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PROGRESS REPORT ON THE PROJECT PORTFOLIO

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ABBREVIATIONS AND ACRONYMS

AfDB	African Development Bank
AFESD	Arab Fund for Economic and Social Development
Africa I	Western and Central Africa
Africa II	Eastern and Southern Africa
AsDB	Asian Development Bank
BCIE	Central American Bank for Economic Integration
BOAD	West African Development Bank
CAF	Andean Development Corporation
CDB	Caribbean Development Bank
CGIAR	Consultative Group on International Agricultural Research
CI	Cooperating Institution
COOPEC	Savings and Credit Cooperative
CPM	Country Portfolio Manager
FAO	Food and Agriculture Organization of the United Nations
FLM	Flexible Lending Mechanism
FFS	Farmer Field School
GIE	Economic Interest Group
GILB	Global Initiative on Late Blight
GTZ	German Agency for Technical Cooperation
IDA	International Development Association
IDB	Inter-American Development Bank
IGA	Income-Generating Activities
LAC	Latin America and the Caribbean
M&E	Monitoring and Evaluation
MDG	Millennium Development Goal
MOAI	Ministry of Agriculture and Irrigation
MTR	Mid-Term Review
NENA	Near East and North Africa
NGO	Non-Governmental Organization
OE	Office of Evaluation and Studies (IFAD)
PCR	Project Completion Report
PD	Programme Management Department (IFAD)
PIA	Participatory Impact Assessment
PIM	Participatory Impact Monitoring
PPMS	Project Portfolio Management System
PRA	Participatory Rural Appraisal
PSR	Project Status Report
RLF	Revolving Loan Fund
SOF	Special Operations Facility
TAG	Technical Assistance Grant
UNOPS	United Nations Office for Project Services
VDF	Village Development Fund
VISACA	Village Savings and Credit Association
WFP	World Food Programme
WUA	Water Users' Association
WUCC	Water Users' Consumer Cooperative



OVERVIEW

1. In the last few years, reflection and action to improve project impact have gained increasing momentum. Improvements in monitoring the performance of the portfolio have been supported by important changes to advance its quality, starting with the entry of projects into the pipeline. Impact – on beneficiaries and institutions – constituted the main theme of the Programme Management Department (PD) portfolio review process in 2001. Various methodologies and key impact indicators were and are being examined to establish a linkage with the Millennium Development Goals (MDGs).
2. Implementation of a technical assistance grant (TAG) for the Programme to Promote Impact Orientation during Project Cycle Management facilitated the extension to the field in 2001 of training in the logical framework (logframe) technique. In addition to TAG resources, several countries used their own resources to launch in-country workshops for the training of project staff and key staff of implementing agencies in the use of the logframe. In-country workshops were also used to review the existing logframe of a project to improve its functionality as an impact-oriented management tool and as a base for implementation planning.
3. Logframe training activities were further supported by impact-oriented monitoring and evaluation (M&E) systems in new projects and by strengthening the M&E units of ongoing projects. In response to PD's request, the Office of Evaluation and Studies (OE) developed and finalized the draft of *Managing for Impact in Rural Development – A Guide for Project M&E* for implementation in 2002. Regional and subregional workshops held in China, Madagascar and Rwanda focused intensively on project impact and the tools for its measurement. In 2000 and 2001 the Asia and the Pacific Division (Asia) pilot tested several participatory impact assessment/monitoring (PIA/PIM) methodologies in projects in Bangladesh, China, India, Indonesia and Viet Nam.
4. At the end of 2001, IFAD's current project portfolio stood at 241 projects for a total value of USD 3.29 billion. Sub-Saharan African countries are still the largest recipient of IFAD assistance. Regional divisions continue their efforts to maintain a stable portfolio size and this year both the number of projects approved and the number completed amounted to 25. During 2001, total disbursement amounted to SDR 236.5 million. This is the highest amount ever disbursed in a single year and has continued the trend shown in the previous three high-performing years.
5. The share of underperforming projects in the total portfolio remains at the same level as in previous years (25%). Political unrest and civil disturbance are reported by most regional divisions as external factors affecting project performance. The aftermath of persistent drought is another factor affecting some projects, particularly in the Near East and North Africa (NENA) and Asia regions. The influence of certain exogenous factors aside, weak project management can give rise to a host of other project implementation problems across all geographic regions. Generally, in the two Africa regions weak institutional and public-service capacity is more pronounced than in other regions. Other cross-cutting issues affecting the entire portfolio can be summarized as: poor definition of management responsibility among implementing agencies, inadequate flow of funds, the incentive structure of civil service, lack and/or untimely provision of counterpart funds, complicated procurement arrangements, and late submission of audit reports. In the context of project portfolio reviews, in 2001 preparation of the "country portfolio issues sheet" began on a trial basis across the regional divisions. This instrument is intended to complement the information and analysis contained in project status reports (PSRs).
6. Project implementation problems are variously addressed on a project by project basis and through corporate actions. In addition to participating in the supervision missions of the cooperating institutions (CIs), extensive follow-up missions were conducted by IFAD staff and specialist consultants in order to provide backstopping support on technical and management problems to ongoing projects. Such involvement has been instrumental in keeping field-level project implementation closer to the spirit of project design for better achievement of qualitative impact. The



key quality features of project design are subject to the constant attention of follow-up missions. Such features include participation and empowerment, a more equitable approach to gender, pro-poor institutional arrangements and policies, and on-farm and catchment area environmental issues. Nevertheless, the necessity of operating from Headquarters affects the continuity of follow-up actions.

7. Regional divisions continue to look for innovative methods to improve project performance and compensate for the lack of field presence. Foremost among them is the use of TAGs to regional and national institutions, as well as to local and international non-governmental organizations (NGOs) for capacity-building and provision of project implementation support. Use of national staff of the World Food Programme (WFP), on a cost-sharing basis, has been practiced in China and India with tangible positive results. In countries where IFAD is present with a relatively large number of projects, facilitation units have been set up and paid for by the projects themselves. Despite these measures, and because of competing demands on the time of country portfolio managers (CPMs), it is not always possible to be present at some crucial in-country meetings on institutional and policy issues.

8. The ongoing portfolio is administered by nine CIs and IFAD. The United Nations Office for Project Services (UNOPS) is responsible for 55% of the portfolio, followed by the World Bank with 13%. Over the past two years, the main theme of dialogue with CIs has been their role in monitoring and reporting on impact. However, the major concern by leading CIs is the incremental resource requirements to meet new demands without sacrificing routine supervision of regulatory aspects. All 15 projects approved for direct supervision are now effective, and the process has led to the creation and accumulation of valuable institutional memory. Better command of project design through more direct contact has enabled IFAD to be a more forceful catalyst in support of its strategic objectives.

9. Total cofinancing arrangements during 2001 amounted to USD 270.3 million, resulting in a cofinancing-to-loan ratio of 67%, twice that of the target for the year. Mobilizing cofinancing – building and maintaining partnership – is a highly staff-intensive task. Lack of field presence has further compounded the challenge for IFAD in the face of the decentralized decision-making structures adopted by most donor agencies. In situations in which a potential donor withdraws late during project design or fails to maintain commitment during project implementation, additional effort is required to find a new cofinancier or adjust the project design. In some regions, notably Africa, the level of partnership and cofinancing is constrained by the declining priority placed on rural development by other donors. Nonetheless, cofinancing targets are being met and surpassed through a successful drive to diversify cofinancing partners.

10. Twenty-three projects prepared project completion reports (PCRs) in 2001 based on IFAD's new report format. These reports provide a fairly detailed and candid account of the successes and shortcomings of completed projects. In varying degrees, most projects achieved their stated development objectives of increasing income and raising production and productivity. In many cases appropriate technologies and training contributed significantly to reaching these objectives. Most of the projects emphasized beneficiary participation and the use of participatory methodologies that were crucial to project success. About half had a particular focus on gender and on improving the living conditions of women. Rural finance facilities were also instrumental in raising and diversifying incomes, although often not without problems. In addition to project- and country-specific lessons, a number of generic lessons have been drawn that confirm the current emphasis of IFAD on project design and implementation. Stakeholder participation, capacity-building and support to local organizations and institutions are key elements in successfully achieving project objectives and ensuring sustainability. A gender-balanced approach implies precise targeting of women to ensure that they are not marginalized. Flexibility, creativity and the ability to adapt to the local situation are prerequisites to improving the project design within its stated objectives. An efficient M&E system is the basis for successful project management, a focused annual programme of work and assessment of project impact.

I. THE STOCK OF IFAD'S PORTFOLIO

1. With the Executive Board's approval of 25 projects in 2001, the number of approved projects reached 603¹ for a total loan amount of USD 7.3 billion² at year-end. Table 1 shows the number of projects and lending approved over time.

Table 1: Regional Distribution of Projects
(USD million)

Region	1978-2001				1998-2000				2001			
	No. of Projects	%	IFAD Amt.	%	No. of Projects	%	IFAD Amt.	%	No. of* Projects	%	IFAD Amt.	%
Africa I	132	21.9	1 284.6	17.5	21	24.4	249.9	20.0	5	20.0	73.5	18.2
Africa II	111	18.4	1 294.6	17.6	17	19.8	249.8	19.9	6	24.0	100.5	24.9
Subtotal Africa I and II	243	40.3	2 579.2	35.2	38	44.2	499.6	39.9	11	44.0	174.0	43.1
Asia	153	25.4	2 383.2	32.5	19	22.1	337.0	26.9	6	24.0	107.4	26.6
LAC	107	17.7	1 169.8	15.9	14	16.3	214.2	17.1	4	16.0	69.2	17.2
NENA	100	16.6	1 203.4	16.4	15	17.4	201.1	16.1	4	16.0	52.9	13.1
Total	603	100.0	7 335.7	100.0	86	100.0	1 251.9	100.0	25	100.0	403.5	100.0

2. African countries continue to be the largest recipients of IFAD assistance in terms of number of projects (40%) and lending amount (35%). In recent years, specific measures were adopted to compensate for the 1997 shortfall experienced in the two Africa regions (Western and Central Africa (Africa I) and Eastern and Southern Africa (Africa II)) by allocating a larger share of lending resources. As a result, the actual lending share for 1998-2001 period is as follows: Africa 41%, Asia 27%, Latin America and the Caribbean (LAC) 17% and Near East and North Africa (NENA) 15%.

3. By the end of December 2001, the current portfolio stood at 241 projects. The distribution by region (including ongoing projects and those not signed or effective) is shown in Table 2. The current portfolio is made up of 206 ongoing projects, 19 projects not signed and 16 projects not effective, for a total value of USD 3.29 billion. Regional divisions continue to focus on maintaining a stable portfolio size. In 2001, the number of entries to and exits from the portfolio stood at 25 projects each. This is also the result of a reduced resource commitment and a lesser number of projects.

Table 2: Current Portfolio by Region
(USD million)

Region	End-December 1999				End-December 2000				End-December 2001			
	No. of Projects	%	IFAD Amt.	%	No. of Projects	%	IFAD Amt.	%	No. of Projects	%	IFAD Amt.	%
Africa I	47	19.0	501.3	15.8	45	18.7	500.8	15.7	47	19.5	543.6	16.5
Africa II	50	20.2	584.5	18.4	49	20.3	586.9	18.4	49	20.3	631.2	19.2
Asia	56	22.7	880.5	27.7	57	23.7	930.0	29.2	58	24.1	955.8	29.0
LAC	50	20.2	620.4	19.5	46	19.1	581.5	18.3	46	19.1	615.9	18.7
NENA	44	17.8	589.4	18.6	44	18.3	586.7	18.4	41	17.0	544.2	16.5
Total	247	100.0	3 176.2	100.0	241	100.0	3 186.0	100.0	241	100.0	3 290.7	100.0

4. **Pre-implementation performance.** For the 32 projects that became effective during 2001, the average time between Executive Board approval and loan effectiveness was 14.6 months. This

¹ Fully cancelled or rescinded loans are not included.

² Except where otherwise stated, all amounts quoted in this document relate to the original amounts approved by the Executive Board. Amounts relating to projects are given in United States dollars (USD) and include component grants.

represents an increase on the average of 11.8 months overall, and on the average for the period 1998-2000 of 13.9 months. Figures show that the 2001 average for the Africa II and LAC regions has dropped compared to recent figures. The biggest increase has been in the Asia and the Pacific Division (Asia), although it still remains significantly below the overall average (see Table 3).

Table 3: Average Period from Loan Approval to Effectiveness by Region

Region	Number of Effective Projects			Approval to Effectiveness (months)		
	1978-2001	1998-2000	2001	1978-2001	1998-2000	2001
Africa I	125	17	9	13.3	14.0	14.9
Africa II	103	18	5	11.3	14.4	11.5
Asia	144	19	5	8.3	9.3	12.6
LAC	101	16	7	16.1	19.1	18.5
NENA	95	16	6	11.0	13.2	14.0
Total/Average	568	86	32	11.8	13.9	14.6

5. Despite close follow-up by regional divisions during the pre-implementation phase, as noted in the project status reports (PSRs), nearly all delays are caused by factors beyond IFAD's control. A significant number of projects were or still are delayed due to problems at the governmental or country level, for example parliamentary delays in loan ratification, general elections, and government institutional and policy changes. Other projects were delayed due to the complex procedures involved in innovative arrangements (such as the PAMA Support Project in Mozambique). Interestingly, in some cases regional divisions have utilized the delay for preparatory work for project launching. For example, in the Jharkhand-Chattisgarh Tribal Development Programme in India, the time was used to undertake staff training and preparation of implementation manuals. In the Qinling Mountain Area Poverty-Alleviation Project in China, better implementation arrangements were established between project management offices and implementing agencies, and this should result in improved implementation overall.

6. **Extension of project implementation period.** Of the 25 projects completed during the year, 20 were extended for an average period of 1.6 years compared to the overall average of 1.9 years for all completed projects (see Table 4). It should be borne in mind that some projects are still being extended to bring them in line with the Redefined Project Implementation Period (President's Bulletin 99/01, 14 January 1999). Despite this, the percentage time overrun is lower than the overall average (30% as compared to 40%).

Table 4: Project Extension

	Closed IFAD Projects 1983-2001	Closed IFAD Projects 1998-2000	Closed IFAD Projects 2001
Number of projects	362	75	25
Expected project duration (years)	4.8	5.8	5.3
Period of extension (years)	1.9	1.6	1.6
Actual project duration (years)	6.8	7.3	6.8
Average time overrun (percentage)	40	27	30
Extended projects:			
Number	290	64	20
Percentage	80	85	80

7. Of the extended projects, 11 were extended for more than a year beyond their expected implementation period. The Byumba Agricultural Development Project – Phase II (264-RW) in Rwanda had implementation interrupted because of political instability and the security situation. The Smallholders' Agricultural Development Project in the Paracentral Region in El Salvador (267-SV) and the Smallholder Development Project in the Forest Region in Guinea (313-GN) were extended to



allow a bridging period to move on to a second phase. Repeated suspensions interrupted implementation in the Aguié Rural Development Project in Niger (292-NG). An extension was granted to the Saraguro-Yacuambi Rural Development Project in Ecuador (321-EC) to allow the expansion and consolidation of achievements after implementation was delayed due to problems associated with the number of implementing institutions, disbursement of cofinancier funds, and the war-torn area in which the project was situated. In the Cotton Sub-Sector Development Project in Uganda (360-UG), the initiating institution (World Bank) requested an extension in order to fine-tune institutional changes by assisting the project for one further growing season. Project activities in the Yozgat Rural Development Project in Turkey (277-TU) were hampered by the political situation, delays in approving budgets and a severe drought in the project area. Several years of drought also delayed project activities in the Livestock and Pasture Development Project in the Eastern Region in Morocco (260-MA). A long preparatory phase and delays in effectiveness and start-up resulted in an extension for the Rural Development Project for Ngobe Communities in Panama (331-PA). An extension was granted in the Small Farm Reconstruction and Development Project in Bosnia and Herzegovina (1037-BA) in order to complete activities in one subproject. Another eight projects were extended for a period that was less than the time they took to be declared effective.

8. **Loan disbursement.** During 2001, total disbursements amounted to SDR 236.5 million, almost SDR 20.0 million more than the total for 2000, and the highest yearly disbursement ever recorded. For purposes of comparison, Table 5 lists yearly disbursements by region from 1997 to 2001. In particular, Africa II, Asia and LAC show a significant increase in the amount disbursed, whereas NENA has recorded a decrease compared to the last three years, during which the region disbursed unprecedentedly high amounts. Africa I division also shows a slight decrease compared to last year.

Table 5: Disbursement by Region
(SDR million)

Region	1997		1998		1999		2000		2001	
	Total	%	Total	%	Total	%	Total	%	Total	%
Africa I	36.3	19	35.6	16	27.4	13	33.0	15	29.7	13
Africa II	23.3	12	31.9	14	26.2	13	35.4	16	44.9	19
Asia	69.2	37	70.7	32	63.1	30	63.0	29	77.3	33
LAC	33.1	18	37.2	17	38.9	19	38.9	18	49.7	21
NENA	26.5	14	45.1	20	52.1	25	46.7	22	35.0	15
Total	188.3	100	220.4	100	207.7	100	217.0	100	236.5	100

9. Disbursement ratios over the same period also show a marked improvement in 2001 as compared to previous years. The ratio is calculated as the yearly disbursement divided by the uncommitted loan balance and therefore neutralizes the impact of increased commitment in disbursement performance. All divisions, in particular Asia, show an increased ratio except for NENA, where a decrease has been noted compared to the last three years. The overall favourable trend reflects improved follow-up performance by the Programme Management Department (PD), supported by the Controller's Office and the Office of the General Counsel. On the whole, IFAD projects disburse slowly in early years, as most efforts are focused on beneficiary mobilization and farmer participation. Once this phase is successfully accomplished, disbursement performance picks up.

