



**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**

TO THE

**POPULAR COALITION TO ERADICATE HUNGER AND POVERTY**

FOR

**EMPOWERING THE RURAL POOR THROUGH ACCESS TO PRODUCTIVE ASSETS:  
A GRANT FOR COMMUNITY EMPOWERMENT FACILITY EXPANSION AND  
SECRETARIAT OPERATING COSTS**





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I submit the following Report and Recommendation on a proposed technical assistance (TA) grant to the Popular Coalition to eradicate hunger and poverty to support Empowering the Rural Poor through Access to Productive Assets: A Grant for Community Empowerment Facility Expansion and Secretariat Operating Costs, in the amount of USD 1 000 000 for a two-year period.

**I. INTRODUCTION AND BACKGROUND**

1. IFAD's institutional, financial and technical support has been the decisive factor in the development of the Popular Coalition and its programme. IFAD was instrumental in creating this collaborative mechanism based upon a vision, at the time unique among institutions, of a new form of equal partnership among civil-society and intergovernmental organizations. IFAD was visionary in uniting diverse stakeholders on the issues of land reform and access to productive assets.
2. The Popular Coalition has progressed through a number of formative stages to reach its current stage of programme development and level of field activities.
3. TA grants and supplementary funds have been catalytic to the results achieved. They have supported the establishment of the governance, policy and programme frameworks necessary to transform the outcomes of the founding Brussels conference into a practical programme of field programmes. They have supported the initial phase of implementation, in particular the knowledge network-- ARnet (Agrarian Reform network) -- involving 24 national and 8 regional nodes. On the basis of the emerging results, there is a rising commitment by the partners, the demand to join is growing and donor interest and commitments are now increasing.
4. Support to the community empowerment facility (CEF), provided by this TA grant, will likewise be catalytic to realizing a viable and sustainable programme, leveraging co-funding and delivering a series of concrete benefits. The CEF will build on the success of the ARnet Programme, which has already resulted in positive local impacts, new and strengthened civil-society networks, and information and knowledge.
5. In June 2000, the Sixth Interim Steering Committee of the Popular Coalition approved the CEF *Operating Framework and Guidelines*, thereby concluding the development phase of the CEF. This document was based on two initial test projects and the refinement of the operating modalities.
6. This TA grant will also contribute, on a co-funding basis with other donors, to the core operating costs associated with Secretariat activities, spanning both administrative and programme costs, and will provide essential stability for the Secretariat until at least December 2002. This stability will enable the Secretariat to concentrate its efforts on programme implementation and the related resource mobilization that is made possible by a robust programme with measurable results.



## II. RATIONALE

7. IFAD's support of the Popular Coalition represents a further concrete example of the organization's constant search for innovative solutions to enduring development problems. It also embodies IFAD's wide-ranging commitment to partnership with other intergovernmental institutions and with civil-society organizations.

8. When the Popular Coalition was established, it was acknowledged that there would be initial, but non-recurring start-up costs. This stage has been completed. The cost model for operating and implementing the programme of action assumes long-run declines in both marginal and average costs in each of its core programme areas. The incremental cost to add a new node to the current ARnet is an example. The cost model is also based on cofinancing, which has occurred in the past and for which numerous negotiations are under way.

9. The Popular Coalition's unique structure provides a vehicle for the inclusion of diverse elements of civil society in joint field activities, knowledge generation and development support by:

- supporting the development of national and regional networks to strengthen the capacity of civil- society organizations to improve the rural poor's access to land and other productive resources, a central theme of IFAD's forthcoming Rural Poverty Report 2000-2001;
- involving new and previously excluded voices from civil society in the dialogue process; and
- generating information and knowledge on these issues which will contribute to the building of IFAD's knowledge base on this subject with diverse stakeholders from local to international levels.

## III. THE PROPOSED GRANT

10. The purpose of the proposed grant is to:

- strengthen the capacity of non-governmental organizations (NGOs) and other civil-society organizations to empower rural communities through increasing their access to land and other productive resources;
- expand the scope of the CEF including its links to IFAD programmes; and
- ensure the financial viability and sustainability of the Secretariat and its core activities until at least December 2002 by providing co-funding towards its operations and programmes.

