1. Since document EB 2001/73/R.26 was dispatched to Executive Board Directors, three additional projects have reached a sufficiently advanced stage of preparation to warrant inclusion in the Annex A portion of the document. The relevant project summaries are attached.

2. In addition, two new projects have entered the official pipeline, as follows: Western and Central Africa (Africa I) – Rural Enterprise Project, Phase II (Ghana); and Smallholder Development Project in the Forest Region – Phase II (Guinea).
Region: Western and Central Africa (Africa I)  
Project Name: National Community Development Programme Support Project  
Project Cost (USD million): 20.6  
IFAD Loan (USD million): To be determined  
Proposed Terms: Highly concessional  
Per Capita GNI 1: 600  
Population (million) 1: 15  
Leading External Financier 2: IFAD  
Cofinanciers: None (World Bank and German Agency for Technical Cooperation (GTZ) will contribute to the broader National Community Development Programme)  
Appraising Institution and Loan Administrator: IFAD and the United Nations Office for Project Services (UNOPS)  
Present Status: Formulation completed

Project Objectives

Poverty in Cameroon is a rural phenomenon, with 87% of the poor living in rural areas. Lack of involvement of the rural poor and their communities in the decision-making process has been identified as one of the main obstacles to the positive outcome of reform measures to reduce rural poverty. Within the framework of the overall National Community Development Programme (NCDP), to be financed by several donors, the proposed project represents IFAD’s contribution to this programme. The overall goal of the project is to promote the sustainable socio-economic development of the poorest rural populations of Cameroon by raising their incomes and enhancing food security. This goal will be pursued within the framework of NCDP by fostering effective decentralized institutions, especially at the community level, and building up their capacity to address their own development needs. Special focus will be placed on addressing the development constraints of the poorest rural categories and women. The project’s specific objectives will be to: (i) strengthen the capacities both of the communities themselves and of the providers of support and services (from the private and public sector); (ii) enhance access by the rural populations, particularly women, to resources, assets and services; and (iii) introduce the reforms and changes needed to build up and consolidate the capacity of partner institutions and service providers to foster genuine empowerment of the poor, of women and of the communities in which they live.

Project Beneficiaries

The IFAD-supported project is expected to be located in three areas: the extreme North Province (the Mayo-Sava and Mayo-Tsanaga Departments plus Méri arrondissement of Diamare Department); the Centre Province (Haute-Sanaga and Nyong-Mfounou Departments as well as Essé and Awae arrondissements of Méfou and Afamiba Departments); and the South Province (Mvila and Vallée-du-Ntem Departments). These areas are characterized by a high incidence of poverty and inadequate social and productive infrastructure. The total population of this area is estimated to be around 1.5 million, with well over half living in poverty. The project area covers some 1 150 villages, of which 90% are expected to adhere to, and actually benefit from, the project. However, due to the project’s demand-led approach, it is not possible to provide accurate estimates of the expected number of beneficiaries. Investments in income-generating activities will have a strong impact on individual households, while social investments (e.g. roads, health centres) will bring about benefits to the community as a whole and to neighbouring communities.

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1 1999 data; gross national income (GNI) in United States dollars (formerly referred to as GNP).

2 The external financier which, at the request of the Government, takes the lead in project design, pre-appraisal processing and the mobilization of external resources.
Project Components

(a) Institution Strengthening and Capacity-Building

The aim of the component is to create an effective tool for fostering genuine community-level participation which, in turn, will enable the communities to take responsibility for their own development. To this end, the project will support: (i) the Directorate of Rural Infrastructure and Community Development (DGRDC) of the Ministry of Agriculture to equip and deploy one national team and three provincial teams specialized in rural development, rural organizations, community-level animation, microfinance, and monitoring and evaluation. These teams will be responsible for coordinating and supervising the community-level activities implemented by contracted non-governmental organizations (NGOs) and other partner institutions; (ii) FEICOM (Fonds spécial d’équipement et d’intervention intercommunal, a semi-public institution) by strengthening the capability of regional agencies and branches through increased mobility, equipment and office operating costs; FEICOM will provide advisory services and financing through the Community Development Fund (CDF) for community investments; (iii) the creation of a networking mechanism, which will allow all actors involved in the project to facilitate exchanges of experience and share lessons learned; and (iv) capacity-building, by providing all staff involved in implementing project activities and community leaders with intensive orientation and practical training in the skills of fostering a truly participatory approach to community development; training in a broad range of relevant technical skills (e.g. crop and livestock production, natural resources management, credit handling and microenterprise promotion); and study tours and exchange visits to allow villagers, both women and men, to share experiences.