10. **Loan cancellation.** During 2001, 19 loan accounts were closed. Fourteen of these had cancellations amounting to only 9% of the total original commitment, significantly less than the overall historical average of 17%. A total of five loans had cancellations above the average. The Peasant Production and Marketing Promotion Project in Equatorial Guinea (358-GQ) cancelled SDR 1.0 million out of an original commitment of SDR 3.1 million (33%). This project encountered several problems during its implementation, including long suspensions due to arrears, frequent staff changes and the failure of the borrower to adequately support the reactivation of the project. The Village Organization and Management Project in Senegal (315-SN) cancelled SDR 1.6 million out of



a loan of SDR 5.8 million (27%) and these low disbursements reflected the effects of local currency devaluation and lower costs of goods. In the Support to Village Groups in the Eastern Savannah Region Project in Togo (262-TG), a total of SDR 3.6 million out of SDR 6.8 million (52%) was cancelled. This project suffered from the general country situation and institutional problems related to a complex set-up (because of the number of financiers) that led to poor coordination. A currency devaluation also negatively affected disbursements in the Mansehra Village Support Project in Pakistan (319-PK), where SDR 3.7 million out of SDR 10.4 million (36%) was cancelled. Implementation was also delayed due to organizational conflicts. In the Yozgat Rural Development Project in Turkey (277-TR), SDR 2.5 million out of an original amount of SDR 11.5 million (21%) was cancelled (see paragraph 7).

11. **Loan suspension due to arrears.** At end-December 2001, five loans were under suspension: one in the Central African Republic, two in Togo, and two in Haiti. The loan to the Central African Republic has been under suspension since 1 July 2001, those to Togo since mid-January 2001 and those to Haiti since 1 December 2001. One year ago, seven loans for six projects in Africa were under suspension.

II. IMPROVING THE PERFORMANCE OF THE PORTFOLIO

A. Tools, Processes and Performance Rating

12. With increased attention on monitoring and addressing country-level project portfolio issues, a new management tool called the “country portfolio issues sheet” was introduced throughout PD in 2001. This instrument is intended to complement information and analysis contained in the PSRs. Like PSRs, this tool was initially used by the Africa I region for one year and, after certain modifications, its application was adopted on a trial basis by all regional divisions in 2001. While a PSR is used for a summary analysis of implementation issues of a single project, the country portfolio issues sheet deals with the policy and institutional environment affecting the performance of the portfolio in a given country. The rating for country portfolio performance includes country capacity to implement projects, government commitment to rural poverty reduction and remedial measures to address country-level portfolio issues. Application of this new tool is intended to respond to the requirements of the Plan of Action by looking beyond the performance of single projects.

13. Similarly, the PD-wide review of the project portfolio was elevated to a higher plane during 2001, from purely input-output analysis to discussions on relating project performance to project impact. The multilayer portfolio review process depends heavily on country portfolio managers (CPMs) as the frontline staff dealing with individual projects, sectoral stakeholders, and with policy makers in collaboration with cooperating institutions (CIs). This periodic formal review process at the level of regional divisions, PD and the corporate level serves to share experiences, identify cross-cutting issues and obtain policy guidance from senior management on portfolio performance problems.

14. The Project Portfolio Management System (PPMS) continues to serve as an institutional repository of project-related information, available to all IFAD staff members. More than 200 professional and support staff have been trained in the application since it was released in 1997. PPMS contains the source data for IFAD’s corporate reporting, including the Internet website.

15. Table 6 summarizes the composite indicators of project performance since the end of 1999. The ratio of underperforming projects (ranked as 3 or 4) has dropped very slightly compared to previous years, and appears to have stabilized at about 25%. The dynamic nature of project implementation makes project performance subject to internal and exogenous factors (see paragraphs 16 and 17). As a result, movement from one performance category to another should be expected from year to year.



What is important is a timely diagnosis of problem areas and the application of preventive or curative measures.

Table 6: Trend in the Performance of the Project Portfolio

	1999	2000	2001
Projects rated	200	201	196
Rating			
1: Problem-free	32	34	28
2: Minor problems	118	116	120
3: Major problems but improving	45	47	41
4: Major problems and not improving	5	4	7
Underperforming projects (rated 3 or 4)	50	51	48
Underperforming projects as % of rated projects	25%	25%	24%

B. Cross-Cutting Issues and Remedial Action

16. Cross-cutting issues affecting the performance of the project portfolio in 2001 are generally the same as in the last few years, although the intensity and type of problem in a given project may change from year to year and ultimately disappear as a result of remedial action. As a result of backstopping support by IFAD and its CIs, the performance rating of some of the previously underperforming projects has improved. Weak institutional and public-sector capacity is the generic problem of the two Africa regions, whereas in other regions implementation problems are more project-specific. Political unrest and civil disturbance are reported by most regions as external factors affecting project performance. The aftermath of persistent drought was still affecting some projects, particularly in the NENA and Asia regions.

17. However, the most frequently encountered problems across all geographical regions include: performance of project management, poor definition of management responsibility among implementing agencies, frequent rotation of project staff, flow of funds, the incentive structure of civil service, weak monitoring and evaluation (M&E) capacity, lack of and/or untimely provision of counterpart funds, complicated procurement arrangements, unclear decentralization policies and at times shortcomings in project design, particularly in implementation arrangements. Late submission of audit reports remains a chronic issue.

18. The influence of certain exogenous factors aside, weak project management can give rise to a host of associated project implementation problems. For this reason, during the IFAD-wide portfolio review of 2001, it was decided to prepare a framework for compiling information on successful practices in project management and organization. The aim is to enhance learning and knowledge-sharing within and among communities of practice, i.e. IFAD and the projects.

19. Supervision, follow-up and, when necessary, special missions are the principal means of providing backstopping support to all projects, particularly underperforming projects and those beginning to show signs of a deterioration in performance. With some exceptions, the frequency of supervision by IFAD's major service provider is reduced to one full mission per year for budgetary reasons. So it is crucial to read the early signs of emerging problems before it is too late to recommend proactive measures.

20. The most concerted efforts in proactive and curative measures are directed at staff performance and local capacity-building. To this end, there are project implementation workshops (at the country and regional level), training of project staff and streamlining of project activities and management



responsibilities. Where project performance had been affected by political interference, meetings have been held with high-level authorities and, where necessary, project managers have been replaced.

21. To ensure institutional sustainability, most projects designed in the past several years depend heavily on the existing institutional set-up for implementation or rely on very light project implementation units with limited staff. In the latter case, in some projects, project implementation is in part subcontracted on a competitive basis to local partners such as non-governmental organizations (NGOs), community-based organizations, the private sector and public institutions. Competitive recruitment procedures are also being increasingly applied in some regions for the selection of individual managers. When a second phase is recommended, every effort is made to see that poorly-performing staff are not automatically transferred.

22. Measures in collaboration with the CI to improve financial discipline and the flow of funds start with the setting up of a more efficient financial and accounting system, using local and international expertise. This is supplemented by the training of project staff in the application of new financial systems, as well as the financial procedures of IFAD and its CI. In countries with effective financial management, project activities are facilitated by increasing the size of the special account to provide more liquidity in order to carry out critical time-bound operations. In addition to following up preparation of audit reports on a case-by-case basis, corporate measures are well under way to deal with the issue. Preparation of operational procedures for project audit is at a very advanced stage. These will lay down ground rules for audit requirements at the project design and implementation stages.

23. The linking of non-lending activities to project lending is being increasingly directed towards enhancing implementation performance and measuring project impact. Special Operations Facility (SOF) grants have been used to help borrower governments meet conditions of loan effectiveness and to put the finishing touches on project design in response to Executive Board input. SOFs have financed procurement specialists, baseline surveys, start-up and other local workshops, staff training, information campaigns for beneficiaries and local communities, preparation of project implementation manuals, preparation for M&E systems and translation of project documents into local languages.

24. Invariably, all PD divisions have been tailoring design of the grant programme to serve the project portfolio and galvanize support for pro-poor operations. Although the multiplier effect of these operations is difficult to measure, the direct result has been technical and management support to the project portfolio. The use of technical assistance grants (TAGs) for implementation support has been very impressive in some regions. Here only a few examples are cited to provide a perspective of the types of TAGs managed by some regional divisions. The Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty-Alleviation Projects in Latin America and the Caribbean (PREVAL) has succeeded in improving M&E capacity by providing training and dissemination of knowledge. The Regional Programme to Consolidate Gender-Mainstreaming Strategies in IFAD-Financed Projects of Latin America and the Caribbean (PROGENDER) has already heightened gender-related impact, and FIDAMERICA provides an Internet-based knowledge management network in the LAC region.

25. The International Centre for Research in Agroforestry (ICRAF) in the Asia region is refining research results for the benefit of upland communities and provision of technical support. A grant to the International Centre for Integrated Mountain Development (ICIMOD) is generating implementation support for technical aspects and thematic cross-fertilization of know-how to projects in the Hindu-Kush Himalayas (Bhutan, China, India, Nepal and Pakistan). Electronic Networking for Rural Asia/Pacific (ENRAP) is designed to build an Internet-based network of IFAD-funded projects, IFAD Headquarters, CIs and research and support agencies. FIDAFRIQUE is designed to provide similar services in the Africa I region.



26. On the basis of their respective comparative advantage, the International Center for Agricultural Research in the Dry Areas (ICARDA) and the Arab Centre for the Studies of Arid Zones and Dry Lands (ACSAD) have been assisting the project portfolio in the NENA region. With incremental funding from the German Agency for Technical Cooperation (GTZ), the African Rural and Agricultural Credit Association (AFRACA) is becoming a key partner for IFAD in improving regional capacity for rural finance. The Southern African Development Community (SADC) Multi-Donor Hub is now fully operational, providing important implementation support to IFAD-financed programmes in the irrigation sector.

C. Measures to Improve the Quality of the Portfolio

27. Improvements in monitoring the performance of the portfolio since 1998 were soon followed by important changes to advance its quality, starting with the entry of projects into the pipeline. These changes include sufficient attention to the institutional set-up and policy environment within which projects are to be implemented, to partnership building, to local ownership and to more demand-driven projects and programmes. The changes have been supported by more direct interaction with project beneficiaries through a substantial increase in participatory methods for diagnosing implementation problems and assessing project and country portfolio performance. Impact – on beneficiaries and institutions – constituted the main theme of the PD portfolio review process in 2001. Various methodologies and key impact indicators were and are being examined to establish a linkage with the Millennium Development Goals (MDGs).

28. In the last few years, particularly since the introduction of the Plan of Action, reflection and action on the quality of the project portfolio and on its impact have gained increasing momentum. Training in the logical framework (logframe) technique was provided to professional staff dealing with project development. The focus of training was an integrated approach to use of the logframe combining design with implementation. This was followed by the formation of an interdepartmental working group on Impact Achievement in the Project Cycle (IAPC). One of the outputs of the working group was a key file for project design and the review process.

29. The key file focuses on institutional analysis, targeting and application of the logframe as essential elements in achieving and measuring impact. The IAPC working group also produced a proposal and sought the agreement of the Executive Board for a TAG for the Programme to Promote Impact Orientation during Project Cycle Management. The grant facilitated extension of training in the logframe to the field level in 2001, and supported testing of some impact-assessment methodologies.

30. Several countries launched in-country workshops for the training of project staff and key staff of implementing agencies in the use of the logframe. In-country workshops were also used to review the existing logframe of a project to improve its functionality as an impact-oriented management tool and as a base for implementation planning (e.g. drawing up the annual programme of work and budget). In Uganda, using the services of a local consulting firm, the training activity was extended to training of trainers on the application of the logframe and in-field supervision and follow-up. In Mongolia project staff were trained on participatory methodology for precision targeting and beneficiary selection, particularly on gender targeting. In Armenia baseline and repeat surveys were undertaken to monitor impact.

31. Logframe training activities were further supported by impact-oriented M&E systems in new projects and by strengthening the M&E units of ongoing projects. These were priority actions of many IFAD start-up and backstopping missions. Several projects across regional divisions have benefited from the services of national and international experts and institutions to improve the functioning of their M&E systems and make them more impact-oriented. In addition, in response to PD's request, the Office of Evaluation and Studies (OE) developed and finalized the draft of *Managing for Impact in Rural Development – A Guide for Project M&E*. This practical guide will be used as reference



material for in-country training and customized to fit regional circumstances and project characteristics. During the year under review, regional and subregional workshops on project implementation in China, Madagascar and Rwanda focused intensively on project impact and the tools for its measurement.

32. In 2000 and 2001, the Asia and the Pacific Division pilot tested several impact assessment/monitoring methodologies, including the participatory impact monitoring (PIM), the participatory impact assessment (PIA) and assessments based on participatory rural appraisal (PRA). These methodologies were tested in IFAD-assisted projects in Bangladesh, China, India, Indonesia and Viet Nam. In PIM, project staff, target-group beneficiaries and other stakeholders contribute to the identification of perceived project impacts in a series of brainstorming workshops. A core of grass-roots extension workers and M&E officers also attend these workshops to identify indicators and tools for their assessment. PIA utilizes a combination of PRA methods to record the impact of programmes, primarily to assess the upward mobility of the target communities. Indicators of progress are identified and prioritized by the communities themselves. The Asia Division and its NGO partners have been regularly reviewing the advantages and shortcomings of the tested methodologies. Valuable lessons have been drawn for application elsewhere.

33. Indicators vary from project to project within and between countries and geographic regions. It was found that in some instances there may not be a visible alignment between donor-specified indicators and those perceived by local stakeholders. To overcome this problem, a pyramid of indicators will be adopted by most projects to respond to the needs of stakeholders, including those defined by the MDGs. For the top of the pyramid, anthropometric measures of malnutrition are being seriously considered as proxy indicators for household food security.

34. Regional divisions continued adoption of innovative measures to enhance project impact and to compensate for lack of field presence in providing backstopping support. TAGs are used to finance regional institutions, which in turn provide training, technical and other institutional and management support to ongoing projects in the portfolio (see also paragraphs 24-26). Extensive use has been made of national and international NGOs, which are directly involved in project implementation as part of the initial project design or are invited to the project to collaborate as service providers.

35. Use of national officers of the World Food Programme (WFP), on a cost sharing basis, has been practised in China and India with very satisfactory results. There are also other ad-hoc arrangements with United Nations agencies. In almost all regions, national and regional resource people are recruited on retainer contracts to carry out specific tasks. Some individuals have distinguished professional and academic credentials and are closely involved with centres of excellence. These resource people, referred to as 'local champions' in the Asia Division, can play a significant catalytic role regarding institutional and policy issues, because they are themselves strong advocates of pro-poor policies (e.g. Viet Nam).

36. In some countries with a critical mass of ongoing projects, in-country liaison offices have been established, paid for by the projects themselves, to coordinate and assist with implementation problems (e.g. Ghana, Rwanda). Moreover cross-fertilization of information and knowledge among various projects in a country or across countries is very much supported by CPMs. Despite the above-mentioned initiatives, and because of competing demands on the time of CPMs, it is still not possible to be present at all major in-country events and some crucial meetings between the Government and the resident donor community. In 2001, PD initiated a study of field presence, including the review of existing improvised practices.

37. Mid-term review (MTR) missions are invariably used to accelerate project performance, to correct any project design deficiencies and to direct the attention of project implementers to the achievements of the project's development objectives. Since the year 2000, preparation of project



completion reports (PCRs) has also been standardized. The new format³ requires an assessment of the achievements of development objectives (qualitative and quantitative). The feedback and lessons learned from PCRs are used to improve future country lending strategy. Section VIII of this report provides a synthesis of 23 PCRs of projects completed in 2000.

38. No doubt application of new tools such as the logframe and key file are more relevant to new projects entering the pipeline than to those already under implementation. The effect of the logframe will become more visible in a few years, when the present young generation of projects has made some progress in implementation. However, the current portfolios in a number of countries are rich with specific examples of actual and potential impact on people, institutions and policies. These can be found in areas where IFAD has made major sectoral inroads and is known to have established a comparative advantage, such as microfinance, gender-related issues, soil and water conservation, community participation and smallholder production. Bearing in mind the differing intensity of impact as a result of country-specific situations, such examples can readily be found in the project portfolios of Armenia, Bangladesh, Burkina Faso, China, Egypt, El Salvador, Ghana, Guatemala, India, Nepal, the United Republic of Tanzania and Uganda.

III. COFINANCING

39. In aggregate terms, of the total project costs of USD 21.37 billion approved by IFAD since its establishment, 34% has been provided by IFAD, 36% by domestic financing and 30% through cofinancing. These aggregate figures show considerable variations across regional divisions, as indicated in Table 7.

Table 7: Financing Breakdown by Region – 1978-2001
(USD million)

Region	IFAD Amt.	% of Project Costs	Cofinancing	% of Project Costs	Domestic	% of Project Costs	Project Costs
Africa I	1 284.6	38.4	1 268.8	37.9	794.9	23.7	3 348.3
Africa II	1 294.6	43.2	1 064.5	35.5	638.8	21.3	2 997.9
Asia	2 383.2	31.9	1 897.6	25.4	3 183.0	42.6	7 463.8
LAC	1 169.8	42.6	760.6	27.7	813.6	29.7	2 744.0
NENA	1 203.4	25.0	1 418.1	29.5	2 191.5	45.5	4 813.0
Total	7 335.7	34.3	6 409.6	30.0	7 621.8	35.7	21 367.1

40. During the period 1978-2001, the total amount of cofinancing reached USD 6.41 billion (see Table 8), of which USD 5.13 billion (80%) was provided by multilateral donors and USD 1.07 billion (17%) by bilateral donors. A total of USD 30.2 million (0.5%) was contributed by NGOs. Private-sector companies provided financing of USD 7.2 million. The remainder is scheduled to be contributed by cofinanciers still to be determined (USD 172.6 million or 3%). Total cofinancing arrangements during 2001 amounted to USD 270.3 million (including USD 42.7 million from cofinanciers still to be determined). For IFAD-initiated projects, the resources mobilized for each dollar of IFAD lending amount to 56 cents. This is the third-highest figure recorded and is significantly above the overall figure of 38 cents.

