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**IFAD**  
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**REPORT AND RECOMMENDATION OF THE PRESIDENT**

TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO

**BURKINA FASO**

FOR THE

**COMMUNITY INVESTMENT PROGRAMME FOR AGRICULTURAL  
FERTILITY**



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**CURRENCY EQUIVALENTS**

Currency Unit	=	CFA Francs (XOF)
USD 1.00	=	XOF 610
DEM 1.00	=	XOF 335.4
EUR 1.00	=	XOF 656.0

**WEIGHTS AND MEASURES**

1 kilogram (kg)	=	2.204 pounds (lb)
1 000 kg	=	1 metric tonne (t)
1 kilometre (km)	=	0.62 miles (mi)
1 metre (m)	=	1.09 yards (yd)
1 square metre (m <sup>2</sup> )	=	10.76 square feet (ft <sup>2</sup> )
1 acre (ac)	=	0.405 ha
1 ha (ha)	=	2.47 acres

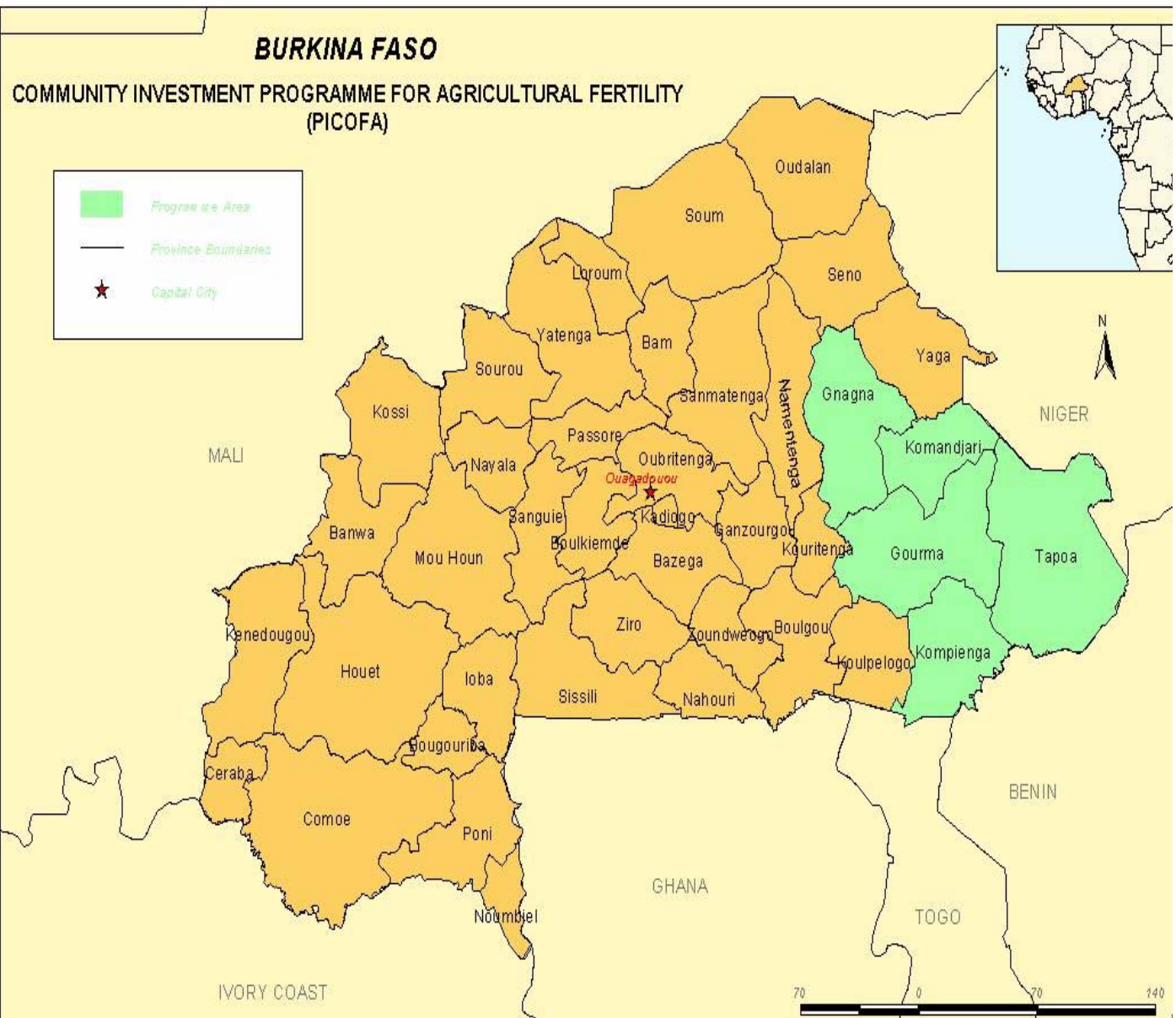
**ABBREVIATIONS AND ACRONYMS**

AfDB	African Development Bank
BOAD	West African Development Bank
COSOP	Country Strategic Opportunities Paper
IFSAP	Investment Fund for Sustainable Agricultural Productivity
KfW	<i>Kreditanstalt für Wiederaufbau</i> (German Credit Institution for Reconstruction)
MAWFR	Ministry of Agriculture, Water and Fisheries Resources
NGO	Non-Governmental Organization
PICOFA	Community Investment Programme for Agricultural Fertility ( <i>Programme d'investissement communautaire en fertilité agricole</i> )
PMU	Project Management Unit
PNGT II	Community-Based Rural Development Project