(b) Financing of Community-Level Investments

Through this component, the project will provide resources to NCDP’s community development fund, to finance eligible investments (e.g. social infrastructure and economic activities) selected from the action/development plans drawn up by the communities themselves, with support and advice from the partner institutions and service providers. Training and matching grants will also be provided to groups and associations willing to establish a revolving fund for on-lending operations to members for income-generating activities.

(c) Support to NCDP’s Management Unit

Support will be provided for the establishment, strengthening and functioning of a small project management unit to be established within DGRDC to provide the required coordination, backstopping and supervisory support to all interventions launched within the framework of the NCDP, including the proposed project. Funds will be made available for training, computer equipment, vehicles and office supplies.

Project Implementation

The seven-year project will be implemented within the overall institutional framework to be set up for the NCDP.

Important Features

The NCDP will offer a common framework to optimize the use of financial resources and generate additional synergies among donors and financial institutions, particularly in favour of the poorest and most disadvantaged categories. The proposed long-term NCDP, of which the IFAD-supported project will be a component, presents four innovative features for IFAD’s operations in Cameroon: (i) the introduction of a direct link between the ongoing decentralization process and a
bottom-up approach to development; (ii) investments and action will be decided upon and implemented at the village level, with support through appropriate capacity-building and empowerment-fostering measures; (iii) a planning process will be launched, whereby the communities themselves will be allowed to coordinate their own development activities and thereby ensure more efficient and rational use of available funds; and (iv) the CDF as a flexible financing instrument will respond to the needs of communities as identified by them.

Main Issues

During appraisal, the following issues will be addressed: (i) definition of the collaboration procedures between IFAD, World Bank, GTZ and other donors and financial institutions involved in community development; (ii) confirmation of the project area identified for the present IFAD support project; (iii) the detailed definition of the methodologies to be adopted under the NCDP; (iv) finalize the design of the overall institutional framework for the NCDP, with special emphasis on the need to harmonize existing approaches, procedures and methodologies; and (v) revisiting and fine-tuning the capacity-building sub-component.

Previous IFAD Operations

IFAD has approved six projects in Cameroon (three cofinanced and three IFAD-initiated) for a total of SDR 34.47 million. Two projects are currently under implementation.
**Project Objectives**

The province of Tuyen Quang is characterized by widespread poverty and a limited natural resource base, particularly in the more remote upland districts in the north. Ethnic minorities and women are found to be particularly disadvantaged. Ethnic groups represent 52% of the total population of the province and account for over 73% of all poor households. The overall goal of the proposed project is to improve the socio-economic status of poor upland ethnic minorities and women. This will be achieved by increasing their capacity and role in the decision-making process; enhancing food security; promoting diversification of rural income opportunities; and encouraging the more sustainable use of natural resources. The project will build on the gains and lessons learned through the Participatory Resource Management Project – Tuyen Quang Province (PRMP), which is due to be completed on 30 September 2001.

**Project Beneficiaries**

The total population of the province is 610,200 persons, comprising 137,900 households. The primary target group of the project encompasses poor households living in rural areas of the province, with priority to very poor and destitute households, and women. The project will target 65 of the poorest communes\(^3\) (or approximately 50% of all rural communes in the Province). These 65 communes encompass 915 villages and 49,000 households (or 39% of all households). Of these, around 10,000 households are officially poor, accounting for 59% of the province’s poor households. Within targeted communes, ethnic minorities account for 74% of all households, and 83% of poor households. The project is expected to benefit most of the 49,000 households, or approximately 235,700 people, and to have a positive impact on women.