### **A. The Community Empowerment Facility Programme Activities: 1 January 2001 to 31 December 2001**

#### **Objectives**

11. The main objectives linked to the CEF component of the requested TA grant are:

- to establish a special fund, of sufficient financial scale and scope (USD 500 000) to be used to cofinance eligible CEF projects during 2001. The special fund plus the current investment earnings on the current Endowment Fund will make USD 680 000 available for commitment;
- to cofinance at least ten projects that, according to the CEF *Operating Framework and Guidelines*, will identify, field-test and disseminate methodologies and practices on



- innovations to build the capacity of rural people and their organizations to gain and maintain their access to resources; and
- to establish a portfolio of practical projects to demonstrate the importance of the CEF to current and potential donors.

## **Operating Framework**

12. The CEF is a catalytic cofinancing facility that will assist the capacity and institution-building of civil-society organizations and promote and support their innovative approaches and initiatives. The CEF will, thereby, lay the groundwork for the replication or scaling up of successful CEF projects through follow-up investment. As such, it expects that small grants, used strategically, can make a difference especially since the CEF can finance activities that other donors might not be able to support. While single grants may be up to USD 100 000, grants at this level are expected to be the exception.

13. The CEF *Operating Framework and Guidelines*, approved in June 2000, describe both the project approval criteria and procedures. They also outline the institutional framework for the management of the CEF programme and assign roles and responsibilities that ensure a permanent role for IFAD in the governance and overall decision-making of the CEF.

## **Activities and Outcomes**

14. The objective of CEF is to enhance the ability of the poor and of their own organizations at local, national and regional levels to gain and maintain their access to productive resources (land, water and other natural resources) as well as to access the tools and processes to manage them on a sustainable basis, including knowledge, technology, institutional models and finance.

15. The proposed activities and outcomes funded by the TA grant will include:

- supporting the CEF Project Approval Committee and cofinancing a minimum of ten CEF projects;
- supervising, monitoring and evaluating CEF projects using the Popular Coalition regional nodes, international partners with a field presence and missions from the Secretariat;
- documenting, analysing and disseminating lessons from the programmes cofinanced by the CEF;
- facilitating collaboration and consultation among the CEF member organizations, governments and intergovernmental organizations on resource-access issues;
- undertaking, in consultation with each regional division of the Programme Management Department (PD) and the Economic Policy and Resource Strategy Department (ED) programmes that will complement IFAD programme goals; and,
- enhancing the capacity of civil society in selected countries as a basis for entering into partnerships with IFAD in its activities and lending programmes and facilitating joint actions, as requested.

## **Implementing the CEF**

16. The CEF Endowment Fund currently produces annual income of approximately USD 180 000 on capital of USD 2.8 million from a previous TA grant of USD 1.6 million and a contribution from the World Bank. By itself, this amount is insufficient to launch a programme of adequate scope to test the merit of the CEF or to demonstrate outputs that can substantiate a campaign to mobilize further capital.



17. This TA grant requests that USD 500 000 be granted as a special fund for use by the Popular Coalition to support eligible CEF projects during 2001. This grant will permit the effective operationalization of the CEF programme. It will provide a level of funding in 2001 (USD 500 000 plus a projected USD 180 000 of investment income) needed to inaugurate projects of sufficient number and levels to test the actual value of the CEF.

18. In addition to current CEF projects, discussions with IFAD - PD have identified a number of project areas and types of CEF activities for cofinancing in 2001. It is expected that at least one CEF activity will be undertaken in collaboration with each regional division in PD and with ED.

### **Monitoring and Evaluation**

19. Monitoring and evaluation during 2001 will address both programmatic issues and the financial viability and sustainability of the CEF. The Secretariat is responsible for ensuring the adequate monitoring and evaluation of CEF projects. Both the Technical Advisory Division (PT) and the Office of Evaluation and Studies (OE) will be called upon, when necessary, to ensure that projects presented to the CEF Project Approval Committee are technically sound and contain appropriate means for monitoring and evaluation.