**GOVERNMENT OF BURKINA FASO****Fiscal Year**

1 January – 31 December

MAP OF THE PROGRAMME AREA



**Source:** IFAD  
*The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.*

**BURKINA FASO**

**COMMUNITY INVESTMENT PROGRAMME FOR AGRICULTURAL FERTILITY**

**LOAN SUMMARY**

<b>INITIATING INSTITUTION:</b>	IFAD
<b>BORROWER:</b>	Burkina Faso
<b>EXECUTING AGENCY:</b>	Ministry of Agriculture, Water and Fisheries Resources (MAWFR)
<b>TOTAL PROGRAMME COST:</b>	USD 26.87 million
<b>AMOUNT OF IFAD LOAN:</b>	SDR 8.8 million (equivalent to approximately USD 12.07 million)
<b>TERMS OF IFAD LOAN:</b>	40 years, including a grace period of ten years, with a service charge of three fourths of one per cent (0.75%) per annum
<b>COFINANCIERS:</b>	- African Development Bank (AfDB) - West African Development Bank (BOAD)
<b>AMOUNT OF COFINANCING:</b>	- AfDB: USD 7.48 million - BOAD: USD 1.00 million
<b>TERMS OF COFINANCING:</b>	Highly concessional
<b>CONTRIBUTION OF BORROWER:</b>	USD 3.20 million
<b>CONTRIBUTION OF BENEFICIARIES:</b>	USD 3.11 million
<b>APPRAISING INSTITUTION:</b>	IFAD
<b>COOPERATING INSTITUTION:</b>	BOAD

## PROGRAMME BRIEF

**Who are the beneficiaries?** The beneficiaries of the proposed Community Investment Programme for Agricultural Fertility will mainly be poor rural families, including women and young people, living in approximately 800 villages in the Eastern Region of Burkina Faso. Most are landless, or nearly landless, and own little or no livestock. The target group includes relatively less poor farm families because they can be vulnerable to food insecurity in certain seasons. Moreover, the land security can be an incentive for them to participate in the programme.

**Why are they poor?** Poverty is closely linked to a host of factors, particularly access to land, productive assets and markets. The poor often do not own the land they farm and therefore do not make needed investments to improve productivity. Moreover, they cannot afford modern inputs and improved farming technologies. Consequently, they face diminishing soil fertility and low yields. Erratic rainfall is also a major risk in the programme area, preventing poor families from producing enough food to ensure food security. Malnutrition and mortality among children under five is high, as is the adult illiteracy rate. The poor tend to live in isolated villages characterized by inadequate roads and communication linkages, which prevents them from taking advantage of market opportunities. Rural poverty strongly affects women who are burdened by household chores, and have little education and limited training in childcare and health practices. Because of scarce job opportunities in agriculture, a growing number of rural families and young people are falling into poverty, and are forced to seek non-farm employment or migrate to urban centres.

**What will the programme do for them?** The programme will contribute to improving food security in the Eastern Region, reduce poverty and ensure sustainable development through improved natural resource management. It is designed to sustainably enhance agricultural productivity and to contribute to soil protection and rehabilitation through soil and water conservation techniques, soil restoration, agroforestry and grazing paths. In addition, the programme will support income-generating activities and assist vulnerable groups, particularly women and rural youths, in gaining access to land. In doing so, it will help strengthen the capacity of rural organizations. The programme will also carry out complementary activities such as: (i) opening up areas to facilitate input and output marketing; (ii) partially maintain livestock on farm land; (iii) improve the capacity of the target group through training; and (iv) facilitate the target group's access to credit.

**How will beneficiaries participate in the programme?** Beneficiaries will participate in the programme through the programme steering committee, community-based village and inter-village committees, and other local institutions and organizations supported by the programme. These institutions will rely heavily on the 'terroir' concept, whereby local communities articulate their needs and the programme helps them find sustainable solutions. To this end, the programme will emphasize building the capacity of communities to identify their own needs and address constraints using the microprogramme approach. Beneficiaries will work closely with service providers who will help them improve their resource base.



**REPORT AND RECOMMENDATION OF THE PRESIDENT OF IFAD  
TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO  
BURKINA FASO  
FOR THE  
COMMUNITY INVESTMENT PROGRAMME FOR AGRICULTURAL FERTILITY**

I submit the following Report and Recommendation on a proposed loan to Burkina Faso for SDR 8.8 million (equivalent to approximately USD 12.07 million) on highly concessional terms to help finance the Community Investment Programme for Agricultural Fertility (PICOFA). The loan will have a term of 40 years, including a grace period of ten years, with a service charge of three fourths of one percent (0.75%) per annum. It will be administered by the West African Development Bank (BOAD) as IFAD's cooperating institution.