³ See Annex III of document EB 2000/69/R.14.

Table 8: Cofinancing by Cofinancier and Financing Type
(USD million)

Cofinancier Type	CI-Initiated Projects			IFAD-Initiated Projects			All Projects					
	1978-2001	1998-2000	2001	1978-2001	1998-2000	2001	1978-2001		1998-2000		2001	
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	% of Total	Amount	% of Total	Amount	% of Total
Bilateral	613.6	20.1	0.0	459.6	78.7	16.9	1 073.3	17%	98.8	14%	16.9	6%
Multilateral	3 517.1	278.4	52.0	1 609.2	211.8	151.1	5 126.3	80%	490.2	71%	203.1	75%
NGO	11.9	2.7	0.0	18.3	2.5	0.4	30.2	0%	5.2	1%	0.4	0%
Private Sector	0.0	0.0	0.0	7.2	0.0	7.2	7.2	0%	0.0	0%	7.2	3%
To be determined	57.4	37.0	0.0	115.2	54.5	42.7	172.6	3%	91.5	13%	42.7	16%
Total	4 200.1	338.2	52.0	2 209.5	347.6	218.3	6 409.6	100%	685.8	100%	270.3	100%

41. The largest multilateral cofinancier continues to be the World Bank. During 2001 the African Development Bank (AfDB) also emerged as a major partner, particularly in Africa II, and provided almost half of total cofinancing. The World Bank is also the largest cofinancier in every region except LAC, where the Inter-American Development Bank (IDB) has provided almost 60% of the region's multilateral cofinancing. Collaboration with the World Bank took a new turn in 2001, through the World Bank-IFAD Rural Partnership Initiative. The two institutions have laid the groundwork for a number of joint activities ranging from country-specific cofinancing, preparation of poverty-reduction strategy papers (PRSPs), launching of thematic studies and providing global advocacy for rural development.

42. Collaboration and cofinancing with bilateral agencies cuts across all geographic regions. Germany is the largest bilateral cofinancier, in particular in the Asia and NENA Divisions. France is responsible for almost half the bilateral cofinancing in Africa I; Belgium has provided over 30% of bilateral cofinancing to Africa II, and The Netherlands and Venezuela each over 40% of bilateral cofinancing in LAC. Over the past three years (1998-2000), collaboration with the United Kingdom has shown a considerable increase due to their cofinancing of two projects in India and a programme in Malawi.

43. Partnership with bilateral donors extends well beyond cofinancing and includes provision of programmatic trust funds by certain donors to carry out studies and reviews of topical and other related development issues. Ireland, Italy, Japan, Norway and Switzerland collaborated with IFAD on a variety of gender mainstreaming, microenterprise, research and local capacity-building programmes.

44. Cofinancing constitutes a part, although a major part, of IFAD's partnership-building efforts. Cofinancing has facilitated IFAD's catalytic role in advocating pro-poor interventions by both donors and borrowing countries. However, the broader aspect of building partnership is securing, sharing and exchanging other valuable resources, such as knowledge, information, skill and institutional capacity. An interesting feature of financing arrangements over the past few years has been the contribution by project beneficiaries, local government and to a lesser extent the local private sector to project financing. Although the contributions of these groups are still fairly modest compared to overall project costs, they signify a decentralized approach in the design of projects.

45. Under the Rome Millennium Initiative, IFAD is examining opportunities, with the authorities in Egypt, for investments in which funds generated from a recent Italian Debt Swap agreement could be used to support poverty reduction and food security in collaboration with WFP and the Food and Agriculture Organization of the United Nations (FAO). Another important partnership programme with the Italian Government, and possibly the Japanese Government, is being developed within the framework of post-conflict assistance in western and central Africa. IFAD and GTZ are concluding an agreement for collaboration in the Las Verapaces and Quiché areas of Guatemala and a liaison office on GTZ premises.



46. Mobilizing cofinancing and building and maintaining partnerships is a very staff-intensive task. It requires frequent meetings and contact at the country and headquarters level. Most partnership work is undertaken by CPMs in the field, because the World Bank and most bilateral donor agencies have decentralized their decision-making authority to the field level. Prospects for developing deeper collaboration in field implementation are affected by IFAD's lack of such a field presence. In some regions, notably Africa, the level of partnership and cofinancing is constrained by the declining priority placed on rural development by other donors. In situations in which a potential donor withdraws late during project design or fails to honour cofinancing commitments during project implementation, additional effort is required to identify a new partner or adjust the project design.

IV. COOPERATING INSTITUTIONS FOR PROJECT SUPERVISION

47. The ongoing portfolio of 206 projects is being administered by nine CIs and by IFAD. As shown in Table 9, the United Nations Office for Project Services (UNOPS) is responsible for the supervision of 55% of the portfolio, followed by the World Bank with 13%, IFAD with 7% and the Andean Development Corporation (CAF) with 6%.

Table 9: Distribution of the Portfolio by Cooperating Institution

Cooperating Institution	No. of Projects	% of Total	IFAD Amt USD million	% of Total
AfDB	3	1.5	21.1	0.8
AFESD	11	5.3	149.3	5.5
AsDB	5	2.4	84.8	3.1
BCIE	4	1.9	53.8	2.0
BOAD	11	5.3	128.8	4.7
CAF	13	6.3	158.0	5.8
CDB	4	1.9	17.6	0.6
IFAD	14	6.8	223.7	8.2
UNOPS	114	55.3	1 569.7	57.4
World Bank	27	13.1	329.5	12.0
Total	206	100.0	2 736.3	100.0

48. Conduct of annual and periodic meetings at various levels of management is a routine feature of IFAD's collaboration with its CIs. Such meetings deal with planning of supervision work and the composition and skill mix of supervision missions to make them responsive to IFAD-specific design issues (e.g. participation, gender). Project-related problems are dealt with by CPMs and their CI counterparts at the country level. Invariably, project implementation workshops launched by regional divisions are either cosponsored with CIs or involve their active participation. Participants in such workshops are mostly project implementers of IFAD-assisted projects. The gathering of IFAD, CI and field-level project staff in project implementation workshops provides a unique opportunity for learning from each other and establishing a better understanding of the policy and operational orientation of IFAD. While IFAD is increasingly oriented towards assessment and review of country portfolios, CIs are very much oriented towards individual projects.

49. Over the past two years a main theme of discussion with CIs has been their role in monitoring and reporting on project impact. However, the major concern expressed by the leading CIs has been the tension between supervision of regulatory aspects and the new demands related to monitoring impact, given the unchanged level of supervision fees. Moreover, budgetary squeezes have also hampered effective follow-up by some CIs due to staff constraints. This problem is being increasingly tackled by closer involvement of IFAD staff and consultants in providing backstopping support on technical and management issues. IFAD involvement has also been necessary to monitor specific design concerns of IFAD on rural poverty, particularly in cofinanced projects.



V. PROJECTS DIRECTLY SUPERVISED BY IFAD

50. All fifteen projects approved for direct supervision are now effective (see Annex I). In order to evaluate IFAD as a supervising institution, its directly supervised projects will be compared with two control groups. The first group consists of effective IFAD-initiated projects approved between April 1997 and December 1999.⁴ This group, which comprises 56 projects supervised by traditional CIs, has been further divided by region. The second control group is made up of effective IFAD projects in a given country.

51. **Disbursement.** Disbursement of loan proceeds has begun for all directly supervised projects. Disbursement for one project (Armenia) has reached 100% and the project was completed at the end of June 2001. Disbursement for the other projects is generally in line with the control groups. In evaluating the data on disbursements, a few points are worth noting. Although it was well behind both control groups in reaching pre-implementation milestones, the disbursement of the project in Uganda has outpaced that of the control groups. The IFAD-initiated control group against which the project in Bangladesh is being compared includes a project in D.P.R Korea that is disbursing well above the norm. The project in Mali is a flexible lending mechanism (FLM)-type project, the design of which foresees slower disbursement in the early years. Two projects are in areas with macroeconomic or political instability (Zimbabwe and Gaza and the West Bank). Start-up workshops have been held for all but the project in India, and it is scheduled for early in 2002.

Project Implementation Progress

52. The participatory approach adopted for the Microfinance and Marketing Project in **Benin** relies heavily on group formation in villages selected with a pro-poverty bias. Some 60 financial service associations were planned to be operational by the end of 2001, with women as the majority shareholders (about two thirds). Although not envisaged in the original design, the project has established a partnership with the Swiss Development Cooperation to address issues associated with HIV/AIDS in the project area. Through its Steering Committee, the project is actively engaged in the formulation of a national policy on microfinance. The Rural Finance and Community Initiatives Project in **The Gambia** is also working to strengthen the policy and regulatory aspects of microfinance through assistance to the Rural Finance Unit of the Central Bank. The project has made good progress in strengthening village savings and credit associations (VISACAs), a cornerstone for delivery of microfinance. Some 57 VISACAs have received funds (total of 3.0 million dalasis), and a repayment rate of close to 100% from loans made in project year (PY) 1 has been achieved. Financed under the FLM, the main objective of the first cycle of the Sahelian Areas Development Fund Programme (SADeF) in **Mali** is to set up effective institutions, mechanisms and procedures and develop a limited number of investment activities. One national association and two regional associations are fully operational. In addition, negotiations have been successfully completed with the Global Environmental Facility for cofinancing to enhance biodiversity and carbon sequestration in the inner delta of the Niger River. The Government's agreement to transfer the resources of the SADeF Programme to associations run by farmers is a major achievement. There still remains a sizeable financing gap (about USD 13.5 million) that needs to be resolved before the programme moves into the second cycle.

53. Despite a promising start, the Smallholder Irrigation Support Programme in **Zimbabwe** has suffered from problems exogenous to both the design and implementation support, including the suspension of disbursements due to arrears for six months in 2000, poor relations between the

⁴ The dates for the control group do not reflect the substitution of the Indonesia project for Sri Lanka in order to ensure consistency over time and allow for comparison with previous reporting. The Executive Board approval dates will have no impact on disbursement performance comparisons as these are made against number of effective quarters. Since all directly supervised projects are effective, no comparisons will need to be made for pre-implementation milestones.



Government and the major cofinancier and the long-term institutional change process within the implementing agency. Activities have begun in earnest in two districts in **Uganda** (Hoima and Kibaale) that are covered by the District Development Support Programme, and preparatory activities are almost completed in the other three districts. Participatory baseline surveys/studies carried out earlier led to the elaboration of baseline impact indicators at the household level (by district and wealth quintile). The programme has received strong political support, particularly at the district level, and benefits from the positive interaction between political and administrative leaders in each of the participating districts. The Smallholder Enterprise and Marketing Programme in **Zambia** has been effective only since the latter part of 2000. The project management team, contracted to a private company, is working effectively. Seven focal areas for the programme have been identified through participatory processes and stakeholder workshops, and the phasing criteria agreed upon. Initiatives to mainstream gender into programme activities have also begun.

54. A combined supervision/MTR mission, preceded by a PIM, visited the Agricultural Diversification and Intensification Project in **Bangladesh** in March 2001. The project has made good progress in the community development, rural infrastructure and agricultural development components, meeting or exceeding appraisal targets. The project is working closely with the Government to implement the New Agricultural Extension Policy, which is grounded in farmer participation. In terms of project impact, the PIM found that cropping intensities for marginal farmers had increased significantly (in particular for paddy, an important subsistence crop) and greater diversification is practised (more vegetables are planted). The availability of project credit has enabled households, mostly women, to increase income through income-generating activities. The Jharkhand-Chattisgarh Tribal Development Programme in **India** was the last project to be declared effective. Effectiveness of this project was delayed by the complex administrative requirements for coordinating the efforts of two states as well as the need to re-sign the original loan agreement (dated 25 June 1999) to reflect the new names of the states in which the programme is to be implemented. The Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas in **Indonesia** replaced the Sri Lanka project for IFAD direct supervision in April 2001⁵. The programme is still in the early implementation phase, focusing mainly on setting up programme management and reporting structures.

55. The South-Western Region Small Farmers Project in the **Dominican Republic** integrates well with the government-supported decentralization plan, and to that end has received strong support from both local and national governments. Satisfactory progress has been made in activities related to marketing, decentralization, gender and financial services, especially in the *bateyes* (rural settlements) areas. Although the signing of the IFAD loan for the Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East in **Brazil** was significantly delayed, effectiveness was declared only two months thereafter and the project start-up workshop took place in June 2001. Project operations were scheduled to begin in five states before the end of the year, after the recruitment of necessary staff. The Development of the Puno-Cusco Corridor Project in **Peru** has been effective since October 2000; however, the evolving political situation and centralization of activities (by the executing agency in Lima) have hindered operations. Negotiations are underway with the new Government to ensure adherence to the loan agreement and to obtain proper autonomy, including operation of the special account by the Project Coordination Unit.

56. The North-West Agricultural Services Project (NWASP) in **Armenia** was completed in June 2001 (eighteen months earlier than originally anticipated) and all funds were disbursed. A completion evaluation mission visited the project in March/April 2001 to assess the impact of the project through a participatory process. The evaluation found that the project was very effective in achieving physical progress in relation to appraisal targets. In assessing the impact, while most farmers reported little change in average total income, the total value of output for project beneficiaries was about 30% higher than for the control group. (In interpreting the results of the

⁵ Document EB 2001/72/R.33.



evaluation, it must be borne in mind that at the time of the evaluation, Armenia was experiencing a very severe drought.) Food intake among beneficiary households appears to have become more regular, with 66% of women and children reportedly consuming three meals per day as compared to only 50% at the time of the baseline survey. Although the rapid implementation clearly contributed to the project's effectiveness and efficiency, the evaluation raised some concerns regarding sustainability of grass-roots organizations (water users' associations (WUAs), village association committees and civic action groups). The recently approved Agricultural Services Project in Armenia will continue the local capacity-building initiatives begun under NWASP and will seek to incorporate lessons from the evaluation into project implementation. In collaboration with the World Bank, IFAD is continuing policy dialogue with the Government on issues associated with WUA legislation and institutional constraints of farmers' organizations.

57. Detailed implementation, accounting and M&E manuals and procedures have been developed for the Participatory Natural Resource Management Project in **Gaza and the West Bank**. The baseline survey was begun; however, due to the ongoing security situation in the project area, no further activities have taken place. The North Kordofan Rural Development Project in **The Sudan** has started well, owing to strong political support and a well-motivated project management team. The project has been able to launch its community development activities despite difficulties in accessing remote areas. Given the bottom-up approach to planning and implementation, and weaknesses of local government institutions, the recent supervision mission recommended to the Government that these local institutions be strengthened.

58. IFAD's initial experience with direct supervision has shown that this process can be a vehicle to better support some of the Fund's strategic objectives. In the area of policy dialogue, direct supervision provides IFAD with the opportunity to link government policy decisions directly with activities on the ground in order to provide input to the policy-formulation process. In the arenas of partnership and policy, direct supervision requires more-regular contact to engage in dialogue with governments, other donors and grass-roots organizations. However it is primarily in the area of knowledge management that direct supervision has had the greatest impact. The institutional memory and knowledge generated through direct supervision appear to be significantly greater than for projects supervised by traditional CIs.

59. According to the completion evaluation of the Armenia project, the direct supervision process enabled IFAD to be more responsive to project needs, in particular with regard to queries on disbursement and procurement issues. In addition, the evaluation found that IFAD provided a high quality of technical support, which should be attributable to better command of project design than that of regular service providers. Under direct supervision, IFAD has greater control over the timing of missions as well as the selection of experts, allowing for better-targeted and more responsive implementation support. CPMs and support staff, however, spend considerable time on directly supervised projects, and the funds allocated for direct supervision have been largely augmented by resources from supplementary funds. MTRs of the directly supervised projects are scheduled for late 2002/early 2003, by which time a critical mass of directly supervised projects will have reached their mid-term in implementation.

VI. FLEXIBLE LENDING MECHANISM

60. The projects approved under the FLM are characterized by longer implementation periods in two to four cycles. This more iterative implementation approach allows for greater flexibility in resource allocation and planning, and it allows project management to adjust the project design in line with experience gained and in tune with beneficiary priorities. The decision to proceed to subsequent cycles is based on achievement of a set of clearly-defined preconditions or 'triggers'. Since December 1998, the Executive Board has approved 17 projects under the FLM for a total of about USD 270 million (five in 2001 – Bangladesh, Lebanon, Malawi, Nepal and Sao Tome and Principe). These figures correspond to 18% of the 95 projects approved since the introduction of the FLM and to

about 19% of the IFAD financing approved during that time. Eleven of these projects have been declared effective; however only four have been effective for more than one year. The loan agreements for three of the projects (two approved in 2001 and India) have not yet been signed. The projects were granted on highly concessional terms, except for Guatemala (intermediate) and Lebanon (ordinary). Early implementation efforts have focused on developing strong monitoring and reporting systems. The need for good reporting is particularly acute in FLM-type projects so they can better meet the demands of beneficiaries and demonstrate that triggers have been met. OE has been actively involved in working with project management units (PMUs) in some projects to establish M&E systems.

