IFAD and UNOPS

Project Objectives

Rural poverty has been a persistent feature of Uruguay's agricultural sector originating mainly from an unequal distribution of agricultural land. Recently, Uruguay's smallholders have become increasingly more vulnerable due to fluctuations on international markets for agricultural inputs and commodities, lack of competitiveness in the context of Southern Cone Common Market (MERCOSUR) and insufficient link to value-added marketing chains. This situation has contributed to increasing the exodus of rural youth (particularly women) to cities. Building on the achievements and lessons learned during the implementation of the National Smallholders Support Project – Phase II (PRONAPPA) (Loan 332-UR) due to close in December 2000, this second phase project will aim at reducing rural poverty, increasing rural household incomes and improving the living conditions of the rural poor. In doing so, the second phase project will move towards a strategic-institutional consolidation phase through the creation of a sustainable institutional framework and permanent operational mechanisms at the national and municipal levels to combat/prevent rural poverty. More specifically, the project will seek to: (i) strengthen beneficiary organizations and sectoral institutions at the municipal level in order to guarantee participation and ownership, and the sustainability of policies and project actions; (ii) provide sustainable access to demand-driven production support services on the part of small agricultural producers and small and medium enterprises; (iii) improve access of project beneficiaries to financial resources for productive investment and creation of rural micro and small-scale enterprises; (iv) strengthen municipal institutional mechanisms for decentralized decision-making and coordination of rural development initiatives and investment projects (e.g. Consensus Round Tables for Rural Development); and (v) institute a participatory monitoring and evaluation (M&E) system that will allow for a close follow-up of processes/actions and field impact. It will also foster learning processes and innovation in rural development and consolidate the IFAD-financed subregional thematic networks in rural development and poverty eradication.

Project Beneficiaries

While national in scope, the project is expected to benefit directly some 10 000 families of small producers and rural poor (approximately 40 000 beneficiaries) with family incomes below the poverty line. In addition, 5 000 families will benefit from financial services and other support. The targeted beneficiaries include : (i) 1 500 rural landless families (particularly young women and men) who are often forced to migrate to cities in search of employment; (ii) 4 500 rural marginal producer families for whom agricultural activities represent only a part of their family income and in which one or more family members are forced to work either temporarily or permanently off-farm or undertake other income-generating activities; and (iii) 4 000 rural families with commercial potential and

dependent on family labour to generate farm incomes but characterized by low levels of farm investment.

Project Components

(a) Organizational Strengthening

Support will be provided for strengthening: (i) the managerial capacity of producers' organizations at national and local levels; (ii) the capacity of municipalities to coordinate execution of rural development interventions and to gradually transfer these responsibilities to local actors. The project will establish agreements with municipalities and producers' organizations and will cofinance the establishment of Consensus Tables for Rural Development, which will, in turn, be responsible for promoting the organization of "Agricultural/Rural Development Service Fairs" to act as clearing mechanisms for the supply and the demand of extension and other technical services; and (iii) the Ministry of Agriculture (MGAP), particularly the Projects and Technical Cooperation Unit (UPCT) for coordinating all rural development activities in the country.

(b) Smallholder Support Services

The project will assist smallholder organizations in contracting technical assistance services through two subcomponents: (i) agricultural production support; and (ii) commercialization and microenterprise support. Extension activities will be based on a group methodology, applied with flexibility according to local conditions and number of targeted beneficiary groups. This will also involve the provision of technical assistance for strengthening groups of beneficiaries and producers' associations and group training methods. Direct contracting and supervision by smallholders and entrepreneurs will be promoted, applying cost-sharing mechanisms. The municipal Consensus Tables for Rural Development and the Agricultural/Rural Development Service Fairs will facilitate the emergence of a transparent market for the provision of technical support services.