**Project Components**

(a) **Food Security and Income Diversification**

The project will support: (i) **microenterprise development and marketing** through the identification of development opportunities; provision of credit and training to establish village and commune-based microenterprises; formation of microenterprise production groups; development of appropriate production technology; formation of farmer marketing groups, including assistance with market development; upgrading of provincial vocational training schools, and establishment of three district satellites and the provision of scholarships; and the establishment of the Microfinance, Microenterprise and Marketing Unit under the Provincial Project Coordination Unit (PPCU); (ii) **rural financial services**, including the creation and strengthening of savings and credit groups (SCGs) as independent and self-managed financial institutions; initial capitalization of SCGs; the promotion of linkages between the Viet Nam Bank for the Poor and the SCGs; and the channelling of...
loan funds to the SCGs and for providing deposit facilities; upgrading of sub-district deposit facilities; and provision of microfinance implementation support; (iii) crop and livestock production, including the organization of farmer-field schools (FFS) and training of key farmers; establishment of seed production units and nurseries, district demonstration centres and two community-based watershed management pilots; applied agricultural/livestock research; improvement of animal health services through the upgrading of infrastructure, training of village animal health workers and the strengthening of the Department of Agricultural and Rural Development (DARD); (iv) social forestry, by supporting the adoption of forest garden production practices by private households, including issuance of land-use certificates; provision of extension services and farmer training, credit and training for the establishment of nurseries for the production of seedlings; establishment of demonstration sites; and institutional strengthening; and (v) aquaculture development through the upgrading of the Yen Son hatchery and establishment of a fingerling distribution centre; selection and training of key farmers; demonstrations and farmer training; provision of credit and training for the establishment of fish breeding and fingerling nursing units; and institutional strengthening.

(b) Gender and Women’s Livelihood

Financing will be provided for the establishment of a Women’s Livelihood Fund (WLF) in each commune to finance social and human capital development needs identified by women. The project will also provide support for: the registration of land ownership certificates in the name of both husband and wife; the promotion of gender issues through awareness-raising and sensitization training programmes; the provision of grants and credit to enhance women’s productive capacity; and institutional strengthening of Women’s Union.

(c) Village Infrastructure Development

The project will support: (i) the establishment of a Village Infrastructure Development Fund (VIDF) in each commune to finance infrastructure needs identified by target communities; (ii) the establishment of highly decentralized and participative planning and implementation procedures to govern the utilization of these funds; (iii) the creation of wage labour opportunities associated with VIDF-funded projects; and (iv) the institutional strengthening of DARD and the Department of Transport and Communication.

(d) Project Management

Support will be provided for the establishment of an independent project management structure and for the establishment of a Development Reserve Fund.

Project Implementation

The six-year project will be implemented under the overall responsibility of the Provincial People’s Committee through a project-specific Provincial Project Steering Committee. A PPCU will be established in Tuyen Quang Town. District project coordination units established in each of the five project districts will be responsible for the project’s day-to-day implementation. To a large extent, implementation responsibilities will be decentralized to the implementing agencies at the provincial and district levels. The Commune People’s Committee, through the Commune Development Board, will be responsible for coordinating, monitoring and reporting on project activities at the commune level. Village Development Boards will serve as the main forum for the planning and review of project activities.
Important Features

The project is in line with the country strategic opportunities paper (COSOP) for Viet Nam which identified ethnic minorities, women-headed households and poor farmers living in remote areas and reliant on a poor and fragile natural resource base as the main target group focus for IFAD’s interventions in Viet Nam. The project will promote further decentralization of the participatory development process that was successfully pioneered by PRMP, which introduced innovative flexible financing mechanisms. SCGs developed under PRMP will be reoriented into self-help groups. The project will empower women by addressing their strategic needs in terms of access to, and control over, productive resources and the longer-term development of social and human capital. It will promote vocational training opportunities for young people from ethnic upland communities and will adopt FFS as a cornerstone extension method. It will also institutionalize participatory impact assessment as a mainstream performance assessment tool.