VII. TECHNICAL ASSISTANCE GRANTS

61. In 2001, 106 TAGs amounting to USD 30.8 million were approved for grant-funded operations. Over the period 1978-2001, a total of USD 418.7 million in TAGs was approved (Table 10).

Table 10: Summary of Technical Assistance Grants

	1978-2001				2001			
	No. of Grants	% of Total	Grant Amt. (USD million)	% of Total	No. of Grants	% of Total	Grant Amt. (USD million)	% of Total
Project component	40	2.6	32.4	7.7	1	0.9	0.4	1.2
Project preparation/Project Development Fund	621	39.7	89.4	21.3	20	18.9	8.2	26.7
Agricultural research	191	12.2	154.6	36.9	6	5.7	7.2	23.2
Agricultural research CGIAR	131	8.4	102.7	24.5	5	4.7	5.7	18.5
Agricultural research Non-CGIAR	60	3.8	51.9	12.4	1	0.9	1.4	4.7
Other research, training and other	255	16.3	106.1	25.3	40	37.7	12.0	39.1
Special Operations Facility	185	11.8	18.1	4.3	16	15.1	1.3	4.1
Preliminary development and testing phase	52	3.3	4.2	1.0	3	2.8	0.2	0.7
IFAD/NGO-ECP	219	14.0	14.0	3.3	20	18.9	1.6	5.1
Total	1 563	100.0	418.7	100.0	106	100.0	30.8	100.0

62. In 2001, five TAGs amounting to USD 5.7 million were approved for agricultural research undertaken by Consultative Group on International Agricultural Research (CGIAR)-supported centres. One grant, amounting to USD 1 435 000, was approved for research undertaken by a non-CGIAR-supported centre, namely the International Fertilizer Development Centre (IFDC) for the Development of Sustainable Integrated Soil Fertility Management Strategies for Smallholder Farms in Sub-Saharan Africa.

63. Linkages between projects and research programme TAGs have increasingly become not only a priority design parameter for all IFAD research grants, but a key ingredient in the terms of reference of monitoring/supervision missions. Thus new research programmes approved in 2001 reflect explicit attention to the development of both technological options and institutional arrangements in order to provide sustained support to improvements at the farming-community level. With the universal introduction of logframe analysis into IFAD's formulation process for grants as well as for projects, M&E indicators are now a standard inclusion in all grant programme logframes.

64. In a complementary effort, the Technical Advisory Division is building on three regional workshops held in 1999 and 2000 (with research partners in Africa, Asia and NENA) to develop a series of technical advisory notes. The notes assist project design by providing development planners and project formulation missions with technical options – validated and verified through community participatory research – that may provide replicable solutions to problems under similar socio-economic, cultural and biophysical conditions elsewhere.



65. Some of the more mature programmes are already showing considerable promise in terms of prospects for widespread poverty reduction. For example, over the past three years IFAD has been the major donor to the Global Initiative on Late Blight (GILB). The disease is a particularly significant threat to food security in the potato-growing areas of the highland tropics and lowland subtropics of Asia, Africa and Latin America, mainly affecting resource-poor farmers. IFAD-supported, integrated potato late-blight management, based on refining and implementing local strategies through farmer field schools (FFSs), has clearly led to increased and considerably stabilized potato production in hitherto vulnerable potato-producing developing countries, with the added benefit of a reduction in the negative effects of pesticide dependency on farmer livelihoods and the environment. IFAD loan-financed projects provided sites for field work. Adoption of new cultivars is resulting in lower crop loss, improved food security and less need for fungicides (with associated benefits for farmer and consumer health and lower production costs). A total of 58 FFSs with 1 000 participants were initiated in conjunction with NGOs in the six partner countries. An independent study⁶ concludes that the potential for technology/knowledge diffusion through the FFS programmes under GILB may offer developing countries an opportunity to reduce agricultural extension expenditures without sacrificing quality.

66. The action-research programme in South Asia entitled Participatory Evaluation: Adaptation and Adoption of Environmentally Friendly Nutrient Management Technologies for Resource-Poor Farmers (444-IFDC) is already achieving widespread impact in Bangladesh, Nepal and Viet Nam after three years of project activities. It has successfully tested low-cost technologies adapted to meet the needs of poor wetland rice producers cultivating remote, marginal soils on small parcels of land.

67. The regional TAGs primarily support various action-research, capacity-building and training activities to address regionally specific concerns of direct relevance to the target group and operations of the Fund. In 2001, TAGs amounting to about USD 7.95 million were approved to support regional activities that will help achieve the objectives of the regional lending programme (see paragraphs 24-25).

VIII. A SYNTHESIS OF THE OUTCOME AND EXPERIENCES OF PROJECTS COMPLETED IN 2000

A. Background

68. Of the 33 projects completed in 2000, 23 underwent PCRs in 2001, fairly evenly distributed among geographic regions. This section provides a summary of the outcomes of these 23 projects, based on the PCRs (for a list of these projects see Annex II). A large majority of the projects were designed and approved in the early 1990s, with a total project cost of USD 664 million. IFAD's financing was USD 295 million, of which 90% had been disbursed by project completion. Except for five projects, the completed projects experienced an average extension of 1.6 years against an average pre-implementation period (the time taken from Executive Board approval to effectiveness) of 1.2 years.

69. Projects undergoing PCRs constituted 70% of the completed projects against a PD target of 75%. One scheduled PCR had to be delayed for security reasons in the project area. About 30% of the PCRs belong to projects that had been rated as underperforming during implementation. The analysis of PCRs generally confirms such ratings. The majority of the completed projects fall under the general category of agricultural/rural development, with one each classified as credit, irrigation and

⁶ Godtland, E., E. Sadoulet, A. de Janvry and R. Murgai (2001). *Testing the Impact of Farmer Field Schools on Knowledge: An Empirical Study of Potato Farmers in the Peruvian Andes*. Paper presented at the annual meeting of the American Agricultural Economics Association, 6 August 2001, Chicago.



fisheries. Although only one project is specifically referred to as a credit project, a large number of the completed projects had a credit component of some type. The same is true for small-scale irrigation and water-management activities, although to a much smaller extent.

70. For the second year in a row, PCRs have been prepared according to a structured format (for the format see Annex III of document EB 2000/69/R.14). The aim is to provide a more systematic approach to reviewing project performance at completion in relation to the stated development objectives. Household and regional food security, arresting degradation of natural resources, and diversification of income-earning opportunities to improve the incomes of target beneficiaries feature prominently among the stated objectives. Projects invariably adopted a participatory approach in their strategy of intervention – largely through grass-roots and local-level institutions.

71. The majority of the completed projects belong to the generation of project design of the early 1990s. As such, very few of these projects applied the logframe technique and the associated M&E set-up for routinely measuring and reporting on project impact as it is generally understood today. Nevertheless, using quantitative and qualitative data, most PCRs shed light on the achievements of development objectives (or lack thereof) at the “output” and “purpose” levels of the hierarchy of objectives in a logframe. Moreover, this shortcoming was partially compensated for the conducting of PIAs in the preparation of nine of the PCRs (39% of the total) (see paragraph 75).

72. The PCRs provide a fairly detailed and candid account of the successes and problems relating to the implementation of project components. In many instances, in the absence of systematic data on production and income, assessment of the achievements of development objectives was based on the informed judgement of resource persons⁷ responsible for the preparation of the PCRs, as well as the use of proxy indicators. This approach was also used, together with proxy quantitative indicators, to assess qualitative achievements.

73. In varying degrees, most projects achieved the development objectives of increasing income and raising productivity and production. In many cases, appropriate technologies and training contributed significantly to reaching these goals. Rural credit facilities were instrumental in many cases, although often not without problems. Rural infrastructure improvements also raised the quality of life of the beneficiaries. In several instances, the projects had a beneficial impact on the environment, reducing degradation and conserving soil and water resources. Nearly all of the projects emphasized beneficiary participation and the use of participatory methodologies. This participation was crucial to the success of the projects. Support for institutions was also an important element in many projects. About half the projects had a particular focus on gender and on improving the living conditions of women.

74. Even projects judged unsuccessful in the totality of their implementation made reasonable advances in reaching some of the objectives, as well as in providing useful lessons for avoiding pitfalls in the future. With the benefit of hindsight and given the institutional capacity of the borrowing countries and evolution in the policy arena, a number of PCRs indicate that the stated objectives were set at too high a level at the design stage. After a brief presentation of the PIAs undertaken in the preparation of the PCRs, the achievement of development objectives is dealt with under the themes of: household food security and income, impact on environment, participation and capacity-building, gender concerns, credit, and sustainability and replicability. Under each theme, what was achieved and how it had been achieved is presented. Where achievements were less than expected, the reasons are provided. In the last subsection, some generic lessons are drawn.

⁷ The PCRs were prepared by international and national consultants, except for three conducted by the FAO Investment Centre.



B. Participatory Impact Assessments

75. Nine PCRs benefited from PIAs. This exercise included an evaluation workshop with beneficiaries and a similar workshop with project staff in the **Mexico** Development Project for Marginal Rural Communities in the Ixtlera Region (270-MX)⁸; and four evaluation workshops and a participatory synthesis exercise with project staff and representatives of 11 indigenous regional funds in the Rural Development Project for the Indigenous Communities of the State of Puebla (303-MX). In addition to an evaluation workshop with broad beneficiary participation, the **Guatemala** Cuchumatanes Highlands Rural Development Project (296-GT) conducted annual participatory evaluations and a survey of direct beneficiaries. Four days of evaluation sessions with beneficiaries, including focus-group discussions in different villages, highlighted the PIA of the **Senegal** Agricultural Development Project in Matam (461-SN). Representatives of beneficiaries and local authorities joined in participatory workshops to identify community development activities to be continued after IFAD financing of the **Rwanda** Returnees Rehabilitation Programme (1059-RW). PIAs were also held in **China**, in the Qinghai/Hainan Prefecture Agricultural Development Project (364-CN) and the Yunnan-Simao Minorities Area Agricultural Development Project (335-CN); the **Bangladesh** Netrakona Integrated Agricultural Production and Water Management Project (343-BD); and the **Malawi** Agricultural Services Project: Smallholder Food Security Sub-Project (464-MW).

C. Household Food Security and Income

76. Three projects in Asia achieved significant results in improved household food security and productivity. The hallmark of **Bangladesh** was an estimated 30% production increase and diversification of income and employment. In particular, credit from a Revolving Loan Fund (RLF) for income-generating activities (IGA) increased the average income of surveyed beneficiaries by 39%. Support by other donors for infrastructure that improved communications, reduced input prices, and increased market access and employment contributed to the success of these activities. The impressive crop production achievements of this project should also be attributed to other enabling factors such as availability of the right seed varieties. The project had a major impact on fruit and vegetable production, initiating the concept of small fruit orchards, popularizing homestead vegetable gardening and introducing new types of vegetables.

77. In project 364-CN in **China**, income per person in project households increased, on average, 25% compared to similar households not benefiting from the project. This was due especially to the increased carrying capacity of the grasslands, higher off-take rates of animals, pig fattening and small enterprise development. Better security against economic and natural risks was achieved in project 335-CN. Improved technical knowledge in livestock and crop husbandry and awareness of market opportunities, in particular, led to increased household incomes and diversification of income sources.

78. Irrigation and water management made major contributions to food security in Armenia and Egypt. Although the lack of baseline and non-irrigated production data in the **Armenia** Irrigation Rehabilitation Project (433-AM) makes it difficult to ascertain the degree of success, it is certain that the project increased food production capacity, given the dependence of Armenian agriculture on irrigation. Rehabilitation of the water supply system of the **Egypt** Newlands Agricultural Services Project (306-EG) zone brought extra land under irrigation and increased plant and animal production, helped by a very efficient extension service. This resulted in greater employment opportunities and non-farm agriculture-based activities in transportation, storage and processing. Disposable agricultural incomes rose substantially and are likely to increase further as high-value fruit trees start to bear.

⁸ When a project is cited as an example for the first time, the full project name is provided. Thereafter, for purposes of brevity, reference is made to the country where the project was located. In cases where there are two completed projects in the same country, the project code is provided as well. For cross-referencing see Annex III.



79. Food security is reported to have improved as a result of the success of the **Senegal** project in producing a sufficient quantity of rice to cover the average consumption needs of beneficiaries and leave a considerable surplus for marketing. It is notable that newly developed irrigated rice plots, distributed to each of the families, promoted equality among households in access to land. Other activities contributing to food security were: construction of storage facilities; distribution of vegetable plots to the members of women's groups; establishment of livestock watering, storage and vaccination facilities, managed by groups of livestock raisers; and processing of milk products, managed by women's groups. Water conservation and drinking water were the main achievements of the **Tunisia** Sidi M'Hadheb Agricultural and Fisheries Development Project (298-TN), increasing the chances of attaining the objectives of raising productivity and protecting natural resources. Although the increase in income was small, there is the potential that it may increase for fruit-tree cultivation, as well as in the area of livestock once farmers make greater use of veterinary centres.

80. Introduction of high-value crops and diversification of income is reported in a number of projects, including those in **Ecuador** and **Mexico**. The **Ecuador** Upper Basin of the Cañar River Rural Development Project (275-EC) obtained excellent results with the main crops of potatoes and maize, with an increase in productivity of 43% and 120% respectively. Technical assistance in livestock activities contributed to increased household incomes. Greenhouse technology for the production of crops such as tomatoes and strawberries was rapidly adopted, with efficient use of irrigation water, and resulted in a diversification of income. It is notable that these results benefited from respect for local production systems and indigenous knowledge. The **Mexico** project (270-MX) also made a significant impact on productivity. Rainfed maize, for example, obtained increases in yields that on average went from 500 to 1 000-1 500 kg/ha. A successful revolving system of in-kind livestock and agricultural support provided animals and inputs. In response to prolonged drought, provision of potable water and the construction of related infrastructure became a priority, significantly reducing the time involved in transporting water for daily consumption and offering beneficiaries, especially women, more possibility to participate in other activities. An increase in crop yields and diversification of production in **Mexico** 303-MX permitted a shift from traditional maize and bean production to horticulture. Increased arable land, multiple cropping and diversification demanded additional labour, contributing to the generation of employment throughout the year, while rural roads increased the potential for the marketing of products.

81. Generating a dynamic process for sustainable development, the **Guatemala** project achieved its goal of increasing incomes through, *inter alia*, a high rate of adoption of technologies, diversification of crops, and increases in cultivated area and agricultural and fish productivity. Rural roads resulted in time savings, a decrease in the cost of transportation, and better marketing and transportation. A survey and evaluation workshop showed that 90% of those interviewed felt that the project had improved the quality of life, 93% that their income had increased, and 81% that there had been an increase in farm work. Increased family incomes led to better nutrition (89%), better health (89%), better education (86%), better housing (70%), better fixtures on the farm (59%) and purchase of equipment (55%).

82. In spite of a lack of reliable quantitative data, there is a general consensus that both the Katsina State Agricultural and Community Development Project (273-NR) and the Sokoto State Agricultural and Community Development Project (307-NR) in **Nigeria** improved production and incomes and, as a result, probably food security as well. This conclusion is based on the significant improvements in access to agricultural information and improved technologies; rural infrastructure achievements, including boreholes, rural feeder roads and multipurpose skill centres; the rehabilitation and equipment of paraveterinary clinics; and skills training including farmer-to-farmer visits. The introduction of drought-resistant and short-season varieties, the provision of quality seed, and the focus on water-harvesting and plant-protection techniques responded to farmers' priorities. However, poor farmers and women heads of households lacked the time to participate in project activities, and there were no mechanisms and incentives to increase their participation.



83. Reaching the poorest, particularly women heads of households, was also a problem in the Food Security Project in the Northern Guéra Region (460-TD) of **Chad**, due to lack of precise targeting. Nevertheless, the project contributed to improved food security in the villages, especially through the formation of groups to manage cereal stocks and develop IGAs. Training of livestock auxiliaries improved animal health and decreased the mortality rate. Not all activities were as successful: increase in rainfed cereal production was inferior to the target; distribution of improved seeds was lower than expected due to lack of research into local diversity; and the level of agricultural equipment remained very low as a result of high costs. IPM had mixed success: neem was not widely adopted as an insecticide due to its high water requirements.

84. Pest management was much more successful in the **Zambia** Northwestern Province Area Development Project – Phase II (293-ZM). The reduction of the cassava mealy bug to a minor pest helped to secure and enhance food security and increased the potential of a traditional crop to be produced at commercial levels. New crops and varieties also helped increase incomes, as did technical assistance in activities such as bee-keeping and fish farming. The number of bee-keeping farmers increased from 300 to 900 and honey production increased from 500 to 1 500 kg per farmer, although insufficient market research hindered marketing. Fish farming was enthusiastically received and 50% more fishponds than planned were constructed or rehabilitated. Feeder roads opened up new areas for development and access to markets and other services.

85. Implementation of two of the three completed projects in Rwanda was seriously disrupted by the civil war and genocide of 1994 and its aftermath. Nevertheless, crop production was increased by the **Rwanda** Gikongoro Agricultural Development Project (232-RW). The livestock breeding service restocked small livestock, and the agricultural engineering and soil-conservation service developed terraces and sediment areas. Firm data is lacking on the achievements of the Byumba Agricultural Development Project – Phase II (264-RW). There is, however, some evidence that the project contributed to increasing incomes for many who worked in or with the project, in particular traders, small-business owners and workers who participated in the construction and rehabilitation of infrastructure. Project 1059-RW in **Rwanda** helped repair the social structures that had been torn apart. The distribution of inputs and livestock contributed significantly to the increase in production and the improvement of food stocks in the project area.