(c) Rural Financial Services

The first phase of PRONAPPA obtained a high degree of sustainability with regard to credit funds (the project had a USD 6.0 million credit line at the beginning; presently this amounts to USD 8.5 million). The aim of the component is, therefore, to consolidate the financial institutional scheme for smallholders and to continue facilitating access of the targeted small producers to financial services adapted to their needs. In addition to supporting and strengthening the rural financial services existing under PRONAPPA, the project will: (i) provide training to international financial institutions (IFIs) and credit retailers; (ii) develop financial services and products adapted to the needs of disadvantaged target groups, and complement existing formal services with new financing instruments; and (iii) set up a microcapitalization fund and a credit reserve fund.

(d) Project Management and Monitoring and Evaluation/Learning

Funds will be provided for the establishment of a project coordination unit (PCU) responsible for overall direction, administration and coordination of activities. The existing unit under PRONAPPA I will be reorganized to this effect. Project execution activities will be gradually transferred to the municipalities and local institutions and organizations, while project coordination will be transferred from PCU to the Secretariat of Rural Development to be established within the Projects and Technical Cooperation Unit (UPCT) of MGAP. A comprehensive M&E system will be established, while systematizing and disseminating lessons learned and implementation of best practices.



Project Implementation

This six-year project will be implemented under the overall responsibility of MGAP. The PCU will coordinate project activities with the Ministry through UPCT; subsequently, its functions will be integrated in the Rural Development Secretariat of UPCT to be established within MGAP.

Some Important Features

This project proposal takes into account the experience gained and lessons learned during the first phase of PRONAPPA, especially the success of resource-poor small farmers in producing and exporting fruits (off-season), vegetables and dairy products. This demonstrated that small-scale farming activities can be viable and competitive. The strategic thrust proposed for the country in the area of rural development underscores institutional achievements thus far, and the strategic proposals and actions of PRONAPPA first phase, which a new project will seek to consolidate and institutionalize. It is envisaged that the strategic consolidation concept will appropriately guide an IFAD intervention policy whereby the country will build an appropriate, institutional, decentralized and sustainable structure for combating rural poverty, without necessarily relying further on the Fund's lending programme over the next 15-20 years (except under severe situations threatening IFAD's target groups).

Main Issues

During appraisal, the following issues will be addressed: (i) develop triggers and measures in order to ensure that the objective of institutional sustainability is achieved and the various steps monitored; (ii) further review targeting mechanisms; (iii) ensure that gender concerns are mainstreamed during implementation; (iv) look into any adverse environmental impact as a result of the promotion of export-oriented commercial activities; (v) explore ways of increasing the resilience of the poor and review the possibility of increasing the allocation for commercialization and microenterprise support (currently 6% of total project costs); (vi) further articulate and refine the project logframe by identifying nation-wide indicators to demonstrate the project's positive impact on rural poverty reduction; (vii) further review how smallholders, particularly rural landless families and rural marginal producer families, can be organized to improve their bargaining position within the producers' organizations in order to ensure project sustainability and the sustainability of technical assistance to poor producers; (viii) re-examine the need of and the amount for the microcapitalization fund and the reserve-fund; and (ix) elaborate coordination mechanisms with other donor-supported projects.

Previous IFAD Operations

Uruguay has received one loan from IFAD for an amount of SDR 8.55 million. The project is closed.

Region: Near East and North Africa	Country: Kingdom of Morocco
Project Name: Rural Development Project in the Mountain Zones of the Al Haouz Province	Per Capita GNP¹: 1 240
Project Cost (USD million): 30.1	Population (million)¹: 27.8
IFAD Loan (USD million): To be determined	Leading External Financier²: IFAD
Proposed Terms: Intermediate	Cofinanciers: None
Present Status: Under appraisal	Appraising Institution and Loan Administrator: IFAD and UNOPS