Main Issues

During appraisal, the following issues will be addressed: (i) finalize credit modalities/arrangements and criteria and procedures for allocation of funds under the VIDF and WLF; (ii) finalize project implementation aspects, including institutional arrangements to support the implementation of the microfinance, microenterprise and marketing activities; (iii) examine the possibility of simplifying implementation procedures, and finalize appropriate coordination mechanisms at the commune and district levels; (iv) confirm continued allocation and certification of forest garden areas; (v) confirm interest in developing and implementing forest co-management arrangements with local communities; (vi) determine degree of commitment to the proposed registration of land ownership certificates under the names of both husband and wife; and (vii) ensure that at least one key indicator of overall impact on household food security is included in the project’s logical framework.

Previous IFAD Operations

IFAD has financed four projects in Viet Nam for a total of SDR 44.0 million. All projects are under implementation.
Region: Near East and North Africa  
Country: Yemen  
Per Capita GNI 1: 360  
Population (million) 1: 17  
Proposed Terms: Highly concessional  
Leading External Financier 2: IFAD  
Cofinanciers: Discussions ongoing with the Government of The Netherlands, World Food Programme (WFP) and the Arab Fund for Social and Economic Development (AFESD)  
Appraising Institution and Loan Administrator: IFAD and AFESD

Programme Objectives

The inhabitants of the Governorate of Dhamar are rural dwellers who derive their primary income from agriculture. They suffer from income poverty and from poor living conditions, isolation and limited social amenities. Income from agriculture is insufficient to sustain families and is supplemented by a variety of other sources, including casual temporary labour, collection and sale of firewood and remittances. The proposed programme aims at supporting the rural population in the districts of Dhamar – among the most densely populated and environmentally threatened rural areas - by enhancing family food security for subsistence farmers, raising family incomes, and improving the living conditions and development participation of small farm households and village communities. To that end, the programme will: (i) empower communities, including women and the poor, to mobilize and organize themselves to participate in, and gain direct benefit from, development planning and programme execution; (ii) remove critical infrastructural and social (health and education) constraints to productivity and advancement; (iii) equip and support farming households to enhance output so as to secure basic food supply, produce marketable surpluses, and pursue income-raising opportunities; and (iv) provide a local administrative platform integrated within the district and governorate structure for effective and sustainable development implementation.

Programme Beneficiaries

The programme will cover all districts in Dhamar. However, interventions will primarily concentrate in the western mountainous parts of the Governorate where, due to remoteness, difficult mountain terrain, small landholdings and predominance of rainfed agriculture, a higher incidence of poverty and disadvantagedness is prevalent. Targeting criteria will be established for the selection of the poorest areas and communities of the districts to be included in the programme. Within these communities, programme interventions will be principally directed to poor households. Approximately 30,000 households will directly benefit from programme interventions.

Programme Components

(a) Community Development

The programme will specifically support: (i) participatory planning and community institutions building to assist communities in the prioritization of their development needs. Community development plans, which will be reviewed by district councils, will mainly include activities in support of agricultural development and livelihood improvement for poor households, and community infrastructure requirements. To that end, the programme will support community mobilization, initially with the assistance of an international NGO and subsequently with local NGOs created by the programme; formation and/or strengthening of various community groups; capacity-building and training; and support and advice for participation in development planning; (ii) literacy and life-skills training, especially for women and girls, mainly geared to the establishment of...
income-generating activities; and (iii) establishment of a community infrastructure fund for small projects (e.g. drinking water, schools, access road improvements and health posts). Communities will be required to contribute, either in cash and/or kind, and to form management committees.