20. The governing body of the Popular Coalition will undertake an impartial evaluation of the CEF during 2001, which will include, *inter alia*, assessing the value it adds to its members and partners; and examining the financial sustainability of the CEF, including the viability of the endowment fund model and the level of received and anticipated funding from other donors.

### **B. Contributing to Operating Costs of the Secretariat of the Popular Coalition: 1 January 2001 to 31 December 2002**

21. This proposed TA grant requests USD 500 000 towards core operating costs, which include a range of programme activities. The Secretariat is committed to the principle of co-funding involving both Popular Coalition members and external donors. The requested amount represents 47% of minimum projected operating costs, which, if approved, will represent a significant reduction in the relative level of IFAD support. Previous IFAD support to Secretariat operating costs has represented close to 100% of total costs. The remaining 53% of operating costs will be met by contributions from other Popular Coalition partners and donors plus service charges against the budgets for programmes managed by the Popular Coalition.

22. **Management and operations** will include the salaries and costs associated with Secretariat responsibilities, such as supporting the governance requirement, including the CEF and ARnet, with the member organizations and geographical partners; mobilizing resources and donor relations; monitoring all co-funded field activities; and undertaking advocacy and awareness activities at selective national and global events.

23. **Expanding the network and partnerships** will include in 2001 the Caribbean, West Africa and the Horn, and the investigation and possible entry to Eastern Europe in follow up to joint studies being considered with the Food and Agriculture Organization of the United Nations (FAO).

24. **Raising public awareness and political will** is a programme and activity strategy of the Popular Coalition designed to help put access to productive assets on national and international agendas in order to mobilize public policies, funding and commitment to agriculture-sector reform in the interests of the rural poor.



25. **Undertake special studies and publish results on emerging land tenure models** to identify and analyse lessons learned from emerging land tenure markets from the examination of land access and administration issues in new contexts including leasing and sharecropping.

26. **Governance** is both a policy and strategic requirement for operating the Popular Coalition as well as a programme in its own form. The model of governance and its ways of work are unique and require documentation so they can be shared with others seeking to bring diverse stakeholders together for other development objectives. Many of the civil-society members of the Executive Council and of the Assembly of Members require full or partial financial assistance to participate in meetings or assemblies.

27. **Communications** directly pertains to advocacy work which requires supportive materials and educational products, website operations and the publishing of results arising from the programmes of ARnet, the CEF and other joint initiatives with partners; and support to a select number of training seminars and conferences that can further the development of pertinent national and global policies.

### **Monitoring and Supervision**

28. The operations and related activities will be evaluated by both the Executive Council of the Popular Coalition and by IFAD Management. The annual programme of work contains measurable results that form the basis against which progress can be monitored and evaluated.

## **IV. RELATIONSHIP TO IFAD**

29. The Popular Coalition contributes to the achievement of IFAD's strategic goals in a variety of ways. Through this TA grant, complementary field activities will be implemented in collaboration with each regional division of PD and ED. Throughout the implementation of each of the operational, core and CEF activities, IFAD is recognized as the focal point and first among equals by the partners in the Popular Coalition. The networks of civil-society organizations being built and strengthened at the country and regional levels is a resource being used by IFAD in the design and implementation of its lending programme. The field-based and international network activities of the Popular Coalition elevates the visibility of IFAD as the specialized United Nations agency supporting the economic advancement of the rural poor. The Popular Coalition illustrates in very practical terms the role of IFAD as an innovator in development and its track record of building collaborative development programmes.

## **V. RECOMMENDATION**

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

RESOLVED: that the Fund, in order to finance, in part, Empowering the Rural Poor through Access to Productive Assets: A Grant for CEF Expansion and Secretariat Operating Costs, for two years, commencing in January 2001, shall make a grant not exceeding one million United States dollars (USD 1 000 000) to the Popular Coalition to Eradicate Hunger and Poverty upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

Fawzi H. Al-Sultan  
President