86. Although a lack of M&E data makes it impossible to quantify the gains in the **Togo** Support to Village Groups in the Eastern Savannah Region Project (262-TG), it is thought that activities had a positive impact on incomes, particularly through increased livestock production. However, agricultural activities were less successful, due to the lack of a strategy or coordination and a focus on technical aspects to the detriment of management and organization. Rice and vegetable cultivation could not be developed due to delays in constructing irrigation infrastructure, caused by bureaucratic procedures and the inability of local enterprises to prefinance works. Incomes also increased as a result of activities of the **Honduras** Agricultural Development Programme for the Western Region (PLANDERO) (336-HN) that expanded cropping area, diversified crops and improved practices, leading to substantive increases in yields. Technical services were provided under an innovative private delivery scheme. Benefits also arose from improved soil and water conservation and agroforestry practices, as well as from post-harvest improvements as a result of the distribution of individual household grain-storage facilities.

87. Some projects encountered difficulties in achieving their objectives. Designed to reduce poverty through increased agricultural productivity, the **Sri Lanka** North-Western Province Dry Zone Participatory Development Project (309-LK) was unable to adapt to a rapidly changing economic environment in which non-farm employment became more important than agriculture to household income. And not all potential beneficiaries, especially the poorest, were able to participate. Rainwater harvesting, for example, required up-front cash contributions and a house with a permanent roof, limiting the adoption of the technology by many of the poorer farmers. The selection of beneficiaries based on land-grant certificates or titles also excluded the poorest. The **Algeria** Artisanal Fisheries



Pilot Development Project (276-DZ) was beset by external difficulties that prevented it from reaching the poorest fishermen and women. Currency devaluation and the consequent increase in the price of boats resulted in a decrease in the targeted beneficiaries in favour of a less disadvantaged population. The impact of the project was difficult to evaluate because no baseline was carried out and data collection was irregular and unreliable. However, some beneficiaries indicate that their incomes increased along with their social status as boat owners.

88. The absence of systematic performance indicators and a reliable M&E system made it difficult to assess the **Malawi** project. The general assessment is that performance was unsatisfactory due to limited institutional capacity of the Ministry of Agriculture and Irrigation (MOAI), inadequate programming and preparation of weak annual work plans and budgets, poor flow of funds and inadequate procurement procedures, which were reflected in the field activities and the low quality of services delivered to farmers. Despite these difficulties, the project recorded a number of achievements: it demonstrated that poorer farmers are capable of handling credit and producing a new cash crop; it contributed to increasing interest in tobacco production by smallholder farmers; and it provided a catalyst for change in the MOAI's approach to soil-conservation and soil-fertility issues.

D. Impact on the Environment

89. Several PCRs noted a positive impact on the environment. Overgrazing was greatly reduced in **China** (364-CN) by an increase in grassland productivity and a slower increase in herd numbers. The incidence of shifting cultivation was reduced in **Zambia**. IPM and other technologies to minimize the use of chemicals in **Egypt** and **Guatemala** are likely to have a positive impact on the environment. Some pest- and disease-control strategies have reportedly reduced pesticide use by 40% in Egypt; and in Guatemala, the use of commercial fertilizers has been reduced by the use of natural ones. Training was given in Guatemala to peasant soil-conservation assistants, school teachers and other beneficiaries in order to raise awareness of soil- and water-conservation measures. Improvement of natural resources was one of the effects of **Mexico** (303-MX), which expanded cultivated area in marginally productive zones through stone removal for terrace-building, soil and water conservation, humidity retention, and reforestation. Some efforts to positively impact natural resources and the environment were not so successful for a variety of reasons. The lack of available local labour, due to the rural exodus, prevented the wide adoption of soil- and water-conservation activities in **Chad**. The high costs of land rehabilitation and unresolved land-tenure issues hindered the successful implementation of massive land rehabilitation schemes in **Nigeria**.

E. Participation, Capacity-Building, Local Organizations and Institutions

90. In their efforts to achieve the goals of improved food security and increased productivity and incomes, most projects adopted strategies of stakeholder participation, institutional support and capacity-building at different levels (beneficiary and local organizations, and project management and implementing agencies). Group promotion played a central role in this strategy. Depending on the type of project and the social context of the project area, both new and existing groups were promoted: e.g. user, producer, village and economic interest groups. The great majority of projects reported that these groups were crucial to the success of project activities. A large number also noted the importance of continued support in consolidating and strengthening groups in order to help ensure the sustainability of achievements. Important lessons were learned on effective group formation.

91. Projects with a focus on irrigation and water supply, and those with an important water management component, relied heavily on WUAs for the implementation and sustainability of activities. **Armenia** is an outstanding example of the promotion of people's organizations to overcome constraints affecting farmers, especially the lack of water for irrigation. Institutional support was given to the development of water users' consumer cooperatives (WUCCs) with a high degree of success in establishing associations with proper legal frameworks and responsibility to operate, maintain and manage the tertiary systems. Regular participatory assessments were carried out



with members. As a result, the institutional landscape of Armenia has undergone a radical change, characterized by participation, beneficiary capacity-building, decentralization and radical institutional innovation. Farmers no longer function or see themselves as agricultural labour for the State but as commercial smallholders, entitled to negotiate competitive prices for agricultural service provision in the context of a market economy. The WUCCs still need support, however, to ensure their sustainability. WUAs in **Egypt** enhanced water distribution and maintenance of canals; and water users' management groups, set up at the village level in **China** (335-CN and 364-CN), were responsible for the operation and maintenance of water systems and the collection of water charges. Villager grassland management units were also established in all herding villages in 364-CN.

92. Several projects promoted a wide variety of groups and organizations. The strategy adopted in **Guatemala** was based on support to existing local organizations, including cooperatives and producers' associations. The project assisted these organizations in becoming legalized and self-managing and in forming larger associations. Interest groups were formed within these organizations and provided with training for specific project activities. For example, self-managed marketing committees were given training in marketing. Capacity-building courses also trained peasant extensionists, credit managers, experimental farmers, peasant managers, peasant auxiliary accountants, and health and nutrition promoters. The participation of beneficiaries was promoted through ongoing mechanisms of planning, evaluation and feedback by these various organizations.

93. A wide variety of village-level groups were mobilized in both projects in **Nigeria**. Self-help groups in project 273-NR included conservation, *fadama* (small-scale irrigation), village industry, women's and fisheries groups, WUAs and community development associations. Using a participatory group extension approach, project 307-NR trained community development assistants and village development workers to promote and facilitate groups, pass on agricultural techniques and crop varieties, and involve farmers in the diagnosis of constraints and potential solutions. Economic interest groups (EIG) carried out activities in construction, marketing, food processing and promotion of activities for women; group leaders were trained in EIG management. These projects report that village groups enhanced the ability of communities to work together, enabling members to engage in joint efforts to improve their income, gain better access to project support services and develop better partnerships with development agencies. At the same time, project staff acquired skills in participatory community development approaches.

94. Group promotion and institution-building took place not only at the village level, but at the regional level as well in **Mexico**. *La Forestal*, the Regional Federation of Cooperative Societies, received support, including equipment, restructuring of storage facilities, and trucks for water distribution and transport of agricultural inputs (270-MX); and beneficiaries appointed representatives to the boards of the regional funds (303-MX). At the local level, both projects supported producers' organizations and groups such as agricultural and handicraft organizations and marketing groups. Training was provided to develop community leaders and organizational capacity. These organizations were an important vehicle for the participation of beneficiaries in formulating annual work programmes and defining productive activities.

95. Institutional capacity-building and group formation were important in ensuring community participation in planning, management and implementation of activities in **Senegal, Zambia, Honduras** and **Chad**. The approach used in **Zambia** involved project-management and public-sector institutions and farmers' groups in determining project priorities. Representatives of beneficiaries in **Honduras** were involved in all programming activities (e.g. community diagnostic formulation and the annual programme of work) and operational and evaluation committees. Community organizational structures and technical services were established under an innovative private delivery scheme and included business groups, agroforestry cooperatives, groups of agro-processors and microentrepreneurs, and – from the supply side – rural development entities, including rural consultancy firms and NGOs. An innovative institutional set-up was used also in **Chad**, in which



local public and private agents carried out field activities and supported the emergence of groups to manage cereal stocks and develop IGAs.

96. Not all efforts in group promotion were equally successful. The village groups established in **Togo** to take responsibility for project activities did not always work effectively, as they were generally too large, brought together too many disparate interests and lacked sufficient training. The quality and intensity of the training given to the **Malawi** MOAI field assistants responsible for group formation was lower than planned and had negative consequences on the capacity of the field assistants to train the food-security groups. And **Rwanda** (1059-RW) found that the producers' groups created with the sole objective of benefiting from the project had low prospects for sustainability. M&E activities of this project provided a variety of data and constituted an important element within the national network of agricultural statistics and meteorological data.

97. Other benefits of participation became clear in **Rwanda** (232-RW), where the participation of the people in decisions on identifying who should be classified as vulnerable helped reunite the community and build solidarity. Through participatory workshops, representatives of beneficiaries and local authorities identified community development activities to be continued, including the training of community development committees. Institutions in the country were also strengthened by the significant expertise acquired by the programme coordination team through working in the field with vulnerable people and the organization of communities. Moderate success was achieved in **Rwanda** (264-RW) in strengthening institutional capacities and in promoting participation and strengthening local organizations, although there was a lack of consolidation and monitoring of the latter.

98. In addition to using participatory methodologies in group promotion and training, projects also used PRA methods in needs assessment. While this was successful in **Bangladesh**, it was less so in **Sri Lanka**, where highly literate villagers felt that the PRA visualization techniques were not appropriate.

99. The lack of involvement of beneficiaries in design and planning of the project can have serious negative consequences. This was a significant lesson learned in **Ecuador**, where the initial lack of beneficiary participation meant that the original plan to build an irrigation system, based on the construction of a dam and reservoir, could not be implemented. In collaboration with The Netherlands, the project was reformulated with a focus on community-based interventions and participation of beneficiaries and their organizations, taking into consideration local customs. By implementing a participatory methodology at the local level that facilitated the drawing up of annual work plans and prioritization and evaluation of activities, the project was able to achieve its reformulated objectives.

F. Addressing Gender Concerns

100. In accordance with IFAD's policy of mainstreaming a gender perspective, many projects made efforts to ensure that women as well as men were able to participate in and benefit from project activities, in many cases specifically targeting women as beneficiaries. In **Bangladesh**, for example, extension services were specifically targeted at women farmers, and women comprised 97% of borrowers for IGA credit and over 50% of agricultural credit groups. This increased their income and improved living standards, especially diet and housing. These practical improvements in women's livelihoods resulted in strategic gains in women's role in household management, freedom of mobility, autonomy and legal and reproductive rights. Women were also specifically targeted for loans in **China** (364-CN), either individually or in groups. To this end, Women's Federation staff were trained to support women in applying for loans and managing investments. Special efforts were also made in project 335-CN to promote women's awareness of opportunities and their economic independence. While efforts to target women were successful, it was noted that the whole design, implementation and supervision process in China was highly male dominated.



101. Because of the prevailing social conditions of gender relationship in **Guatemala**, the incorporation of a gender and development focus was difficult. The project strategy aimed to: integrate women in field teams of technicians (42% were women); disaggregate data by sex; raise awareness among both men and women of the roles of women; carry out self-confidence-building workshops for women; implement a community bank programme for women having no access to other forms of credit; and promote and implement time-saving activities. Disaggregated data allowed the project to identify non-equitable situations and make changes to promote women's participation. The time-saving activities had a great impact, improving the efficiency of household activities and making more time available for education, capacity-building and productive activities, thus reducing inequality between men and women. Time-saving activities in **Mexico** 270-MX, i.e. the construction of water-supply infrastructure that significantly reduced the time involved in transporting water for daily consumption, offered beneficiaries, especially women, the possibility to participate in literacy, productive and income-generating activities.

102. The presence of the Ministry of Gender, Family and Social Affairs, women coordinators and the project staff, who were mostly women, contributed to the sensitivity of **Rwanda** 1059-RW to vulnerable women. The committees responsible for identifying the beneficiaries included at least two women. As a result, women comprised more than half the beneficiaries, and particular attention was given to women heads of households in the distribution of inputs and livestock. The existence of women contact farmers in **Egypt** enabled women to avail themselves of extension services and provided leadership roles for women, as well as catalysing women's self-help and labour-exchange groups.

103. Strengthening the capacity of rural women's groups in **Mexico** 303-MX increased women's awareness and access to income and other resources, contributing to empowerment of groups and individual women leaders within their communities. The formation of women's groups for credit and savings, extension, and training in marketing and small-scale manufacturing was also key in enabling women to participate in project activities in both **Nigeria** 273-NR and 307-NR. Increased numbers of female extension staff (30%) improved women's access to extension services. Support was also provided for the construction and equipment of village centres and mobile women's skills development units. However, poorer women participated less due to their lack of time, and no mechanism or incentive was foreseen to reach these women. In both projects, reliance on traditional structures for the village development councils resulted in low participation of women in community decision-making. On the other hand, women in **Sri Lanka** became more prominent in decision-making at various levels, including within the household, and underlined that their unity and ability to interact with government officials increased.

104. The lack of precise targeting of women in some projects made it difficult for women to participate equally with men. This was the case in **Chad**, where there was a lack of targeting in the appraisal and lack of adjustments during the MTR, with the result that women group members represented only about 30% of total beneficiaries. Activities for the promotion of women were not in the original project plan of **Togo**, but evolved progressively. These mainly consisted of training in the area of health and the promotion of IGAs. The health activities responded to real needs, but the IGA component was not successful due to lack of a strategy and continuing support and to limited marketing opportunities. Literacy activities failed to take women's work hours into consideration and consequently there was a high drop-out rate among women. The migration of male leaders in **Ecuador** led to an increase in the number of women leaders in local organizations and irrigation management committees. However, insufficient support was given to this leadership, which faced obstacles such as overwork.



G. Credit

105. The provision of credit was a part of almost all projects. While credit was important in helping several projects achieve their goals, its effective implementation was confronted with serious challenges. A number of projects experienced problems in credit provision. Many of these problems were encountered in linking formal credit institutions to informal ones. Community credit and revolving funds often responded better to the needs of beneficiaries and operated more effectively. With the evolution of the rural finance concept and its associated policies in the 1990s, some projects succeeded in improving the design of the credit component in the course of project implementation by linking savings mobilization to the provision of credit.

106. The RLF in **Bangladesh**, administered by NGOs, successfully reached landless households that benefited from credit for IGAs. However, agricultural credit was beset with difficulties and reached only a small fraction of the original target. Loans were disbursed directly by the Agrani Bank to NGOs, contracted to form and support farmers' credit groups, that in turn would on-lend to farmers. NGOs found it difficult to qualify for these loans and encountered problems in matching repayment from farmers to the schedule of repayment to the bank. Lack of field staff also made it difficult for the bank to disburse and recover loans directly.

107. Credit suffered in several projects because the banks or entities responsible for disbursing loans did not have the capacity to respond to the needs of beneficiaries. Credit made available through the Wayamba Human Resources Development Authority in **Sri Lanka**, which on-lended to the self-reliance foundations, was not successful due to lack of organizational capacity, absence of a proper delivery mechanism, inadequate number of on-lending agencies, lack of support services, poor repayment performance, low pre-determined interest rates and poor financial management. The Principal Bank for Development and Credit in **Egypt** did not have sufficient operating means, financial security and monetary incentive to set up a revolving fund, which would have better-suited the needs of newly settled farmers disadvantaged in terms of assets. Moreover, the lack of appraisal and supervision resulted in a large proportion of loans not being used for their intended purpose. Similarly, the credit services in **Chad** were not designed from the perspective of sustainability, and the project did not supply services for individual or group savings. After the withdrawal of the Union of Popular Banks of **Rwanda**, project 264-RW was unable to recruit another specialized structure for rural financing.

108. Delays in carrying out credit operations also led to unsatisfactory results. Only about 4% of the anticipated commercial credit was disbursed in **Nigeria** 273-NG due to the late start of the programme, lack of viability analysis of activities, and the formation of credit groups irrespective of cohesiveness or profitability of proposed activities. Because commercial credit was delayed, a Village Development Fund (VDF) – designed to extend credit to innovative enterprises and women's groups engaged in off-farm activities – instead extended credit mainly for animal traction and *fadama* development. A similar situation prevailed in project 307-NG, where the VDF was intended to provide seed capital for testing adoption of promising technologies by village groups or individuals. Instead, 92% of the credit went for pumps, initially included under formal credit. Delays in credit provision in **Rwanda** (232-RW) led to an effort to disburse funds before project closing, with the result that some credit was provided to beneficiaries that were insufficiently trained.

109. In some instances, the poorer beneficiaries had difficulty in accessing credit. The tendency of project management in both **China** 335-CN and 364-CN was to consider loan recovery the most important project objective. This led to favouring lending to financially solid households and a shift away from the very poor. Even the special poverty-reduction funds had loan guarantee requirements that were a barrier to the poorest households. And in spite of the fact that rural finance activities in **Togo** supported savings and credit cooperatives (COOPEC) and extended financial services to one of the most disadvantaged areas of the country, the project reported that mechanisms to allow the poorest farmers to benefit from credit had yet to be found.



110. Some projects were able to take measures to remedy inadequate credit provision. Rural credit was weak in the initial phase of the project in **Ecuador**, due to slow and heavy administrative procedures of the *Banco Nacional de Fomento*. It was not able to meet the credit demand and did not have mechanisms to support investments. After project reformulation, credit activities were complemented by the inclusion of a credit and savings cooperative with experience in working with groups. This improved access to credit and technical support. The original credit component did not take place as designed in **Mexico** 270-MX, but the National Arid Zones Commission (CONAZA), which took responsibility for the project in 1993, and the project's executing unit, catalysed rural credit funding from a multiplicity of parallel government support programmes and promoted reimbursement discipline among beneficiaries. **Mexico** 303-MX was able to consolidate regional funds through increased transparency in financial management, better administrative procedures and introduction of financial performance indicators.