**PART I – THE ECONOMY, SECTORAL CONTEXT AND IFAD STRATEGY<sup>1</sup>**

**A. The Economy and Agricultural Sector**

1. Burkina Faso is a landlocked country with a surface area of about 274 000 square kilometres (km<sup>2</sup>). It is bordered by Benin, Côte d'Ivoire, Ghana, Mali, Niger and Togo. Its climate is hot and dry, with a long dry season lasting seven to nine months and a short rainy season of three to five months. The country is characterized by three climatic zones: (i) the Sahelian zone with less than 600 millimetres (mm) of rainfall per annum; (ii) the Sudano-Sahelian zone averaging 600-1 000 mm; and (iii) the Sudano zone with over 1 000 mm.
2. Burkina Faso lacks favourable soil conditions for agriculture. Low soil quality stems from population pressure, erosion, and low phosphate and nitrogen content. According to existing statistics, about 9 million hectares (ha) are arable, of which 3.5 million are currently exploited. An estimated 165 000 ha are irrigable, but only 9 300 ha are cultivated.
3. The population of Burkina Faso, estimated at approximately 12 million inhabitants in 2001, is growing at 2.4% per annum. Rural areas accounted for nearly 70% of the total population. Population density averaged 42 inhabitants/km<sup>2</sup> in 2001 with a high of as many as 100 inhabitants/km<sup>2</sup> in the central plateau. The country is endowed with diverse linguistic and ethnic groups, of which the Mossi are the largest and form the bulk of the country's internal and external migration.
4. The agricultural sector accounted for 35% of the gross domestic product (GDP) and 76% of export earnings in 2001, and provided employment to nearly 80% of the population. Some 1.3 million families are engaged in subsistence farming, and have limited access to support services, infrastructure and markets. The main issues facing the sector are a reduction in the fallow period, low use of organic and mineral fertilizers, soil degradation, fragile natural resources and frequent land conflicts. Integration between crop and livestock activities is weak, except in the cotton-producing areas where animal traction is widespread. As a result of current farming and natural resource management practices, productivity is low and is not likely to reach its full potential in the near future.
5. In any given year, cereals, including millet, sorghum, maize, rice and fonio, account for the bulk of agricultural production. Farmers use 84% of the arable area and rely on land expansion to meet the growing demand for food in both rural and urban areas. Farming families consume 60% of

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<sup>1</sup> See Appendix I for additional information.

the cereal supply, because of, inter alia, lack of road infrastructure and the resulting marketing inefficiencies. Livestock is also important, with an estimated 5 million cattle and 16 million small ruminants in 1999, and an annual growth rate of nearly 5%. Between 1997 and 1998, Burkina Faso exported about 280 000 head of cattle and 620 000 sheep. Livestock exports have been hampered in recent years by depressed demand in coastal countries, particularly in the Côte d'Ivoire, currently facing an economic crisis. In addition to ruminants, Burkina Faso exports large quantities of poultry, and poultry raising has become an important economic activity for many women.

6. The country's human development index is one of the lowest in the world. With an average gross nation income per capita of only USD 210 in 2001, Burkina Faso ranked 169<sup>th</sup> out of 173 countries in the United Nations Development Programme's *Human Development Report*. According to the most recent survey of household living conditions (1998), about 20% of the population suffer from chronic food insecurity and an additional 40% are at risk of food insecurity. An estimated 45% of the population live below the poverty line of 72 690 CFA francs. Percentages increase to over 50% in rural areas, attesting to the fact that poverty is generally a rural phenomenon.

7. In its poverty-reduction strategy paper (PRSP) issued in 2000, the Government of Burkina Faso outlined a four-pronged approach to reducing poverty. This consists of: (i) accelerating equity-based growth; (ii) guaranteeing that the poor have access to basic social services, including education, health and potable water; (iii) increasing employment and income-generating opportunities by intensifying and modernizing agricultural activities, reducing agricultural vulnerability, increasing and diversifying rural incomes, promoting the role of women, encouraging professionalism and supporting producers' organizations, overcoming rural isolation, and promoting employment and vocational training; and (iv) encouraging good governance at the political and economic levels.

8. The Decentralized Rural Development Policy Letter (LPDRD) adopted in December 2002 represents, within the PRSP framework, an important means to implement poverty-reduction programmes and projects. The main feature of LPDRD is its strategic shift from state-led activities to the devolution of greater responsibility to rural communities. As agents of change, these communities are no longer considered passive beneficiaries of rural development programmes but rather active players in programme design and implementation. In this new approach, they are expected to express their needs and set programme priorities through consultations. Communities will also participate in the decision-making process of hiring service providers and will be required to contribute to programme financing. To maximize impact, the newly decentralized and participatory approach calls for harmonizing rules pertaining to future rural project investments.