Project Objectives

Poverty in Morocco is increasingly a rural phenomenon: seventy-two per cent of all poor live in rural areas compared with seventy per cent in 1985⁵. This situation may have worsened due to the effects of severe droughts during the last decade. Poverty in the mountainous zones derives from poor socio-economic services and infrastructure, and limited income opportunities from a poor resource base in an arid environment. The project's overall objective will be to contribute to the sustainable socio-economic development of the disadvantaged rural population of the mountain zones of the Al Haouz Province (identified among the poorest 14 provinces in the country) through the improvement and diversification of income sources, leading to an improvement in their living conditions and to the development of sustainable systems of natural resource management. Specific objectives include: (i) strengthening the participation capacities and involvement in project implementation of grass-roots organizations of the targeted groups; (ii) improving the productivity of agricultural and livestock production systems and the value of their products; (iii) increasing and diversifying agricultural and non-agricultural income through income-generating activities, benefiting particularly women and the young; (iv) facilitating the access of the poorest rural communities to basic socio-economic infrastructure; and (v) rehabilitating, protecting and rationally managing natural resources.

Project Beneficiaries

Project interventions will concentrate on seventeen disadvantaged rural communes of the Al Haouz Province situated in the two administrative circles of Amizmiz and Asni. About 50% of farms have a surface of less than 1 ha and 96.5% have less than 5 ha. The target group will be the poorer among the 111 773 inhabitants of the project area. Project activities will directly benefit some 210 villages, representing a total population of 50 000 rural men and women (40% of the total). In particular, the project will reach some 5 400 small farms representing a population of 32 000 and a cropped land of 14 000 ha. In addition, approximately 3 000 households will benefit from actions for improvement of pastoral and sylvo-pastoral resources, animal health and soil and water conservation. Activities related to training and assistance to establish microprojects will benefit approximately 2 000 women, 1 000 young girls and about 1 000 young men.

⁵ Kingdom of Morocco, Poverty Adjustment and Growth, World Bank 1994.



Project Components

Project-supported activities will be grouped into three main categories: (i) capacity-building and support to participatory programming; (ii) creation of socio-economic and productive assets and access to them by beneficiaries; and (iii) institutional support and project management.

(i) Participatory Programming and Local Community Development

Support will be provided for the strengthening of local capacities and the promotion of local development, including community development activities, and training and organization, leading to the participatory design of local development programmes at the level of village clusters.

(ii) Creation of Assets and Implementation of Local Development Programmes

The project will support: (i) water resources management and small and medium-scale irrigation, including the rehabilitation of intake structures and earth canals (*séguías*) in order to improve distribution efficiency. This will also involve strengthening traditional irrigation management groups and the creation of new water user associations (WUAs) and supporting existing ones; (ii) soil and water conservation and land reclamation, including protection against water erosion through the construction of contour stone terraces and control of wild jujube over cultivated land. It will also support the mechanical treatment of gullies, the development of bench terrace structures supporting fruit tree plantations for water harvesting and for soil protection, and fertility improvement and the installation of small stone-wall traditional irrigated terraces for fruit trees in the high mountains; (iii) improvement of production systems by strengthening technical support services in crop production and animal husbandry, diversifying production systems, adding value to production and by supporting the generation of appropriate technological packages; (iv) pastoral and sylvo-pastoral improvement over approximately 10 250 ha, of which 2 000 ha are collective rangelands, 250 ha privately owned marginal land and 8 000 ha sylvo-pastoral and forest rangeland. In addition, the project will also support improved animal health and apiculture development; (v) development of socio-economic infrastructure through the construction of rural tracks, river crossings and drinking water supply systems; and (vi) rural microfinance and microenterprise development to add value to agricultural products through processing and labelling. The promotion of ecotourism as an off-farm income-generating activity will be included given the biodiversity in the project area. The project will also aid in the installation of an economic development unit at the Provincial Directorate of Agriculture (DPA) level for the promotion of rural microenterprises among women and youth groups. Services to facilitate access to medium-term credit by the Local Agricultural Credit Bank branch (CLCA) of the National Agricultural Credit Bank (CNCA) will be provided through the creation of village microcredit associations. They will act as intermediaries between the population and the bank. NGOs will provide short-term credit.

(iii) Institutional Support and Project Management

The project will finance the establishment of a project coordination unit, which will include a unit coordinator and a number of subject specialists. Studies and surveys for project performance monitoring and impact evaluation will also be financed.