111. Several projects were able to establish viable credit systems adapted to local conditions, sometimes through a combination of conventional formal credit channels and community-based systems. Self-managed rural credit institutions were promoted in **Senegal**. Four such institutions were created to finance inputs, equipment and rural activities carried out by villagers. These contributed to meeting credit needs not covered by formal credit. Rural credit and savings associations were established in **Honduras** at the local level and conglomerates of associations at the municipal level to finance agriculture, irrigation, equipment and microenterprise. The Central American Bank for Economic Integration (BCIE) processed disbursement requests in a timely manner and followed up procurement and contracting matters. Credit in **Guatemala** was extended through conventional means, community banks and financial intermediation. Women obtained credit mostly through the community banks. It is noteworthy that, while the overall repayment rate was 86%, the repayment of loans obtained through the community banks was 100%.

H. Sustainability and Replicability

112. Many project achievements are expected to be sustainable, although not necessarily all components of the completed projects. In certain projects, sustainability will depend on further support. In three instances, **Algeria**, Malawi and **Sri Lanka**, project activities are not expected to be sustainable. Several projects' achievements and experiences demonstrate the catalytic role of IFAD, and have been or could be replicated in other projects and areas. Prospects for sustainability are good particularly in those projects where capacity-building was strong, technologies successfully extended, and organizations and institutions strengthened.

113. All of the completed projects in LAC have good prospects for sustainability. Factors favouring the sustainability of the achievements in **Ecuador** include capacity-building, strengthening of the irrigation- and water-management groups, and appropriateness of the technologies developed or adopted by the project. Local organizations will be able to take responsibility for the agricultural and livestock support activities and establish strategic links with the institutions and NGOs currently implementing them. Technical assistance, which can be provided by NGOs, needs to be continued. **Guatemala** also has good prospects for sustainability, due especially to the capacity of the managing organizations. **Honduras'** focus on community organization and beneficiary participation should help ensure sustainability. Prospects are positive for most rural savings associations.

114. Activities in the last year of implementation of **Mexico** (270-MX) focused on supporting the consolidation of farmers' organizations and their autonomous management, with close to 60% achieving consolidation and a solid basis for production and marketing. Other key elements for sustainability are: increased technical abilities; capacity of beneficiaries to operate and maintain their farm-level activities; low operational costs of most activities; reserve funds set aside to maintain equipment; and the capacity and commitment by beneficiaries to repay funds from the parallel credit and in-kind agricultural and livestock programmes. It is anticipated that producers' organizations will



continue to operate in **Mexico** (303-MX). However, the regional funds will require continued support from the Government, primarily in the form of resources for productive projects and technical support. In both 270-MX and 303-MX, the PIAs led to systematizing project implementation experience so that it could be applied in other ongoing projects in the country and the region.

115. Except for the formal credit component, most of the activities undertaken in **Bangladesh** have good prospects for sustainability. Farmers should be able to: continue the agricultural technologies introduced; access support from the Department of Agricultural Extension (DAE); and buy seed, fertilizer and equipment from a range of suppliers. Credit for landless groups (from the project RLF through NGOs) should be sustainable, given the impressive credit-recovery performance. Future maintenance of polders, roads and other infrastructure depends on the availability of government and donor funding. Features of this project, including the method of working with NGOs, have been incorporated in other IFAD and DAE projects. NGOs are applying their project experience to their ongoing activities. One NGO is now forming clusters of groups into village development committees to increase community self-reliance. Based on the lessons learned, a number of significant improvements have been made to the credit component of the next IFAD-funded project in the district.

116. Several projects with good prospects for sustainability still need consolidation, especially regarding organizations. The Government of **China** intends to maintain the project management structure of both projects (335-CN and 364-CN) in order to continue managing the revolving fund and possibly other externally financed projects. There is a need for a strategy to develop these local capacities further. WUCC structures in **Armenia** still require technical, organizational and financial support. For the project's investment and institutional achievements to be consolidated, extended and sustained, a legal framework is needed. This development is continuing under the second IFAD-financed project, NWASP (see also paragraph 56) and the International Development Association (IDA)-financed successor to the Irrigation Rehabilitation Project. To further enhance sustainability and replicability of WUCCs, the ongoing Participatory Irrigation Management regional TAG programme is providing assistance to improve the legal and institutional environment for WUAs to enable them to become self-managed and self-financed entities.

117. Producers' organizations still need to be consolidated in **Rwanda** 1059-RW, and management of the project's impressive infrastructure network will require a great deal of effort. A positive element is that the programme coordination team acquired significant expertise in the field with vulnerable people and the organization of communities – experience that can serve other projects in the country. In order to consolidate achievements, **Rwanda** 232-RW conducted a participatory evaluation workshop in which the community development committees expressed a need for further training, particularly in managing revolving credit funds. This prompted the project to draw up a plan to fulfil these requirements using the remaining small balance of the loan from the project's cofinancier. Steps have been taken to enhance sustainability of the settlement scheme in **Egypt**, including training, assistance in forming WUAs, and extension efforts to raise agricultural expertise. However, dependency on the Government for services and current government policies of subsidized lending and leniency on timely loan repayments may negatively affect sustainability.

118. At least some achievements are expected to be sustained in several other projects. Strengthened institutional capacities in **Senegal** and the literacy and management training of villagers should help ensure the sustainability of investments and infrastructure. In **Chad**, prospects for sustainability are reasonably good, particularly for cereal stocks, but groups need further support. The success of the participatory group-based extension system in both **Nigeria** 273-NR and 307-NR in reaching small farmers has been recognized by the State Government and the intention seems to be to adopt it throughout the State. Anti-erosion measures, drinking-water facilities, fishery infrastructure, and fruit-tree plantations appear to have the greatest chances of sustainability in **Tunisia**, but pasture improvements are vulnerable and the sustainability of the community institutions is uncertain. The knowledge acquired by farmers in **Rwanda** 264-RW should enable them to continue activities in



vegetable production and soil-conservation techniques. However, the other project activities need further support to be sustainable.

119. Prospects for sustainability in **Zambia** can be increased by involving local institutions and communities in supporting activities such as health centres, schools, fish farming and bee-keeping. However, the spread of HIV/AIDS may negatively affect long-term sustainability. On the positive side, the achievement of the National Biological Control Programme in controlling the cassava mealy bug, the cassava green bug and the larger grain borer has been extended to other countries in the region. Delays in carrying out the activities in **Togo** and the absence of continuity in implementation have had a negative impact on sustainability. The interventions most likely to be sustainable include: the oldest village groups, which received sufficient training to manage resources and increase income; COOPECs, which are currently being restructured and trained in management functions; livestock training and extension; and training and equipping of midwives.

120. Although the elements for sustainability do not exist in **Algeria**, the lessons learned from this project have had a positive impact on institutions. The Ministry of Fish and Fish Resources used the experience in drawing up a development plan for fisheries and aquaculture. The project also strengthened the financial and credit capacity of the Algerian Development Bank and increased concern for young fishermen and women and adaptation of programmes to their needs.

I. Lessons Learned

121. Each PCR contains an elaborate section of lessons learned, which are primarily project and situation specific and will be used in the design of new projects. In this section only generic lessons are presented.

Project Design and Implementation

122. Project design should include sufficient time for start-up activities and a follow-up phase for consolidation and institutionalization of activities. Adjustments to the project design may be necessary to address the changing environment. Flexibility, creativity and the ability to adapt to the local situation are required to make such adjustments without changing the objectives. Beneficiaries should be identified in the formulation stage and involved in all phases of project planning and implementation.

123. Institutional capacity to manage, administer and implement a project should be assessed early in the design stage and technical assistance provided as needed. Decentralization of project activities may be more effective than centralized control and increase the amount of resources reaching the beneficiaries, provided that capacity-building is done to ensure appropriate management. Effective project supervision is crucial.

124. An analysis should be made of the social and economic conditions of target groups and of their organizational capabilities and processes. Gender, ethnic, and sustainability concerns should be introduced in all components, rather than as separate elements, from the beginning of project execution.

Monitoring and Evaluation

125. Baseline information and an efficient M&E system are necessary for successful project management, a focused annual programme of work and assessment of project impact. The M&E system should be capable of measuring the impact of changes during project implementation and should propose solutions and strategies to adapt to national political and economic changes and the



social and economic conditions of beneficiaries. Training and backstopping support should be given to staff in M&E.

Participation, Capacity-Building, Local Organizations and Institutions

126. Stakeholder participation, capacity-building and support to local organizations and institutions are key elements in successfully achieving project objectives and ensuring sustainability of achievements. A participatory approach should be adopted from the design phase and stakeholders involved in identifying their priorities and needs. They should be involved as well in implementation, monitoring and evaluation. Group formation is a slow process that needs to be supported over time. Support and formation of groups should be based on knowledge and analysis of the situation in the project area. Experience has shown that it is often more effective to support existing groups than to form new ones. To be sustainable, users and producers organizations must be consolidated and receive sufficient training in management and organizational aspects.

127. Training and technical assistance activities should be considered investments rather than recurrent expenditures, and costs should be shouldered by the projects. The introduction of new technologies is more effective when it is based on respect for traditional local knowledge and experience.

Gender

128. IFAD must continue to ensure that Fund-supported projects incorporate a clear gender focus and that both men and women benefit from poverty-reduction efforts. To this end, precise targeting of women can help ensure that women are able to participate and that they are not marginalized; disaggregated data can assist projects in identifying non-equitable situations and making changes to promote women's participation; female extension staff can improve women's access to extension; and time-saving innovations for women can make more time available for education, capacity-building and productive activities. Other mechanisms and incentives may also be necessary. Support, training and capacity-building need to be directed both to women's organizations and to individual women. Care must be taken to ensure that reliance on traditional village structures does not hinder women's participation. Efforts may need to address male attitudes and wider social and legal issues.

Credit

129. Credit services need to be designed from the perspective of sustainability and with careful attention to ensuring organizational capacity, proper delivery mechanisms and good financial management. Recipients of credit must have sufficient support and information to make effective use of and to repay loans. Adequate supervision is required to ensure that loans are used for their intended purpose. Timely disbursement of credit is necessary to allow beneficiaries to undertake and participate in activities and to avoid hasty disbursement at the end of the project. Mechanisms need to be found to allow the poorest farmers to benefit from credit. Community-based financial institutions, cooperatives, and savings and credit associations are often more effective than formal credit institutions and banks in providing credit and serving the needs of the rural poor. Experience has shown that with sufficient training and support, community-based credit institutions can be self-managing and ensure high repayment rates.

PROJECTS DIRECTLY SUPERVISED BY IFAD

Region	Country	Project ID	Project/Programme Name	Lending Terms	Project Type	Board Approval	Loan Signing	Loan Effect.
Africa I	Benin	1028	Microfinance and Marketing Project	HC	Credit and Financial Services	22/04/1998	03/07/1998	04/05/1999
Africa I	Gambia, The	1100	Rural Finance and Community Initiatives Project	HC	Credit and Financial Services	02/12/1998	18/02/1999	14/07/1999
Africa I	Mali	1089	Sahelian Areas Development Fund Programme	HC	Flexible Lending Mechanism	02/12/1998	19/02/1999	14/10/1999
Africa II	Uganda	1060	District Development Support Programme	HC	Rural Development	10/09/1998	11/02/2000	24/05/2000
Africa II	Zambia	1108	Smallholder Enterprise and Marketing Programme	HC	Rural Development	09/12/1999	16/02/2000	07/11/2000
Africa II	Zimbabwe	1051	Smallholder Irrigation Support Programme	HC	Irrigation	02/12/1998	17/02/1999	14/09/1999
Asia	Bangladesh	1029	Agricultural Diversification and Intensification Project	HC	Agricultural Development	29/04/1997	29/05/1997	04/12/1997
Asia	India	1063	Jharkhand-Chattisgarh Tribal Development Programme	HC	Rural Development	29/04/1999	13/03/2001	21/06/2001
Asia	Indonesia	1112	Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas	HC	Flexible Lending Mechanism	04/05/2000	21/06/2000	31/01/2001
LAC	Brazil	1101	Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East	O	Credit and Financial Services	03/12/1998	10/10/2000	21/12/2000
LAC	Dominican Republic	1068	South Western Region Small Farmers Project Phase II	I	Rural Development	03/12/1998	19/01/1999	05/04/2000
LAC	Peru	1044	Development of the Puno-Cusco Corridor Project	O	Research/Extension/Training	04/12/1997	07/12/1999	17/10/2000
NENA	Armenia	1038	North-West Agricultural Services Project	HC	Agricultural Development	04/12/1997	05/12/1997	14/04/1998
NENA	Gaza and the West Bank	1079	Participatory Natural Resource Management Programme	HC	Rural Development	23/04/1998	07/05/1998	01/02/2000
NENA	Sudan	1045	North Kordofan Rural Development Project	HC	Rural Development	28/04/1999	14/07/1999	14/06/2000

Notes:

HC = highly concessional

I = intermediate

O = ordinary



LIST OF PROJECT COMPLETION REPORTS IN 2001

Region	Country	Project ID	Project/Programme Name
PA	Chad	460	Food Security Project in the Northern Guéra Region
PA	Nigeria	273	Katsina State Agricultural and Community Development Project
PA	Nigeria	307	Sokoto State Agricultural and Community Development Project
PA	Senegal	461	Agricultural Development Project in Matam
PA	Togo	262	Support to Village Groups in the Eastern Savannah Region Project
PF	Malawi	464	Agricultural Services Project: Smallholder Food Security Sub-project
PF	Rwanda	232	Gikongoro Agricultural Development Project
PF	Rwanda	264	Byumba Agricultural Development Project - Phase II
PF	Rwanda	1059	Rwanda Returnees Rehabilitation Programme
PF	Zambia	293	Northwestern Province Area Development Project - Phase II
PI	Bangladesh	343	Netrakona Integrated Agricultural Production and Water Management Project
PI	China	335	Yunnan-Simao Minorities Area Agricultural Development Project
PI	China	364	Qinghai/Hainan Prefecture Agricultural Development Project
PI	Sri Lanka	309	North-Western Province Dry Zone Participatory Development Project
PL	Ecuador	275	Upper Basin of the Cañar River Rural Development Project
PL	Guatemala	296	Cuchumatanes Highlands Rural Development Project
PL	Honduras	336	Agricultural Development Programme for the Western Region (PLANDERO)
PL	Mexico	270	Development Project for Marginal Rural Communities in the Ixtlera Region
PL	Mexico	303	Rural Development Project for the Indigenous Communities of the State of Puebla
PN	Algeria	276	Artisanal Fisheries Pilot Development Project
PN	Armenia	433	Irrigation Rehabilitation Project
PN	Egypt	306	Newlands Agricultural Services Project
PN	Tunisia	298	Sidi M'Hadheb Agricultural and Fisheries Development Project
Total		23 projects	

Notes:

PA = Africa I

PF = Africa II

PI = Asia and the Pacific

PL = Latin America and the Caribbean

PN = Near East and North Africa

PROJECTS COMPLETED DURING 2001

Project ID	Country- Project/Programme Name	Cooperating Institution	Type of Financing	Approval to Effectiveness (months)	Years Extended	% Time Overrun	Percentage Disbursed (31/12/2001)	No. Days Suspended (for arrears)
Agricultural Development								
264-RW	Rwanda Byumba Agricultural Development Project – Phase II	AfDB	F	13.2	5.0	107%	76%	422
314-RW	Rwanda Intensified Land Use Management Project in the Buberuka Highlands	UNOPS	E	43.7	0.0	0%	64%	0
360-UG	Uganda Cotton Subsector Development Project	World Bank: IDA	C	7.0	2.0	43%	91%	0
484-CN	China Jiangxi/Ganzhou Integrated Agricultural Development Project	UNOPS	E	5.1	0.8	18%	100%	16
328-VN	Viet Nam Participatory Resource Management Project - Tuyen Quang Province	UNOPS	F	4.0	0.7	10%	94%	0
321-EC	Ecuador Saraguro-Yacuambi Rural Development Project	CAF	F	17.7	3.0	65%	85%	0
331-PA	Panama Rural Development Project for Ngobe Communities	CAF	F	10.2	2.5	47%	82%	0
1038-AM	Armenia North-West Agricultural Services Project	IFAD	E	4.3	-0.9	-22%	100%	0

PROJECTS COMPLETED DURING 2001

Project ID	Country- Project/Programme Name	Cooperating Institution	Type of Financing	Approval to Effectiveness (months)	Years Extended	% Time Overrun	Percentage Disbursed (31/12/2001)	No. Days Suspended (for arrears)
311-SY	Syria Southern Regional Agricultural Development Project - Phase II	AFESD	F	6.0	0.8	11%	64%	11
Subtotal	9 projects		average	12.3	1.6	29%	86%	50
Credit and Financial Services								
338-MW	Malawi Rural Financial Services Project: Mudzi Financial Services Subproject	UNOPS	C	16.8	1.0	20%	71%	25
431-BD	Bangladesh Employment-Generation Project for the Rural Poor	UNOPS	E	6.4	1.0	19%	94%	0
505-PH	Philippines Rural Microenterprise Finance Project	AsDB	F	7.6	0.0	0%	64%	0
267-SV	El Salvador Smallholders' Agricultural Development Project in the Paracentral Region	BCIE	F	26.0	4.0	92%	97%	0
329-JO	Jordan Income Diversification Project	AFESD	F	14.0	0.0	0%	90%	0
Subtotal	5 projects		average	14.2	1.2	23%	82%	5
Irrigation								
429-MG	Madagascar Upper Mandrare Basin Development Project	UNOPS	E	8.6	0.5	10%	99%	0
352-NP	Nepal Groundwater Irrigation and Flood Rehabilitation Project	UNOPS	F	6.4	0.0	0%	48%	0

PROJECTS COMPLETED DURING 2001

Project ID	Country- Project/Programme Name	Cooperating Institution	Type of Financing	Approval to Effectiveness (months)	Years Extended	% Time Overrun	Percentage Disbursed (31/12/2001)	No. Days Suspended (for arrears)
345-DO	Dominican Republic Agricultural Development Project in San Juan de la Maguana	IDB	C	38.8	0.5	13%	99%	0
Subtotal	3 projects		average	18.0	0.3	6%	82%	0
Livestock								
1037-BA	Bosnia and Herzegovina Small Farm Reconstruction and Development Project	UNOPS	F	9.9	1.8	131%	100%	0
305-LB	Lebanon Smallholder Livestock Rehabilitation Project	AFESD	F	19.8	2.5	49%	70%	0
260-MA	Morocco Livestock and Pasture Development Project in the Eastern Region	AfDB	F	13.2	3.0	39%	59%	0
Subtotal	3 projects		average	14.3	2.4	52%	77%	0
Programme Loan								
515-ET	Ethiopia Informal Seed Component of the Seed Systems Development Project	World Bank: IDA	E	6.3	0.5	13%	46%	0
Subtotal	1 Project		average	6.3	0.5	13%	46%	0
Research/Extension/Training								
469-TD	Chad Owadis of Kanem Agricultural Development Project	UNOPS	F	6.4	1.0	16%	91%	45
Subtotal	1 Project		average	6.4	1.0	16%	91%	45
Rural Development								
313-GN	Guinea Smallholder Development Project in the Forest Region	UNOPS	E	14.7	2.8	54%	94%	0

PROJECTS COMPLETED DURING 2001

Project ID	Country- Project/Programme Name	Cooperating Institution	Type of Financing	Approval to Effectiveness (months)	Years Extended	% Time Overrun	Percentage Disbursed (31/12/2001)	No. Days Suspended (for arrears)
292-NE	Niger Aguié Rural Development Project	UNOPS	F	8.6	3.5	60%	80%	1 178
277-TR	Turkey Yozgat Rural Development Project	UNOPS	E	9.3	3.0	44%	79%	0
Subtotal	3 projects		average	10.9	3.1	52%	84%	393
Total	25 projects		average	13.0	1.6	30%	82%	68

Notes:

Percentage time overrun is calculated from date of loan effectiveness.