## **B. Lessons Learned from Previous IFAD Experience**

9. **IFAD operations.** IFAD has been present in Burkina Faso since 1979 and has financed seven interventions in different regions and ecological zones of the country. Of these, three have been completed and four are ongoing. Current projects include: (i) the Community-Based Rural Development Project (PNGT II), the second phase of a World Bank-initiated project designed to reduce poverty, strengthen the capacity of rural communities, promote sustainable development in rural areas, and give effect to the decentralization policy through provincial dialogue committees (CCTPs), which are discussion forums for local development initiatives; (ii) the Rural Microenterprise Support Project, designed to strengthen local capacity for the promotion and development of rural microenterprises, and create new non-farm employment opportunities in rural areas so as to increase rural income and reduce migration to urban centres; (iii) the South West Rural Development Project (PDRSO), whose aim is to strengthen the self-development capacity of vulnerable rural populations, safeguard their natural resource base, and enhance food and nutritional security; and (iv) the Special Programme for Soil and Water Conservation – Phase II, due to close in December 2003, which is designed to improve the natural resource base and promote intensification and diversification of agricultural commodities.

10. Total assistance provided under the seven interventions amounts to USD 89.1 million. All seven loans have been on highly concessional terms. In addition, the Belgium Survival Fund provided some USD 2.25 million of grant resources to PDRSO. Loans have been disbursed at rates ranging from 38 to 97%, with an average rate of 67.5%. Factors contributing to this low absorptive capacity include institutional weaknesses in rural areas, the harsh climate, precarious resources and the country's landlocked position.

11. **Lessons learned.** IFAD's past activities in Burkina Faso focused on efforts to increase production and incomes by improving natural resource management, promoting soil and water conservation, and fighting desertification. An assessment of the early projects highlighted the importance of paying sufficient attention to local capacity-building and not overestimating existing absorption capacity. Subsequent loan and grant activities have reflected this lesson, resulting in notable improvements in implementation performance. Although women have contributed significantly to project implementation, further efforts are needed to increase their role in decision-making processes. In addition, adequate time and resources need to be allocated for the identification of producers' real constraints. Another lesson learned is that strengthening beneficiaries' involvement at the design and planning stages can maximize a project's implementation efficiency, impact and sustainability. Subcontracting project activities to local institutions, public and private agencies, and non-governmental organizations (NGOs) can make project implementation more efficient and sustainable. However, related administrative procedures still have to be improved, and regular technical support missions remain an essential condition for project success.

### C. IFAD's Strategy for Collaboration with Burkina Faso

12. **Burkina Faso's policy for poverty eradication.** In line with the strategy adopted in its 1995 Sustainable Human Development Policy Letter, the Government pursues a poverty-reduction policy in the rural areas, which emphasizes sustainable production increases. If realized in a conducive economic environment, these increases should contribute to improving the two main indicators of rural poverty: agricultural incomes and food security. In compliance with the World Bank structural adjustment programme, the Government refrains from proposing any direct intervention in the rural economy and focuses on a free market economy, improved private rural financial services and better product quality. It recognizes, however, its role in providing an adequate legal framework (e.g. land tenure) and basic infrastructure in rural areas. The Government's strategy document is presently being finalized and action plans will be prepared, which will form the basis of future international financial assistance.

13. The locally represented United Nations agencies support the Government's poverty-reduction strategies and are orienting their programmes towards promoting sustainable human development, combating poverty and strengthening institutional capacity. While recognizing the dominant role of the rural sector, they pay comparatively little attention to reducing poverty in rural areas through targeted interventions. Even the Food and Agriculture Organization of the United Nations, which works exclusively in the agriculture sector, emphasizes production increases without dwelling on poverty issues. Agriculture and rural development as a whole receive about one fifth of total annual aid, the main bilateral donors being France, The Netherlands, the European Union and Germany. Burkina Faso is also host to a large number of NGOs that are aiming to tackle rural poverty through better natural resource management, and the provision of credit and training.

14. **The poverty eradication activities of other major donors.** In Burkina Faso, key donors and partners involved in the fight against poverty include the World Bank, the European Union, the African Development Bank (AfDB), France, The Netherlands, Germany, Denmark and Switzerland. The World Bank cofinances PNGT II. The World Bank is considering financing a small-scale irrigation programme designed to increase income-generating activities and enhance rural income. The Netherlands is involved in fighting desertification and improving natural resource management in order to increase productivity and foster agricultural production.

15. The AfDB's operations consist of the Comoé Integrated Rural Development Project, the Piela Bilanga Rural Development Project, the Decentralized and Participatory Rural Development Project in Bazega and Kadiogo, and the Livestock Development Project in the South Province. These projects aim to enhance productivity and increase rural income through, among others, improved technologies, credit, storage facilities and rural road rehabilitation.

16. The German Credit Institution for Reconstruction (KfW) has also been involved in natural resource conservation in the central plateau and water supply in Bam and Sourou provinces. It has financed public works projects designed to increase rural employment opportunities and provided support to the government decentralization process. It has also helped put in place projects aimed at building rural social infrastructure such as health centres and schools.

