



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-Eighth Session

Rome, 9-10 April 2003

SUMMARY OF PROJECT, PROGRAMME AND GRANT PROPOSALS
DISCUSSED BY THE EXECUTIVE BOARD

I. PROJECT/PROGRAMME PROPOSALS

1. The following project/programme proposals were approved by the Seventy-Eighth Session of the Executive Board:

AFRICA I

Cameroon: Roots and Tubers Market-Driven Development Programme
EB 2003/78/R.25 + Add. 1 + Sup. 1

2. In approving a loan of SDR 9.6 million for the above programme, the Executive Board expressed full support for the intervention, which is in line both with the Poverty Reduction Strategy Paper (PRSP) and Country Strategy Opportunities Paper for Cameroon. The Board praised the programme's market-oriented approach to improving the roots and tubers production chain and its capacity-building strategy. The Executive Board director for Germany provided information on the history and scope of IFAD's collaboration with the German agencies, especially the German Agency for Technical Cooperation whose project in support of cassava production in the Central Province would be a key partner during programme implementation. In response to the concern of the Executive Board Director for the United States regarding the ambitious target population (600 000), it was explained that, while some activities may only reach a limited number of beneficiaries, core activities, such as the dissemination of new varieties and provision of market information, are expected to cover the entire target population.



**Chad: Kanem Rural Development Project
EB 2003/78/R.26 + Add. 1 + Sup. 1**

3. In unanimously approving a loan of SDR 9.5 million for the above project, the Board questioned the use of the Debt Initiative for Heavily-Indebted Poor Countries (HIPC) and oil resources, and the place of the project in the framework of the country's Plan of Action for Rural Development (PIDR). The Board was informed that discussions were under way on the use of HIPC resources, especially for IFAD-funded projects and programmes, and, as to oil resources, that both the donor community and the Government of Chad had already agreed on the proportion of resources to be invested in the main sectors, including education, health and rural development. The Board was also informed that the project had been designed through a participatory process and that it fitted well within the PIDR framework. Regarding the issue of sustainability of financial services, the Board was informed that the project would not itself provide financial services but rather support the development of financial institutions, thereby ensuring the target group's accessibility to financial services on a sustainable basis. Prior to the Board's discussions, the Executive Director for The Netherlands had been provided with written clarifications in response to his written comments.

**Senegal: Agricultural Development Project in Matam – Phase II
EB 2003/78/R.27 + Add. 1 + Sup. 1**

4. The Executive Board unanimously approved a loan of SDR 9.15 million for the above project. The Executive Directors for Cameroon and Egypt expressed support both for the project and for extension of its support activities to all communities in the intervention area. The Executive Director for the United States expressed support for the project and, in particular, for the proposed establishment of internal monitoring and evaluation (M&E) systems by all targeted beneficiary organizations. In this regard, he recommended that such systems should be consistent both with each other and with the overall M&E system. Prior to the Board discussions, the Executive Director for The Netherlands had been provided with written clarifications in response to his written comments on a number of design issues.

ASIA AND THE PACIFIC

**Bangladesh: Microfinance and Technical Support Project
EB 2003/78/R.28 + Add. 1 + Sup. 1**

5. In approving a loan of SDR 11.9 million, the Executive Board requested clarifications on: project scope; donor consultation process during design; risk of parallel structures; capacity of non-governmental organizations (NGOs); logframe; and project sustainability. It was explained that the project scope had been extensively discussed with the lead project agency, that it was based upon the latter's implementation capacity, and that discussions had been held with donor representatives in Dhaka at all stages of design. It was further explained that, as opposed to creating parallel structures, the project supports the interim PRSP objective that the private sector and NGOs should play a much greater role in service provision and input supply. The project will seek to complement rather than duplicate the role of public-sector institutions in areas that are inappropriate for public-sector involvement. In respect to NGO technical capacity, it was explained that NGOs in Bangladesh, such as BRAC, provide high-quality services in livestock development, including training, artificial insemination, and milk production and processing. It was noted that the logframe in the President's Report and Recommendation should be read in conjunction with the annex on M&E in the Appraisal Report. Finally, it was explained that sustainability issues had been examined very closely and were built into the project at three levels. At the level of the lead project agency, Palli Karma-Sahayak Foundation (PKSF), post-project sustainability is assured due to PKSF being a financially secure



institution. At the level of NGO area offices, post-project sustainability is assured due to the fact that offices will continue to be linked to PKSF and therefore the flow of credit will continue. Furthermore, the post-project provision of technical services will be ensured by NGOs through drawing upon a portion of the available interest spread on the delivery of credit. Finally, at the level of NGO groups, sustainability of group membership is usually a function of the quality of financial service provision by NGOs, which in this case is guaranteed beyond the end of the project through the link to PKSF. It was noted that the Executive Board Director for Denmark was not in a position to support the project as formulated.