Percentage disbursement is calculated against the approved loan amount.

C = projects initiated by a cooperating institution and cofinanced by IFAD.

F = projects initiated by IFAD and cofinanced by external donors.

E = projects initiated and exclusively financed by IFAD.



PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
Africa I							
488-BJ	Benin	Income-Generating Activities Project	06/12/1995	8.05	3.92	49%	31/12/2003
1028-BJ	Benin	Microfinance and Marketing Project	22/04/1998	9.15	1.81	20%	31/12/2004
1127-BJ	Benin	Roots and Tubers Development Programme	03/05/2000	9.75	0.53	5%	30/09/2008
1211-BJ	Benin	Participatory Artisanal Fisheries Development Support Programme	06/12/2001	7.85	0.00	0%	
369-BF	Burkina Faso	Special Programme for Soil and Water Conservation - Phase II	05/12/1994	11.85	10.63	90%	30/06/2003
512-BF	Burkina Faso	South West Rural Development Project	11/09/1996	10.15	1.65	16%	31/12/2004
1103-BF	Burkina Faso	Rural Microenterprise Support Project	28/04/1999	6.95	0.40	6%	30/09/2007
1132-BF	Burkina Faso	Community-Based Rural Development Project	04/05/2000	8.55	0.00	0%	
1080-CM	Cameroon	National Agricultural Research and Extension Support Project	10/09/1998	7.90	2.09	26%	31/12/2002
1126-CM	Cameroon	National Microfinance Programme Support Project	09/12/1999	8.05	0.00	0%	30/06/2007
1015-CV	Cape Verde	Rural Poverty Alleviation Programme	08/09/1999	6.95	0.65	9%	30/09/2009
290-CF	Central African Republic	Savannah Food Crops Rural Development Project	11/12/1991	8.45	6.00	71%	30/06/2002
1144-TD	Chad	Food Security Project in the Northern Guéra Region - Phase II	03/05/2000	8.25	0.00	0%	31/12/2009
513-CI	Côte d'Ivoire	Marketing and Local Initiatives Support Project	11/09/1996	7.25	2.25	31%	31/03/2004
1081-CI	Côte d'Ivoire	Rural Development Project in the Zanzan Region	10/09/1998	8.30	1.11	13%	30/09/2005
1133-CI	Côte d'Ivoire	Small Horticultural Producer Support Project	04/05/2000	8.30	0.00	0%	30/09/2009
428-GM	Gambia, The	Lowlands Agricultural Development Programme	12/04/1995	3.40	1.70	50%	31/12/2003
1100-GM	Gambia, The	Rural Finance and Community Initiatives Project	02/12/1998	6.60	2.43	37%	30/06/2005
466-GH	Ghana	Rural Enterprises Project	02/12/1993	5.55	4.59	83%	30/06/2002
477-GH	Ghana	Upper West Agricultural Development Project	14/09/1995	6.75	4.70	70%	31/12/2002
1002-GH	Ghana	Village Infrastructure Programme	04/12/1996	6.95	1.36	20%	30/06/2003
1053-GH	Ghana	Root and Tuber Improvement Programme	04/12/1997	6.55	3.60	55%	30/06/2004
1124-GH	Ghana	Upper-East Region Land Conservation and Smallholder Rehabilitation Project - Phase II	29/04/1999	8.30	2.41	29%	31/03/2005

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
1134-GH	Ghana	Rural Financial Services Project	03/05/2000	8.20	0.00	0%	
1183-GH	Ghana	Northern Region Poverty Reduction Programme	06/12/2001	9.75	0.00	0%	
478-GN	Guinea	Smallholder Development Project in North Lower Guinea	14/09/1995	10.20	8.01	78%	31/12/2003
1003-GN	Guinea	Fouta Djallon Local Development and Agricultural Rehabilitation Programme	04/12/1996	6.95	2.94	42%	31/12/2004
1117-GN	Guinea	Village Communities Support Project	02/12/1998	5.00	1.09	22%	31/12/2003
1135-GN	Guinea	Programme for Participatory Rural Development in Haute-Guinée	09/12/1999	10.20	0.32	3%	31/03/2011
367-ML	Mali	Income Diversification Programme in the Mali Sud Area	05/12/1994	10.10	4.61	46%	31/12/2002
497-ML	Mali	Zone Lacustre Development Project - Phase II	17/04/1996	8.65	1.96	23%	31/12/2003
1089-ML	Mali	Sahelian Areas Development Fund Programme	02/12/1998	15.65	1.40	9%	31/03/2009
471-MR	Mauritania	Oasis Development Project - Phase II	06/09/1994	5.40	4.57	85%	31/03/2003
1179-MR	Mauritania	Poverty Reduction Project in Aftout South and Karakoro	12/09/2001	8.80	0.00	0%	
434-NE	Niger	Special Country Programme - Phase II	13/09/1995	9.55	5.02	53%	30/04/2003
1139-NE	Niger	Rural Financial Services Development Programme	03/05/2000	8.80	0.00	0%	30/06/2011
1016-NG	Nigeria	Roots and Tubers Expansion Programme	09/12/1999	16.70	0.00	0%	30/09/2009
1196-NG	Nigeria	Community-Based Agricultural and Rural Development Programme	12/09/2001	23.80	0.00	0%	
340-ST	Sao Tome and Principe	National Smallholders Support Programme	02/12/1993	1.50	1.21	81%	31/12/2002
1027-ST	Sao Tome and Principe	Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme	26/04/2001	7.95	0.00	0%	
491-SN	Senegal	Rural Microenterprises Project	06/12/1995	5.00	1.92	38%	30/09/2002
1019-SN	Senegal	Village Management and Development Project	04/12/1997	6.90	0.67	10%	31/12/2006
1102-SN	Senegal	Agroforestry Project to Combat Desertification	02/12/1998	5.85	0.84	14%	30/06/2005
1130-SN	Senegal	National Rural Infrastructure Project	09/12/1999	5.40	0.25	5%	31/03/2005

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
1156-SN	Senegal	Village Organization and Management Project - Phase II	07/12/2000	10.70	0.32	3%	30/09/2008
490-TG	Togo	Village Organization and Development Project	06/12/1995	5.10	1.57	31%	30/09/2002
1004-TG	Togo	National Agricultural Services Support Project	04/12/1996	6.95	1.27	18%	30/06/2002
Total: Africa I		47 projects		392.95	89.80	23%	

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
Africa II							
492-AO	Angola	Northern Region Foodcrops Development Project	07/12/1995	9.00	3.54	39%	31/12/2003
1023-AO	Angola	Northern Fishing Communities Development Programme	04/12/1997	5.30	0.82	16%	31/12/2005
229-BI	Burundi	Bututsi Agro-Pastoral Development Project	29/11/1988	6.70	2.49	37%	30/06/2002
463-BI	Burundi	Ruyigi Rural Resources Management Project	15/09/1993	5.05	3.86	76%	31/12/2002
1105-BI	Burundi	Rural Recovery and Development Programme	28/04/1999	14.75	2.15	15%	30/09/2006
470-KM	Comoros	Support to Economic Grass-Roots Initiatives Project	06/09/1994	2.45	1.37	56%	30/06/2004
514-KM	Comoros	Pilot Agricultural Services Project	11/09/1996	0.70	0.25	35%	30/06/2003
365-ER	Eritrea	Eastern Lowlands Wadi Development Project	05/12/1994	8.55	5.31	62%	31/12/2002
342-ET	Ethiopia	Southern Region Cooperatives Development and Credit Project	02/12/1993	12.60	6.25	50%	06/07/2002
1011-ET	Ethiopia	Special Country Programme - Phase II	05/12/1996	15.65	4.34	28%	30/06/2003
1082-ET	Ethiopia	Agricultural Research and Training Project	10/09/1998	13.65	0.90	7%	30/09/2004
1173-ET	Ethiopia	Rural Financial Intermediation Programme	06/12/2001	20.15	0.00	0%	
467-KE	Kenya	Eastern Province Horticulture and Traditional Food Crops Project	02/12/1993	7.90	1.26	16%	30/06/2002
1114-KE	Kenya	Central Kenya Dry Area Smallholder and Community Services Development Project	07/12/2000	8.45	0.56	7%	30/09/2008
468-LS	Lesotho	Rural Finance and Enterprise Support Project	02/12/1993	2.95	2.67	90%	30/09/2002
1022-LS	Lesotho	Sustainable Agricultural Development Programme for the Mountain Areas	10/09/1998	6.35	0.85	13%	31/03/2004
499-MG	Madagascar	North-East Agricultural Improvement and Development Project	17/04/1996	8.05	3.88	48%	31/12/2002
1020-MG	Madagascar	Second Environment Programme Support Project	29/04/1997	5.65	4.51	80%	30/06/2002
1167-MG	Madagascar	Upper Mandrare Basin Development Project - Phase II	07/12/2000	9.85	0.63	6%	30/09/2008

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
1047-MW	Malawi	Smallholder Flood Plains Development Programme	23/04/1998	9.25	4.06	44%	30/06/2005
1164-MW	Malawi	Rural Livelihoods Support Programme	12/09/2001	10.70	0.00	0%	
1093-MU	Mauritius	Rural Diversification Programme	29/04/1999	8.20	0.80	10%	30/06/2006
334-MZ	Mozambique	Nampula Artisanal Fisheries Project	15/09/1993	4.35	4.04	93%	30/06/2002
359-MZ	Mozambique	Niassa Agricultural Development Project	20/04/1994	8.80	5.37	61%	31/12/2003
1005-MZ	Mozambique	Family Sector Livestock Development Programme	04/12/1996	13.45	5.45	41%	30/06/2004
1109-MZ	Mozambique	PAMA Support Project	08/12/1999	16.55	0.92	6%	30/09/2007
1184-MZ	Mozambique	Sofala Bank Artisanal Fisheries Project	12/09/2001	14.00	0.00	0%	
362-NA	Namibia	Northern Regions Livestock Development Project	06/09/1994	4.20	3.36	80%	30/06/2003
500-RW	Rwanda	Rural Small and Microenterprise Promotion Project	17/04/1996	3.75	2.19	58%	31/12/2001
1149-RW	Rwanda	Umutara Community Resource and Infrastructure Development Project	04/05/2000	11.85	0.93	8%	31/12/2010
1222-RW	Rwanda	Umutara Community Resource and Infrastructure Development Twin Project	06/12/2001	9.40	0.00	0%	
323-SZ	Swaziland	Smallholder Agricultural Development Project	06/04/1993	5.10	2.69	53%	30/09/2002
1159-SZ	Swaziland	Lower Usuthu Smallholder Irrigation Project - Phase I	06/12/2001	11.90	0.00	0%	
489-TZ	Tanzania, United Republic of	Mara Region Farmers' Initiative Project	06/12/1995	9.65	8.89	92%	31/12/2002
1006-TZ	Tanzania, United Republic of	Agricultural and Environmental Management Project	04/12/1996	10.30	7.01	68%	30/06/2003
1086-TZ	Tanzania, United Republic of	Participatory Irrigation Development Programme	08/09/1999	12.55	2.27	18%	31/03/2006
1151-TZ	Tanzania, United Republic of	Rural Financial Services Programme	07/12/2000	12.80	0.79	6%	31/12/2010
1166-TZ	Tanzania, United Republic of	Agricultural Marketing Systems Development Programme	06/12/2001	12.95	0.00	0%	31/12/2007

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
1021-UG	Uganda	Vegetable Oil Development Project	29/04/1997	14.35	1.36	9%	31/12/2005
1060-UG	Uganda	District Development Support Programme	10/09/1998	9.50	2.21	23%	31/12/2004
1122-UG	Uganda	Area-Based Agricultural Modernization Programme	08/12/1999	9.60	0.00	0%	
1158-UG	Uganda	National Agricultural Advisory Services Programme	07/12/2000	13.70	0.00	0%	31/12/2008
368-ZM	Zambia	Southern Province Household Food Security Programme	05/12/1994	10.40	8.62	83%	31/12/2002
430-ZM	Zambia	Smallholder Irrigation and Water Use Programme	12/04/1995	4.30	2.37	55%	30/06/2002
1108-ZM	Zambia	Smallholder Enterprise and Marketing Programme	09/12/1999	11.55	1.11	10%	31/12/2007
1039-ZM	Zambia	Forest Resource Management Project	09/12/1999	9.15	0.00	0%	
341-ZW	Zimbabwe	Smallholder Dry Areas Resource Management Project	02/12/1993	10.00	4.15	42%	31/12/2004
435-ZW	Zimbabwe	South Eastern Dry Areas Project	13/09/1995	7.15	2.55	36%	30/06/2003
1051-ZW	Zimbabwe	Smallholder Irrigation Support Programme	02/12/1998	8.65	0.82	10%	31/12/2007
Total: Africa II		49 projects		461.85	117.58	25%	

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
Asia and the Pacific							
480-BD	Bangladesh	Small-Scale Water Resources Development Sector Project	06/12/1995	7.00	4.68	67%	30/06/2002
1029-BD	Bangladesh	Agricultural Diversification and Intensification Project	29/04/1997	13.65	7.95	58%	30/06/2004
1062-BD	Bangladesh	Third Rural Infrastructure Development Project	04/12/1997	8.50	3.22	38%	31/12/2004
1074-BD	Bangladesh	Aquaculture Development Project	23/04/1998	15.00	3.83	26%	30/06/2005
1076-BD	Bangladesh	Smallholder Agricultural Improvement Project	29/04/1999	13.65	2.82	21%	31/03/2006
1165-BD	Bangladesh	Sunamganj Community-Based Resource Management Project	12/09/2001	17.55	0.00	0%	
1094-BT	Bhutan	Second Eastern Zone Agricultural Programme	08/09/1999	6.95	1.16	17%	30/06/2008
517-KH	Cambodia	Agriculture Productivity Improvement Project	11/09/1996	3.30	1.55	47%	31/12/2003
1106-KH	Cambodia	Agricultural Development Support Project to Seila	08/09/1999	6.35	2.66	42%	31/03/2006
1175-KH	Cambodia	Community-Based Rural Development Project in Kampong Thom and Kampot	07/12/2000	7.85	1.07	14%	31/03/2008
523-CN	China	Northeast Sichuan and Qinghai/Haidong Integrated Agricultural Development Project	11/09/1996	19.10	16.89	88%	30/06/2002
1048-CN	China	Southwest Anhui Integrated Agricultural Development Project	11/09/1997	19.10	14.53	76%	31/12/2002
1083-CN	China	Wulin Mountains Minority-Areas Development Project	10/09/1998	21.10	5.76	27%	30/06/2004
1123-CN	China	Qinling Mountain Area Poverty-Alleviation Project	08/12/1999	21.00	0.00	0%	30/09/2007
1153-CN	China	West Guangxi Poverty-Alleviation Project	07/12/2000	23.80	0.00	0%	
487-KP	D.P.R. Korea	Sericulture Development Project	06/12/1995	10.45	10.45	100%	30/06/2002
1064-KP	D.P.R. Korea	Crop and Livestock Rehabilitation Project	04/12/1997	20.90	19.87	95%	30/06/2003
1154-KP	D.P.R. Korea	Uplands Food Security Project	07/12/2000	19.15	2.07	11%	30/06/2006
325-IN	India	Maharashtra Rural Credit Project	06/04/1993	21.25	17.19	81%	31/03/2002
349-IN	India	Andhra Pradesh Participatory Tribal Development Project	19/04/1994	18.95	12.02	63%	30/09/2002