17. **IFAD's strategy in Burkina Faso.** Within the context of poverty reduction, the main strategic thrusts of the country strategic opportunities paper (COSOP) issued in May 1998 can be summarized as follows: (i) increase agricultural production and rural income through environmental protection, soil and water conservation, and the fight against desertification; (ii) put some emphasis on non-farm activities and capacity-building of rural communities, particularly women; (iii) improve access to basic social services and/or infrastructure using a participatory approach to enable the rural poor to participate effectively in the project cycle and express the needs they feel project activities should address; and (iv) enhance collaboration with other donors to mobilize resources that will reach the target group.

18. **Programme rationale.** The Eastern Region has experienced a drive by the local population to expand land ownership in order to increase agricultural production. Livestock is abundant in the region and represents a main criterion for evaluating people's wealth. Because of the mismanagement of its natural resources, this region continues to be one of the poorest in the country.

19. The various projects designed to support local development and reduce poverty in the region, particularly PNGT II, have mainly emphasized social needs. The few project investments addressing agricultural fertility have focused on cotton production zones, while soil fertility is a more generalized problem in the region. Building on IFAD's experience in the central plateau and KfW activities in the Eastern Region, PICOFA aims to improve soil fertility and agricultural productivity as the basis for enhancing rural income and reducing rural poverty.

## PART II – THE PROGRAMME

### A. Programme Area and Target Group

20. The Eastern Region of Burkina Faso covers 46 256 km<sup>2</sup> and is composed of five provinces: Gnagna, Gourma, Komandjari, Tapoa and Kompienga. About one million people inhabit this region. Population density is uneven, ranging from 50 inhabitants/km<sup>2</sup> in parts of Gourma to merely three inhabitants/km<sup>2</sup> in the southern zones. The Gourmantche ethnic group accounts for the bulk of the population and is responsible for traditional land rights. Other ethnic groups in the Eastern Region are the Fulani and Mossi, who have migrated to the region relatively recently.

21. The Eastern Region is also agro-climatically diverse. Rainfall ranges from about 600 mm per annum in the northern Sahelian ecosystem to nearly 900 mm per annum in the southern zones of the Tapoa and Kompienga provinces. Soils are generally poor and fragile, owing to their organic contents and the lack of phosphate. Typically farming families cultivate food crops on small plots, using traditional techniques. The main food commodities produced in the region are millet, sorghum, maize, rice, groundnuts and cowpeas. Production for millet, sorghum, maize and rice was estimated in 1999/2000 at 110 000, 155 000, 30 000, and 5 000 tonnes (t) respectively. The Eastern Region also produces cotton, and production levels have surged from 2 200 t in 1995 to 15 000 t in 2000.

Increased production stems mainly from expansion of the cultivated area onto marginal land, prompting analysts and policy-makers to raise the issue of cotton's adverse effects on soil fertility. Another economic activity undertaken in the region is livestock raising, which relies on three production systems: (i) transhumance; (ii) extensive sedentary; and (iii) farm-level rearing, which is marginal.

22. The programme area has great agricultural intensification potential thanks to its water retention possibilities and the existing lowlands, which could be easily developed. Because of increased migration into the region in recent years, farmers are anxious to own land in the programme area. In expanding their holdings, they have frequently mismanaged natural resources, leading to declining crop yields. Natural resource degradation is apparent in most villages because land users do not have tenure security and therefore have little incentive to invest in maintaining the productive capacity of these resources. Given the situation, corrective measures are urgently needed to prevent further degradation and restore productive capacity.

23. **Programme target group.** The proposed seven-year programme will focus on reversing the damage done to natural resources (soil, water and vegetation) and intensifying rural activities. To this end, it will mainly target poor rural families, particularly women and young people, who are landless (or nearly landless) and do not own livestock. It will also help the target group participate fully in decision-making processes and in the development of microprogrammes so as to maximize benefits. Specifically, it will help rural communities put in place a system enabling them to participate in the planning and implementation of programme investments. Within the confine of traditional laws, the programme will fund agricultural intensification and land development by facilitating access to land, fertilizers and credit by the poorest segment of the rural population.

24. The microprogrammes will target all rural farmers, particularly those lacking access to organic fertilizers because they do not own large animals. Cattle and sheep fattening activities, supported by grass-roots credit institutions, will help the target group increase income. It will also facilitate community participation in the intensification process, thanks to lowland activities and the use of organic fertilizers. In addition, the programme will promote functional literacy in local languages and local capacity-building to help the poor, particularly women and young people, participate in development initiatives that will improve their livelihoods.