Project Implementation

The Ministry of Agriculture, Rural Development and Marine Fisheries (MADRPM) will implement this six-year project under the overall responsibility of the Direction of Land Improvement of the Rural Engineering Administration (AGR/DAF). A national steering committee will preside over the approval of annual programmes and budgets. Project implementation will be under the responsibility of DPA. The participation of the population representatives will take place within the



local development commission of the Programme for the Development of Rainfed Agriculture; regional coordination will be under the supervision of the provincial technical committee chaired by the Governor. The PCU established and located at DPA will coordinate project implementation and will be responsible for drawing up contractual arrangements for activities identified by the population. Under the direct authority of DPA, the Amizmiz “*Centre de Travaux*” will have a coordinating role for the implementation of community development activities, public awareness and participative programming through various operators (private, NGOs, etc).

Important Features

The project is in line with the Government’s strategy for agricultural production and the 2020 national strategy for rural development, and falls within the framework of the Development Programme for Rainfed Agriculture. It will be innovative in several respects: (i) give priority to integration in terms of activity planning within the framework of the participatory programming approach at the level of homogenous socio-territorial units; (ii) propose mechanisms to enhance the harmonization of methods of intervention and the synergy with the principal actors in the area for the rational management of natural resources; and (iii) integrate monitoring and evaluation (M&E) activities and impact assessment aspects related to the nutritional condition of children as an indicator of food security based on anthropometric measures taken during formulation; and (iv) contribute to the definition of an appropriate strategy and offer best practices/methodologies for the development of the mountains in Morocco in line with IFAD’s strategy for the country.

Main Issues

During appraisal, the following issues will be addressed: (i) the country’s regulatory framework for microcredit, especially constraints related to savings mobilization; (ii) the further elaboration of the project’s strategic contribution to sustainable development of the project area, and its incorporation into the logframe; (iii) beneficiary contribution to the operation and maintenance (O&M) costs of socio-economic infrastructure, irrigation and soil and water conservation structures; and (iv) gender implications of proposed activities.

Previous IFAD Operations

To date Morocco has benefited from seven loans for six projects for a total of SDR 81.44 million. Three projects are currently under implementation.

**PROJECTS UNDER CONSIDERATION – (2000 – 2001)
CLASSIFIED BY STAGE OF PROCESSING**

Region	Country	Population (million) 1/	GNP Per Capita Income (1998) (USD)	Project Name	Nature of Project	Tentative Loan (USD million)	Primary IFAD Contact	Included in Annex A	Tentative Executive Board Presentation
SEVENTIETH SESSION OF THE EXECUTIVE BOARD, SEPTEMBER 2000									
Africa II	Kenya	29.3	350	Central Kenya Dry Area Smallholder and Community Services Development 2/	BSF Operations/ Rural credit	10.9	Mr Williams	EB 69/May 00	Sep 2000
Asia and the Pacific	Pakistan	131.6	470	South Federally Administered Tribal Areas (FATA) Development Project	Rural development	17.2	Mr Attig	EB 69/May 00	Sep 2000
Latin America and the Caribbean	Bolivia	7.9	1 010	Management of Natural Resources in the Chaco and High Valley Regions Project	Natural resource management	12.0	Mr Haudry de Soucy	EB 69/May 00	Sep 2000
	Venezuela	23.2	3 530	Agro-productive Chains Development Project in the Barlovento Region 3/	Agricultural development	13.0	Mr Gariglio	EB 69/May 00	Sep 2000
Near East and North Africa	Azerbaijan	7.9	480	Rural Development Programme for the Mountainous and Highland Areas	Rural development	9.0	Mr Hassani	EB 69/May 00	Sep 2000
	Georgia	5.4	970	Rural Development Programme for the Mountainous and Highland Areas	Rural development	8.0	Mr Hassani	EB 69/May 00	Sep 2000
	The Former Yugoslav Republic of Macedonia	2.0	1 290	Agricultural Financial Services Project 4/	Financial services	8.0	Mr Turilli	5/	Sep 2000
	Sudan	28.3	290	South Kordofan Rural Development Programme	Rural development	17.9	Mr El Harizi	EB 68/Dec 99	Sep 2000