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
432-IN	India	Mewat Area Development Project	12/04/1995	9.65	4.58	47%	31/03/2003
1012-IN	India	Rural Women's Development and Empowerment Project	05/12/1996	13.30	1.66	12%	30/06/2004
1040-IN	India	North Eastern Region Community Resource Management Project for Upland Areas	29/04/1997	16.55	1.23	7%	31/03/2004
1063-IN	India	Jharkhand-Chattisgarh Tribal Development Programme	29/04/1999	16.95	0.78	5%	30/06/2009
1121-IN	India	National Microfinance Support Programme	04/05/2000	16.35	0.00	0%	
1210-IN	India	Livelihood Security Project for Earthquake-Affected Rural Households in Gujarat	12/09/2001	11.65	0.00	0%	
350-ID	Indonesia	Eastern Islands Smallholder Cashew Development Project	19/04/1994	18.45	9.89	54%	30/06/2002
485-ID	Indonesia	Eastern Islands Smallholder Farming Systems and Livestock Development Project	06/12/1995	12.05	4.64	39%	31/03/2003
1024-ID	Indonesia	P4K - Phase III	04/12/1997	18.25	11.18	61%	31/03/2005
1112-ID	Indonesia	Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas	04/05/2000	17.50	1.61	9%	31/03/2009
479-KG	Kyrgyzstan	Sheep Development Project	14/09/1995	2.35	1.44	61%	31/12/2002
1065-KG	Kyrgyzstan	Agricultural Support Services Project	23/04/1998	5.90	2.31	39%	30/06/2003
351-LA	Laos	Bokeo Food Security Project	19/04/1994	2.95	2.23	76%	30/09/2002
1041-LA	Laos	Northern Sayabouri Rural Development Project	04/12/1997	5.30	2.87	54%	30/06/2004
1099-LA	Laos	Xieng Khouang Agricultural Development Project - Phase II	03/12/1998	4.95	2.29	46%	30/06/2005
472-MV	Maldives	Southern Atolls Development Project	13/09/1995	1.90	1.24	65%	31/12/2001
502-MN	Mongolia	Arhangai Rural Poverty Alleviation Project	17/04/1996	3.45	1.58	46%	30/06/2003
250-NP	Nepal	Hills Leasehold Forestry and Forage Development Project	07/12/1989	10.00	3.46	35%	30/06/2003
1030-NP	Nepal	Poverty Alleviation Project in Western Terai	11/09/1997	6.55	3.26	50%	15/07/2004
1119-NP	Nepal	Western Uplands Poverty Alleviation Project	06/12/2001	15.60	0.00	0%	
288-PK	Pakistan	Neelum and Jhelum Valleys Community Development Project	04/09/1991	11.90	9.63	81%	31/12/2002

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
353-PK	Pakistan	Pat Feeder Command Area Development Project	19/04/1994	20.25	11.67	58%	31/03/2002
524-PK	Pakistan	Dir Area Support Project	11/09/1996	11.35	3.42	30%	31/12/2003
1042-PK	Pakistan	Northern Areas Development Project	11/09/1997	10.75	1.23	11%	30/06/2005
1077-PK	Pakistan	Barani Village Development Project	03/12/1998	11.15	2.07	19%	30/06/2005
1078-PK	Pakistan	Southern Federally Administered Tribal Areas Development Project	07/12/2000	13.40	0.00	0%	
1182-PK	Pakistan	North-West Frontier Province Barani Area Development Project	26/04/2001	11.15	0.00	0%	
326-PG	Papua New Guinea	North Simbu Rural Development Project	06/04/1993	4.35	3.34	77%	31/12/2001
486-PH	Philippines	Cordillera Highland Agricultural Resource Management Project	06/12/1995	6.15	1.70	28%	31/03/2003
1066-PH	Philippines	Western Mindanao Community Initiatives Project	23/04/1998	11.00	1.47	13%	31/12/2004
1137-PH	Philippines	Northern Mindanao Community Initiatives and Resource Management Project	06/12/2001	11.60	0.00	0%	
283-LK	Sri Lanka	Second Badulla Integrated Rural Development Project	04/04/1991	9.90	7.27	73%	30/09/2002
473-LK	Sri Lanka	North-Central Province Participatory Rural Development Project	13/09/1995	5.45	3.78	69%	31/12/2002
1113-LK	Sri Lanka	Matale Regional Economic Advancement Project	03/12/1998	8.35	1.04	12%	30/06/2005
1007-VN	Viet Nam	Agricultural Resources Conservation and Development Project in Quang Binh Province	04/12/1996	10.05	8.27	82%	31/12/2001
1025-VN	Viet Nam	Ha Giang Development Project for Ethnic Minorities	04/12/1997	9.20	5.57	61%	31/12/2003
1091-VN	Viet Nam	Ha Tinh Rural Development Project	29/04/1999	11.40	2.60	23%	30/09/2005
1202-VN	Viet Nam	Rural Income Diversification Project in Tuyen Quang Province	06/12/2001	16.40	0.00	0%	08/04/2008
Total: Asia and the Pacific		58 projects		698.05	247.02	35%	

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
Latin America and the Caribbean							
506-AR	Argentina	Rural Development Project for the North-Eastern Provinces	18/04/1996	11.35	2.96	26%	30/06/2004
1098-AR	Argentina	North Western Rural Development Project (PRODERNOA)	08/09/1999	12.80	0.00	0%	
1067-BZ	Belize	Community-Initiated Agriculture and Resource Management Project	23/04/1998	1.75	0.44	25%	31/12/2005
354-BO	Bolivia	Camelid Producers Development Project in the Andean High Plateau	20/04/1994	5.45	4.54	83%	30/09/2002
373-BO	Bolivia	Sustainable Development Project by Beni Indigenous People	06/12/1994	4.30	2.29	53%	30/06/2002
1031-BO	Bolivia	Small Farmers Technical Assistance Services Project (PROSAT)	29/04/1997	5.85	2.13	36%	31/12/2003
1145-BO	Bolivia	Management of Natural Resources in the Chaco and High Valley Regions Project	13/09/2000	9.25	0.00	0%	
344-BR	Brazil	Low-Income Family Support Project in the Semi-Arid Region of Sergipe State	02/12/1993	12.90	12.43	96%	31/12/2002
493-BR	Brazil	Community Development Project for the Rio Gaviao Region	07/12/1995	13.50	7.59	56%	31/12/2002
1101-BR	Brazil	Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East	03/12/1998	17.80	1.15	6%	31/12/2004
427-CL	Chile	Agricultural Development Project for Peasant Communities and Smallholders of the Fourth Region	06/12/1994	5.50	3.73	68%	31/12/2003
520-CO	Colombia	Rural Microenterprise Development Programme	11/09/1996	11.00	2.31	21%	31/12/2004
371-CR	Costa Rica	Agricultural Development Project for the Peninsula of Nicoya	05/12/1994	3.40	1.36	40%	31/03/2004
503-DM	Dominica	Rural Enterprise Project	17/04/1996	1.80	1.18	65%	30/06/2002
1068-DO	Dominican Republic	South Western Region Small Farmers Project Phase II	03/12/1998	8.75	1.19	14%	30/06/2005

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
1043-EC	Ecuador	Indigeneous and Afro-Ecuadorian Peoples' Development Project	04/12/1997	10.85	5.18	48%	31/03/2002
322-SV	El Salvador	Rehabilitation and Development Project for War-torn Areas in the Department of Chalatenango	03/12/1992	9.25	9.02	98%	30/06/2002
1069-SV	El Salvador	Rural Development Project for the North-Eastern Region	04/12/1997	13.05	4.05	31%	31/12/2004
1115-SV	El Salvador	Rural Development Project for the Central Region (PRODAP-II)	29/04/1999	9.55	0.44	5%	30/06/2007
1215-SV	El Salvador	Reconstruction and Rural Modernization Programme	06/12/2001	15.65	0.00	0%	
1181-GD	Grenada	Rural Enterprise Project	26/04/2001	3.25	0.00	0%	
1008-GT	Guatemala	Programme for Rural Development and Reconstruction in the Quiché Department (PRODERQUI)	04/12/1996	10.45	1.46	14%	31/12/2003
1085-GT	Guatemala	Rural Development Programme for Las Verapaces	08/12/1999	10.85	0.95	9%	30/09/2011
1009-GY	Guyana	Poor Rural Communities Support Services Project	04/12/1996	7.30	1.39	19%	30/06/2003
241-HT	Haiti	Small-Scale Irrigation Schemes Rehabilitation Project	26/04/1989	8.20	5.29	65%	30/03/2002
1070-HT	Haiti	Food Crops Intensification Project - Phase II	03/12/1998	10.95	0.79	7%	30/09/2007
1032-HN	Honduras	Rural Development Project in the Central Eastern Region (PRODERCO)	29/04/1997	8.90	5.67	64%	31/12/2003
1087-HN	Honduras	Rural Development Project in the South-Western Region	03/12/1998	13.75	4.56	33%	30/06/2005
1128-HN	Honduras	National Fund for Sustainable Rural Development Project (FONADERS)	08/12/1999	12.00	4.03	34%	30/09/2006
1198-HN	Honduras	National Programme for Local Development (PRONADEL)	26/04/2001	15.50	0.00	0%	31/12/2007
494-MX	Mexico	Rural Development Project of the Mayan Communities in the Yucatan Peninsula	07/12/1995	6.95	3.41	49%	31/12/2001

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
1141-MX	Mexico	Rural Development Project for Rubber-Producing Regions of Mexico	03/05/2000	18.60	0.00	0%	31/12/2009
346-NI	Nicaragua	Project for the Capitalization of Small Farmers in the Tropisec Area of the Segovias - Region I (TROPISEC)	02/12/1993	8.25	6.78	82%	30/06/2002
495-NI	Nicaragua	Rural Development Project for the Southern Pacific Dry Region	07/12/1995	8.25	6.67	81%	30/06/2002
1120-NI	Nicaragua	Technical Assistance Fund Programme for the Departments of León, Chinandega and Managua	09/12/1999	10.15	0.40	4%	30/06/2013
474-PA	Panama	Sustainable Agricultural Development and Environmental Protection Project for the Darien	14/09/1995	5.35	3.02	57%	31/03/2002
1049-PA	Panama	Sustainable Rural Development Project in the Provinces of Cocolé, Colón and Panama West	04/12/1997	8.90	1.60	18%	30/06/2004
1199-PA	Panama	Sustainable Rural Development Project for the Ngöbe-Buglé Territory and Adjoining Districts	06/12/2001	19.40	0.00	0%	
496-PY	Paraguay	Peasant Development Fund Credit Project - Eastern Region of Paraguay	07/12/1995	6.65	3.68	55%	31/12/2002
475-PE	Peru	Management of Natural Resources in the Southern Highlands Project	14/09/1995	8.25	5.83	71%	31/12/2002
1044-PE	Peru	Development of the Puno-Cusco Corridor Project	04/12/1997	13.90	1.41	10%	31/12/2006
504-LC	Saint Lucia	Rural Enterprise Project	17/04/1996	1.55	1.15	74%	30/09/2002
1161-UY	Uruguay	Uruguay Rural	07/12/2000	10.80	0.39	4%	30/09/2007
279-VE	Venezuela	Support Project for Small Producers in the Semi-Arid Zones of Falcon and Lara States	04/04/1991	11.35	8.26	73%	31/12/2002
521-VE	Venezuela	Economic Development of Poor Rural Communities Project	11/09/1996	8.25	2.22	27%	30/06/2004
1186-VE	Venezuela	Agro-Productive-Chains Development Project in the Barlovento Region	13/09/2000	9.75	0.00	0%	
Total: Latin America and the Caribbean		46 projects		441.25	130.96	30%	

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
Near East and North Africa							
347-AL	Albania	Northeastern Districts Rural Development Project	02/12/1993	8.35	6.46	77%	31/12/2002
372-AL	Albania	Small-Scale Irrigation Rehabilitation Project	06/12/1994	6.10	5.27	86%	31/12/2002
1129-AL	Albania	Mountain Areas Development Programme	09/12/1999	9.60	0.40	4%	30/09/2007
1176-DZ	Algeria	Pilot Project for the Development of Mountain Agriculture in the Watershed Province of Oued Saf Saf	06/12/2001	9.70	0.00	0%	
1177-AM	Armenia	Agricultural Services Project	26/04/2001	12.35	1.18	10%	30/09/2005
1033-AZ	Azerbaijan	Farm Privatization Project	29/04/1997	6.45	4.32	67%	30/06/2003
1148-AZ	Azerbaijan	Rural Development Programme for Mountainous and Highland Areas	13/09/2000	6.90	0.47	7%	30/09/2008
1157-BA	Bosnia and Herzegovina	Livestock and Rural Finance Development Project	26/04/2001	9.55	0.00	0%	
355-EG	Egypt	Agricultural Production Intensification Project	20/04/1994	14.45	9.84	68%	30/06/2002
1014-EG	Egypt	East Delta Newlands Agricultural Services Project	05/12/1996	17.30	2.69	16%	30/06/2004
1050-EG	Egypt	Sohag Rural Development Project	10/09/1998	18.85	0.32	2%	31/12/2004
1079-PS	Gaza and the West Bank	Participatory Natural Resource Management Programme	23/04/1998	5.80	0.38	7%	31/03/2005
1035-GE	Georgia	Agricultural Development Project	30/04/1997	4.70	2.48	53%	31/12/2003
1147-GE	Georgia	Rural Development Programme for Mountainous and Highland Areas	13/09/2000	6.10	0.47	8%	30/09/2008
481-JO	Jordan	Agricultural Resource Management Project in the Governorates of Karak and Tafilat	06/12/1995	8.70	6.64	76%	30/06/2003
1071-JO	Jordan	National Programme for Rangeland Rehabilitation and Development - Phase I	04/12/1997	2.90	0.51	18%	31/12/2002
1092-JO	Jordan	Yarmouk Agricultural Resources Development Project	29/04/1999	7.45	0.72	10%	30/06/2006
370-LB	Lebanon	Irrigation Rehabilitation and Modernization Project	05/12/1994	6.70	2.42	36%	30/09/2003
1036-LB	Lebanon	Agriculture Infrastructure Development Project	30/04/1997	8.70	0.59	7%	31/12/2002

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
1188-LB	Lebanon	Cooperative Rural Finance Programme	12/09/2001	10.25	0.00	0%	
356-MA	Morocco	Tafilalet and Dades Rural Development Project	20/04/1994	11.80	8.52	72%	31/12/2003
1010-MA	Morocco	Rural Development Project for Taourirt - Taforalt	04/12/1996	13.50	2.50	19%	31/12/2006
1178-MA	Morocco	Rural Development Project in the Mountain Zones of Al-Haouz Province	07/12/2000	14.10	0.00	0%	
1110-MD	Republic of Moldova	Rural Finance and Small Enterprise Development Project	09/12/1999	5.80	0.62	11%	31/12/2005
1052-RO	Romania	Apuseni Development Project	10/09/1998	12.40	2.00	16%	31/12/2003
465-SD	Sudan	White Nile Agricultural Services Project	15/09/1993	7.60	7.33	96%	18/01/2002
1045-SD	Sudan	North Kordofan Rural Development Project	28/04/1999	7.75	1.27	16%	30/06/2007
1140-SD	Sudan	South Kordofan Rural Development Programme	14/09/2000	13.30	1.31	10%	31/03/2011
363-SY	Syria	Jebel al Hoss Agricultural Development Project	06/09/1994	8.25	3.37	41%	31/03/2002
482-SY	Syria	Coastal/Midlands Agricultural Development Project	06/12/1995	13.65	2.64	19%	31/12/2002
1073-SY	Syria	Badia Rangelands Development Project	23/04/1998	14.95	0.81	5%	30/06/2006
522-MK	The Former Yugoslav Republic of Macedonia	Southern and Eastern Regions Rural Rehabilitation Project	11/09/1996	5.65	3.22	57%	30/12/2002
1162-MK	The Former Yugoslav Republic of Macedonia	Agricultural Financial Services Project	14/09/2000	6.20	0.00	0%	
348-TN	Tunisia	Integrated Agricultural Development Project in the Governorate of Kairouan	02/12/1993	9.00	6.47	72%	30/09/2002
483-TN	Tunisia	Integrated Agricultural Development Project in the Governorate of Siliana	06/12/1995	7.55	4.44	59%	30/06/2003
1104-TN	Tunisia	Integrated Agricultural Development Project in the Governorate of Zaghouan	03/12/1998	11.40	0.90	8%	30/06/2005
476-TR	Turkey	Ordu-Giresun Rural Development Project	14/09/1995	13.40	4.78	36%	30/06/2004
330-YE	Yemen	Tihama Environment Protection Project	07/04/1993	7.05	6.97	99%	31/12/2002

PROJECT PORTFOLIO AT YEAR-END 2001

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2001)	Project Completion Date
1061-YE	Yemen	Southern Governorates Rural Development Project	11/09/1997	8.15	3.08	38%	31/12/2003
1075-YE	Yemen	Raymah Area Development Project	04/12/1997	8.75	2.35	27%	31/12/2005
1095-YE	Yemen	Al-Mahara Rural Development Project	09/12/1999	8.90	0.94	11%	30/09/2007
Total: Near East and North Africa		41 projects		390.05	108.71	28%	
Total		241 projects		2,384.15	694.07	29%	