25. The programme will be implemented in parallel by IFAD, AfDB and BOAD and will cover five provinces of Eastern Burkina Faso: Gnagna, Gourma, Komandjari, Kompienga and Tapoa. IFAD will concentrate on Gourma, Kompienga and Tapoa provinces, while AfDB will cover Gnagna and Komandjari provinces. BOAD will undertake complementary activities in the five provinces. The programme will reach 150 community areas ('terroirs'), or approximately 800 villages, in the Eastern Region, impacting therefore on about 20% of the area. An estimated 150 000 people will benefit directly or indirectly from programme activities: IFAD's financing will impact on two thirds of the terroirs and population, that is, roughly 100 terroirs or 100 000 people. AfDB cofinancing affect the remaining 50 terroirs or 50 000 people. BOAD financing relating to the development of livestock grazing paths will benefit all terroirs. The programme will target communities that have identified erosion control, fertility restoration and agricultural intensification as their main concerns and priorities. It will help strengthen the capacity of rural communities by assisting them in undertaking local land management microprogrammes, agricultural intensification and value-added activities in crops and livestock. Each community will be responsible for microprogramme design, planning, programming and implementation. Other projects in the programme area, such as PNGT II, are undertaking the development of socio-economic infrastructure; the programme will touch upon this activity only marginally and particularly when related needs are not properly addressed by these projects.

## B. Objectives and Scope

26. PICOFA is designed to sustainably enhance agricultural productivity, and contribute to soil protection and rehabilitation through soil and water conservation techniques, soil restoration, agroforestry and grazing paths. It also aims to support income-generating activities, facilitate access to land by vulnerable groups (particularly women and rural youths), and strengthen the capacity of the rural poor and their organizations.

27. To maximize its benefits, the programme will be guided by various principles during implementation. It will (i) focus on agricultural investments; (ii) assist projects supporting the ongoing decentralization process in addressing fertility, livestock and crop production issues; (iii) seek to create synergies with other projects, particularly PNGT II; (iv) take into account the approach and action plans proposed in the COSOP; (v) use the watershed approach to develop both upstream and downstream areas of lowlands; (vi) strengthen capacity through literacy and training modules; (vii) undertake infrastructure investment; (viii) contribute to improving productivity by addressing constraints to water supply, agricultural inputs and equipment supply; and, (ix) seek to improve access to credit and land tenure in order to ensure that the necessary investments are undertaken.

## C. Components

28. PICOFA will be built on five components: (i) strengthening of local capacity; (ii) support to and financing of microprogramme development; (iii) enhanced value of agriculture and livestock commodities, and development of income-generating activities; (iv) promotion of an institutional and economic environment conducive to sustainable agriculture; and (v) programme management.

29. **Strengthening of local capacity.** This component will seek to establish a real partnership between rural communities and the programme in the design and implementation of rural microprogrammes. Support activities will be sequenced as follows: (i) villages will be selected that have a development plan prioritizing space management, natural resource preservation, and crop and livestock improvement; (ii) the population of selected villages will be informed of programme objectives, resources and regulations; (iii) local communities will be identified to take charge of microprogrammes; (iv) participatory diagnosis will be supported and microprogrammes identified for each community; (v) partnership contracts will be established between the programme, the village committee for natural resource management (CVGT) and the beneficiaries, with an emphasis on objectives, investments envisaged and mutual obligations, and with local communities to determine subsidy levels to be granted by the programme and beneficiaries' contribution; and (vi) complementary training activities will be planned and implemented, including literacy for groups involved in the programme.

30. **Support to and financing of microprogramme development.** This component will help develop needed microprogrammes (defined as a set of homogeneous activities that take place in connection with watersheds or soil). Each microprogramme will (i) take into account the needs expressed by local communities; (ii) provide a technical response adapted to local conditions; and (iii) ensure that beneficiaries have complete ownership of activities in order to sustain investments.

31. Microprogrammes have various objectives: (i) development of micro-zones for rainfed crops, consisting of soil and water conservation techniques and agroforestry. An estimated 12 000 ha will be under this type of microprogramme; (ii) intensification and crop-livestock integration, which will revolve around fertility restoration using compost, organic and mineral fertilizers; space management for large ruminants through the design of grazing paths; improvement of animal feeding and fattening; (iii) development of horticultural products during off seasons, with women and youths using pedal pumps on about 300 ha; (iv) water retention-based small-scale irrigation on about 1 000 ha, mainly for women and youths using pedal or motor pumps, to produce maize, cowpeas and horticultural crops;

(v) lowland development, consisting of protection dykes on 800 ha to produce rice during the rainy and dry seasons; and (vi) complementary investments in socio-economic infrastructure to develop water points for human and animal consumption, and manure pits.

32. An investment fund for sustainable agricultural productivity (IFSAP) will be put in place to subsidize wholly or partially collective or individual investments. Subsidy rates, which will be in line with those of other projects and with the local development plan, will depend on the type of investment or activity: (i) 98% for rural feeder roads; (ii) 90% for soil fertility restoration and water points; (iii) 80% for buildings; and (iv) 80% for natural phosphate.

33. This component will also involve research activities to adapt new techniques to local conditions. The programme will work closely with selected volunteer farmers or local communities before disseminating technologies.

34. **Enhanced value of agriculture and livestock commodities, and development of income-generating activities.** This component aims to increase the incomes of rural communities, particularly rural women and young people, through access to credit. A network of specialized women extension agents (*animatrices*) will provide targeted support to local credit agencies. The programme will collaborate with the Agricultural and Commercial Bank of Burkina and the Network of Grass-Roots Microfinance Agencies of Burkina. It will also collaborate closely with the KfW-funded Self-Promotion Fund Project.