Region	Country	Population (million) 1/	GNP Per Capita Income (1998) (USD)	Project Name	Nature of Project	Tentative Loan (USD million)	Primary IFAD Contact	Included in Annex A	Tentative Executive Board Presentation
APPRAISAL COMPLETED									
Asia and the Pacific	Viet Nam (X)	76.5	350	Rural Microfinance Project 6/	Rural financial services	To be determined	Mr Prayer Galletti	EB 54/Apr 95	To be determined
UNDER APPRAISAL									
Africa I	Senegal	9.0	520	Village Organization and Management Project – Phase II (POGV II)	Rural development/ Community development	To be determined	Mr Ben-Senia	EB 69/May 00	Dec 2000
Africa II	Lesotho	2.1	570	Sustainable Agriculture and Natural Resource Management Programme	Agricultural development	To be determined	. Gicharu	EB 69/May 00	Dec 2000
	Tanzania, United Republic of	32.1	220	Rural Financial Services Programme	See Annex A	To be determined	Mr Faisal		Dec 2000
Asia and the Pacific	Cambodia	11.5	260	Community-based Rural Development Project in Kampong Thom and Kampot	See Annex A	To be determined	Mr Wang		Dec 2000
	China	1 238.6	750	Western Guangxi Poverty Alleviation Project	See Annex A	To be determined	Mr Martens		Dec 2000
	Pakistan (X)	131.6	470	NWFP Barani Area Development Project – Phase II	Rural development/ Natural resource management	To be determined	Mr Attig		
Latin America and the Caribbean	Uruguay	3.3	6 070	National Smallholder Support Project – Phase II	See Annex A	To be determined	. Glickman		Dec 2000
Near East and North Africa	Morocco	27.8	1 240	Rural Development Project in the Mountain zones of Al Haouz Province	See Annex A	To be determined	Mr Nourallah		Dec 2000



Region	Country	Population (million) 1/	GNP Per Capita Income (1998) (USD)	Project Name	Nature of Project	Tentative Loan (USD million)	Primary IFAD Contact	Included in Annex A	Tentative Executive Board Presentation
FORMULATION/PREPARATION COMPLETED									
Africa I	Congo	2.8	680	Marketing and Rural Finance Project	Marketing and rural credit	To be determined	Mr Nsimpasi	EB 60/Apr 97	To be determined
Asia and the Pacific	Korea, DPR	23.2	7/	Upland Food Security Project	See Annex A	To be determined	Mr Musharraf		Dec 2000
Latin America and the Caribbean	Colombia	40.8	2 470	Development of Small-Scale Fisheries and Aquaculture Project	Fisheries	To be determined	Mr Haudry de Soucy	EB 63/Apr 98	
	Grenada	0.1	3 250	Rural Enterprise Project	Rural development	To be determined	Ms Vargas Lundius		
Near East and North Africa	Armenia	3.8	460	National Agricultural Services Project	Agricultural development/ Financial services	To be determined	Mr Pedersen		
UNDER FORMULATION/PREPARATION									
Africa II	Eritrea	3.9	200	Gash Barka Livestock and Agricultural Development Project	Area development	To be determined	Mr Sorensen		
	Madagascar	14.6	260	Upper Mandrare Basin Development Project II	Rural development	To be determined	Mr David e Silva		Dec 2000
	Namibia	1.7	1 940	Southern Communal Areas Development Programme	Area development	To be determined	Mr Williams		