(b) Agriculture and Livestock Development and Environment

Support will be provided for: (i) extension and technology transfer, including (a) participatory adaptive research trials and demonstrations; (b) improved access to extension advice and farmer training with a clear focus on women. Village agricultural workers and village animal health workers will be identified and trained to provide routine on-farm crop and livestock services and demonstrations requested by farmers; (c) crop production improvement in rainfed areas through improved seed and agronomic practices; (d) establishment of community multiservice centres; (e) information dissemination and communication; and (f) improved access to basic animal health care and husbandry advice together with adequate feed resources; (ii) irrigation development, through the establishment of a water resources fund to finance small dams, water catchment management, water harvesting structures, etc., together with support for improved water utilization and establishment of water users’ associations; (iii) natural resource management activities, including terrace rehabilitation and maintenance and improvement of fodder; fuelwood and fruit availability through afforestation; and wadi bank protection. Projects will be selected through a participatory planning process; (iv) marketing information and advice, including the identification of market opportunities and establishment of market linkages; capacity building for the establishment of marketing groups/cooperatives; and credit for basic marketing infrastructure. This activity will be supported initially on a pilot basis and will only be replicated after the evaluation of the initial intervention; and (v) improvement of rural financial services by supporting the overall restructuring of the Cooperative and Agricultural Credit Bank (CACB) and creation of savings and credit associations at the village level as grass-roots microfinance intermediaries. The programme will assist CACB both through the provision of a line of credit for small loans for farm and non-farm activities and the development of alternative credit delivery systems to make credit more accessible to farmers, particularly women. Credit will also be provided for the development of non-farm income-generating activities (e.g. beekeeping, animal traction, handicrafts, blacksmiths for agricultural tools) along with support, as required, for skills training, business management advice and training.

(c) Institutional Strengthening

Support will be provided for: (i) the restructuring of CACB, including the provision of training, equipment, establishment of an adequate management information system and additional credit funds as required; and (ii) capacity building of the local administration to plan and implement rural development under the new decentralized administration structure, including orientation and training of local councils and administrations, the provision of technical assistance, and reconstruction and/or refurbishing and equipping of district offices as appropriate.

Programme Implementation

During the initial implementation phase, the seven-year programme will operate under temporary management structures while the capacity of the Governorate and district administrations is being strengthened to facilitate full integration into the local administrative structure. Coordination of the planning and implementation of programme activities will be the responsibility of a programme management office (PMO) within the Governor’s Office in Dhamar, which will liaise closely with the Governorate and district councils and the Governorate Planning Department. Implementation of programme activities will be effected through contracting competent specialized agencies within the public or private sector through performance-based contracts renewed annually. Agricultural and irrigation activities will be managed by the Ministry of Agriculture and Irrigation Office in Dhamar with adaptive research contracted out to the specialized Agricultural Research and Extension...
Authority. The community infrastructure component will be contracted out to the Social Fund for Development; the Adult Literacy Organization under the Ministry of Education will be contracted to implement the literacy and life-skills programme; and an international NGO will be contracted to implement the community participation component. Rural financial services will be implemented by CACB, while a local women’s NGO will be contracted to promote and support women’s savings and credit associations. The PMO will be supported by a local technical advisory group with regard to specialist advice and guidance in the community development, agricultural and rural engineering aspects of the programme. A programme steering committee will guide programme implementation and a national strategy panel will ensure that the innovative aspects of programme design are evaluated and incorporated, as appropriate, into the broader national strategy. A programme coordination committee will be established in each district to ensure efficient implementation of programme activities, resolve implementation constraints, ensure coordination of activities and monitor project performance.

**Important Features**

The programme will build on the experience of recent project design and performance in Yemen. It will also take the process to the next stage, with a longer-term and more sustainable commitment to combining the elements of decentralization and commercialization of community and agricultural services that emerge from recent and imminent changes in government policy. The programme will contribute directly to the process of decentralization and devolution in the Governorate, districts and sub-districts by supporting the new decentralized administrative framework through capacity building. Local communities and farmers will be given the jurisdiction, resources and responsibility, with programme assistance, for improving their own status. Crucial roles will be entrusted to community, farmer and women’s groups and associations; and demand-led service provision will be handled by line agencies and parastatals that adopt a commercial stance; local and national NGOs; and private-sector contractors and consultants. The credit delivery system will be fully restructured to make it demand-driven and sustainable.

**Main Issues**

During appraisal, the following issues will be addressed: (i) finalization of implementation arrangements, phasing and measures for containing risks associated with the decentralization process; and (ii) confirmation of involvement of other donors.

**Previous IFAD Operations**

IFAD has supported 15 projects in Yemen (nine cofinanced and six IFAD-initiated) for a total of SDR 100.64 million. Four projects are currently under implementation.