35. **Promotion of an institutional and economic environment conducive to sustainable agriculture.** This component is designed to facilitate the programme target group's short and medium-term access to goods and services necessary to develop microprogrammes and add value to commodities. Its long-term aim is the gradual creation of an enabling institutional and economic environment for smallholder agriculture. This aim is consistent with the national decentralization policy and the redefinition of the role of the state and associations. Ultimately, this component's objectives are to: (i) support rural communes so they can effectively undertake collective investments; (ii) establish a permanent financial mechanism through which local communities can fund rural activities; (iii) help establish a strong network of grass-roots loan and saving agencies for rural communities and agriculture more generally; and (iv) foster an efficient marketing system for agricultural inputs relying on professional agricultural organizations.

36. The programme will help create a well-functioning market for inputs, particularly phosphate and equipment, by providing working capital to the five unions of agricultural professional organizations (OPAs) in the provinces. This includes the purchase of 3 000 t of phosphate, and seeds, fertilizers and small equipment to be sold to OPA members. For phosphate, members will pay the subsidized price, while the subsidy will be provided to the unions directly. In addition, the programme will use the IFSAP to subsidize the necessary infrastructure such as local or provincial markets, grazing paths, rural feeder roads and radio transmitters.

37. **Programme management.** The programme will finance the establishment of a programme management unit (PMU). IFAD, AfDB and BOAD will share implementation responsibilities as follows:

- IFAD will concentrate on three of the five provinces (Gourma, Kompienga and Tapoa), representing two thirds of the overall programme activities.
- AfDB will concentrate on two of the five provinces (Gnagna and Komandjari), representing one third of the overall programme activities.
- BOAD will provide approximately USD 1.01 million in cofinancing, and will concentrate on the programme's feeder roads and grazing paths.

### D. Costs and Financing

38. The cost of this seven-year programme is estimated at USD 26.87 million including physical and price contingencies. Foreign exchange is USD 6.54 million representing 24% of total costs. Taxes valued at USD 3.20 million will account for 12% of total costs.

39. Programme costs by component are provided in Table 1. The programme financing plan is shown in Table 2.

**TABLE 1: SUMMARY OF PROGRAMME COSTS<sup>a</sup>**  
(USD '000)

Components	Local	Foreign	Total	% of Foreign Exchange	% of Base Costs
Strengthening of local capacity	3 896.3	780.5	4 676.8	17	19
Support to and financing of microprogramme development	9 827.8	3 086.0	12 913.8	24	52
Enhanced value of agriculture and livestock commodities, and development of income-generating activities	1 838.9	713.1	2 552.0	28	10
Promotion of an institutional and economic environment conducive to sustainable agriculture	1 821.6	670.2	2 491.8	27	10
Programme management	1 502.7	860.7	2 363.4	36	9
<b>Total programme costs</b>	<b>18 887.3</b>	<b>6 110.5</b>	<b>24 997.7</b>	<b>24</b>	<b>100</b>
- Physical contingencies	147.8	9.4	157.2	6	1
- Price contingencies	1 295.5	415.3	1 710.8	24	7
<b>Total programme costs</b>	<b>20 330.5</b>	<b>6 535.2</b>	<b>26 865.7</b>	<b>24</b>	<b>107</b>

<sup>a</sup> Discrepancies in totals are due to rounding.

40. IFAD, AfDB and BOAD will contribute USD 12.07 million, USD 7.48 million and USD 1.00 million, respectively. The Government's contribution, in the form of taxes and duties, will amount to USD 3.20 million. Beneficiaries will contribute USD 3.11 million to total programme costs. IFAD's share of total programme costs will be 44.9%.



**TABLE 2: FINANCING PLAN<sup>a</sup>**  
(USD '000)

Components	IFAD		AfDB		BOAD		Government		Beneficiaries		Total		Foreign Exchange	Local (Excl. Taxes)	Duties and Taxes
	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%			
Strengthening of local capacity	2 714.3	53.7	1 708.0	33.8	-	-	635.1	12.6	-	-	5 057.4	18.8	835.1	3 587.2	635.1
Support to and financing of microprogramme development	5 353.9	38.5	4 492.4	32.3	-	-	1 617.9	11.6	2 459.8	17.7	13 924.0	51.8	3 311.3	8 994.8	1 617.9
Enhanced value of agriculture and livestock commodities, and development of income-generating activities	910.2	33.9	765.0	28.5	-	-	360.2	13.4	653.0	24.3	2 688.4	10.0	754.0	1 574.2	360.2
Promotion of an institutional and economic environment conducive to sustainable agriculture	945.4	36.2	373.2	14.3	1 005.8	38.5	285.1	10.9	-	-	2 609.4	9.7	709.8	1 614.5	285.1
Programme management	2 143.3	82.9	139.8	5.4	-	-	303.5	11.7	-	-	2 586.6	9.6	925.0	1 358.1	303.5
<b>Total disbursement</b>	<b>12 067.1</b>	<b>44.9</b>	<b>7 478.4</b>	<b>27.8</b>	<b>1 005.8</b>	<b>3.7</b>	<b>3 201.8</b>	<b>11.9</b>	<b>3 112.8</b>	<b>11.6</b>	<b>26 865.7</b>	<b>100.0</b>	<b>6 535.2</b>	<b>17 128.8</b>	<b>3 201.8</b>

<sup>a</sup> Discrepancies in totals are due to rounding.