Region	Country	Population (million) 1/	GNP Per Capita Income (1998) (USD)	Project Name	Nature of Project	Tentative Loan (USD million)	Primary IFAD Contact	Included in Annex A	Tentative Executive Board Presentation
	Swaziland	1.0	1 400	Lower Usuthu River Basin for Smallholder Agricultural Intensification	Irrigation	To be determined	Mr Yayock		
	Uganda (X)	20.9	310	National Agricultural Advisory Service	Extension	To be determined	Mr Yayock		Dec 2000
Asia and the Pacific	Bangladesh	125.6	350	Sunamganj Community-based Resource Management 8/	Micro-finance/ fisheries	To be determined	Mr Roy/ Mr Brett		
	India	979.7	440	Second Orissa Tribal Development Project	Tribal development	To be determined	Mr Khadka		
	Philippines	75.2	1 050	Northern Mindanao Community Initiatives and Resource Management Project (CIREMP) 9/	Rural development/ Communities Development	14.0	Mr Ramesh/ Ms Lucchetta	EB 69/May 00	Dec 2000
Latin America and the Caribbean	Haiti	7.6	410	Fund for the Support of Productive Initiatives in Rural Areas	Rural development	To be determined	Mr Gariglio		
INCEPTION/IDENTIFICATION COMPLETED									
Africa I	Cameroon	14.3	610	Community Development	Rural development	To be determined	Ms Trupke		
	Sao Tome and Principe	0.1	270	Participatory Smallholder Agricultural and Artisanal Fisheries Development Programme	Agricultural development	To be determined	Ms Sparacino		
Africa II	Malawi	10.5	200	Southern Region Agricultural and Rural Development Programme	Rural development	To be determined	Mr Williams		
	Mozambique	16.9	210	Sofala Bank Artisanal Fisheries Project	Fisheries	To be determined	Mr Heinemann		
	South Africa	41.4	3 310	Rural Financial Systems Development Project	Rural credit	To be determined	Mr Heinemann		
Asia and the Pacific	Nepal	22.9	210	Western Uplands Development Programme 10/	Rural development	To be determined	Ms Toda		



Region	Country	Population (million) 1/	GNP Per Capita Income (1998) (USD)	Project Name	Nature of Project	Tentative Loan (USD million)	Primary IFAD Contact	Included in Annex A	Tentative Executive Board Presentation
Near East and North Africa	Bosnia and Herzegovina	3.8	n.a. 11/	Livestock and Rural Finance Development Project	Agricultural development	To be determined	Mr Hassani		
	West Bank and Gaza	2.7	1 560	Natural Springs Rehabilitation Programme	Irrigation	To be determined	Mr Hassani		
UNDER IDENTIFICATION/INCEPTION									
Asia and the Pacific	Laos	5.0	320	Support for Rural Credit Project	Credit	To be determined	Mr Wang		
	Sri Lanka	18.8	810	Second Small Farmers Rural Credit Project	Credit	To be determined	Mr Ramesh/ Ms Lucchetta		
Latin America and the Caribbean	Chile	14.8	4 990	Southern Region Agricultural Development Project	Agricultural development	To be determined	Mr Murguia		
	Costa Rica	3.5	2 770	Canton of Talamanca Sustainable Development Project	Agricultural development	To be determined	Mr Bettink		
	Costa Rica	3.5	2 770	Fostering of Rural Agro-Industry-Managed Small Farmers' Project	Agro-industries	To be determined	Mr Bettink		





ANNEX B

Footnotes to Annex B:

- X Projects so marked are selected from the pipeline of a cooperating institution (indicated in parentheses); the remainder are "IFAD-initiated projects", i.e., projects identified by the Fund's identification missions or directly requested by the Governments.
- 1/ 1998 data from 2000 *World Bank Atlas*.
- 2/ Former Nyeri Dry Area Smallholder and Community Services Development Project.
- 3/ Former Agro-industrial Chains Development Project in the Barlovento Region.
- 4/ Former Western Regions Financial Services Project.
- 5/ Provisional Agenda (EB 2000/70/R.1).
- 6/ The project may need to be reformulated.
- 7/ Estimated to be low-income (USD 760 or less).
- 8/ Former Sunanganj Community-based Baor Development Project.
- 9/ Former Northern Mindanao Project for Coastal and Uplands Development.
- 10/ Former Farmer-Managed Hills Irrigation Improvement Project.
- 11/ Estimated to be lower middle income (USD 761 to USD 3 030).