LATIN AMERICA AND THE CARIBBEAN

Nicaragua: Programme for the Economic Development of the Dry Region in Nicaragua EB 2003/78/R.31 + Add.1 + Sup. 1

6. In approving a loan of SDR 10.25 million for the above-mentioned programme, Executive Board Members expressed satisfaction at the new intervention, which was based on both IFAD's experience in the country and on the good results obtained in rural financial services. Board Members requested some clarification on the types of employment opportunities that were expected to generate income, the institutional linkages between the programme management unit (PMU) and the Rural Development Institute (IDR), and the institutional relationship with the programme's credit fund (Peasant Development Fund (FONDECA)). Board Members stressed the need for greater specification of the agricultural activities to be carried out, as well as quantitative indicators in the programme's logframe. The Executive Board Director for Japan stressed that the document did not mention Japan's cooperation in Nicaragua.

7. The Board was informed that business opportunities were related to the most dynamic sector of the economy (agricultural and non-agricultural). While IDR is the institution responsible for the programme, the PMU is responsible for implementing programme activities in the framework of the annual work plan approved by the IDR. The decision to associate with IDR with regard to rural financial services responded to the need for continuity in the good experience IFAD has developed with FONDECA, which was implemented within the framework of IDR. It was indicated that qualitative indicators will be elaborated during the first year of implementation, after completion of the baseline study.

II. GRANT PROPOSALS

8. The following grant proposals were approved by the Seventy-Eighth Session of the Executive Board:

Technical Assistance Grants for Agricultural Research and Training by CGIAR-Supported International Centres EB 2003/78/R.34

9. The following three grants were approved under this sub-category.

International Center for Agricultural Research in the Dry Areas (ICARDA): Programme for Strengthening Research and Development to Improve Marketing of Small-Ruminant Products and Income Generation in Dry Areas of Latin America

10. The Executive Board approved the grant at a level of USD 1.0 million.



Center for International Forestry Research (CIFOR): Programme for Improving Income Generation for Forest Communities through IFAD's Loan Portfolio in the Asia and the Pacific Region

11. The Executive Board approved the grant at a level of USD 900 000.

International Potato Center (CIP): Programme for Integrating and Scaling-up and Replicating Technologies for Resource-Poor Potato Growers

12. The Executive Board approved the grant at a level of USD 800 000.

**Technical Assistance Grants for Agricultural Research and Training by Non-CGIAR-Supported International Centres
EB 2003/78/R.35**

13. The following four grants were approved under this sub-category.

International Center of Insect Physiology and Ecology (ICIPE): Programme for the Promotion of Productivity and Trade of Fruits and Vegetables: the African Fruit Fly Initiative (AFFI)

14. The Executive Board approved the grant at a level of USD 1.0 million.

International Fertilizer Development Center (IFDC): Participatory Evaluation Adaption and Adoption of Environmentally Friendly Nutrient Management Technologies for Resource-Poor Farmers (ANMAT) Programme – Phase II

15. The Executive Board approved the grant at a level of USD 1.0 million.

Food and Agriculture Organization of the United Nations (FAO): Organic Production of Underutilized Medicinal, Aromatic and Natural Dye Plants (MADPs) Programme for Sustainable Rural Livelihoods in Southern Asia

16. The Executive Board approved the grant at a level of USD 1.4 million.

International Fertilizer Development Center (IFDC): Programme for the Development and Implementation of an Information and Decision Support System for Cereal Production in the NENA Region

17. The Executive Board approved the grant at a level of USD 900 000.



**Technical Assistance Grant to the Andean Development Corporation (CAF) for the Regional Programme in Support of Indigenous Peoples in the Amazon Basin (PRAIA) - Phase III
EB 2003/78/R.36**

18. The Executive Board approved the grant at a level of USD 800 000.

**Technical Assistance Grant to the Southern Cone Common Market (MERCOSUR) for the Institutional and Policy Support Programme to Reduce Rural Poverty in the MERCOSUR Area
EB 2003/78/R.37 + Corr. 1**

19. The Executive Board approved the grant at a level of USD 800 000.