### E. Procurement, Disbursement, Accounts and Audit

41. **Procurement.** Procurement of goods will be bulked to lower costs. Vehicles and equipment for amounts equivalent or more than USD 100 000 will be procured under international competitive bidding procedures. For vehicles and equipment costing between USD 30 000 and less than USD 100 000, local competitive bidding (LCB) will apply. For equipment and goods under USD 30 000, the programme will use local shopping (LS). Civil works for amounts equal or more than USD 30 000 will be procured following LCB. Civil works for amounts equivalent to less than USD 30 000 will be procured through LS procedures. Contracts for the services of partners and consultants will be awarded in accordance with BOAD guidelines acceptable to IFAD.

42. **Disbursement.** Upon loan effectiveness and satisfaction of disbursement conditions, IFAD will deposit a total of CFA 450 million in a special account.

43. **Counterpart funds.** The Government will bear the cost of all duties and taxes related to the programme's expenditures, and provide an annual contribution to the programme, within the state consolidated investment budget. The annual counterpart contribution from the Government will be deposited in the programme's account, to be opened at the Treasury of Burkina Faso.

44. **Accounting and audit.** The PMU and all partners will maintain accounts in accordance with internationally acceptable accounting standards. The PMU will compile six-monthly financial reports that will be examined regularly by all financiers and/or supervision missions. All programme-related accounts will be audited annually by an auditing firm acceptable to IFAD. The consolidated audit report will be made available to IFAD no later than six months after the close of the fiscal year. The PMU will be responsible for implementing the recommendations made in the audit report.

### F. Organization and Management

45. PICOFA will be implemented under the authority of the Ministry of Agriculture, Water and Fisheries Resources (MAWFR). It will receive guidance from a steering committee, and it will be managed by a PMU located in Fada N'Gourma, the regional capital city of the Eastern Region. Decentralized technical government services will be in charge of sectoral policy implementation and monitoring of technical work. However, they may be selected as service providers if their services are competitive.

46. **Steering committee.** The steering committee will be headed by MAWFR, and composed of other line ministries (Livestock, Environment, Economy and Finance), beneficiaries and decentralized local government services. It will hold at least two ordinary sessions per year and one extraordinary session at the request of MAWFR and representatives of beneficiaries. The programme's coordinator will head its secretariat.

47. **Programme management unit.** The PMU will be in charge of: (i) selecting, recruiting and managing the three provincial teams; (ii) selecting target villages in coordination with provincial service providers; (iii) coordinating annual programming and supervising work under the first three components; (iv) undertaking directly the fourth component in collaboration with service providers and other projects; (v) administering IFSAP and programme funds by allocating funds to provincial teams in accordance with the decisions made by provincial grant committees and checking expenses incurred by these agents; and (vi) undertaking programme accounting, designing and using a centralized monitoring system. The PMU will be composed of, but not restricted to, a programme coordinator, an administration and finance manager, an accountant, a cashier, an agricultural engineer specialized in rural infrastructure, a monitoring and evaluation (M&E) officer, and administrative support staff.

48. **Provincial team.** The three provincial teams will work under PMU supervision and will be responsible for the implementation of the first three components, as described above. One provincial team will work in the Komandjari province (covered by AfDB); the second in Gourma and Komienga and the third in Tapoa (covered by IFAD). Each team will be composed of a leader, a rural engineer, ten microprogramme advisers, and one accountant/financier to manage funds.

49. **Monitoring and Evaluation.** M&E will be an integral function and will generate programme information through the M&E system. Periodically participatory village-level workshops will be held to assess whether the programme is achieving its stated objectives and reorient programme activities accordingly. Impact assessment will be based on baseline surveys undertaken at the start of programme activities.

### **G. Economic Justification**

50. The programme is expected to benefit about 150 villages, or about 12 000 smallholders and over 150 000 poor people upon programme completion. In the northern zones, agricultural income will increase by XOF 447 000 per annum for smallholders, XOF 560 000 for medium-size producers and XOF 790 000 for large-scale farmers. Income increases in the central-southern zone, where the rainfall level is relatively good and cotton production could be expanded, will amount to XOF 505 000 for smallholders, XOF 639 000 for medium-size producers and XOF 458 000 for large-scale farmers.

### **H. Risks**

51. PICOFA will face a host of risks that may have a negative impact on programme success. (i) Rural populations may not participate effectively in the programme approach, making the programme unsustainable. Consequently, the programme needs to build awareness among village leaders, women and youths of its positive impact on local development initiatives. (ii) The capacity of the PMU and service providers may not be sufficiently strong to yield the expected results. This risk can be avoided through training and the rigorous selection of service providers, and the gradual implementation of programme activities. (iii) Technical knowledge in agronomic systems integrating crop and livestock, land tenure and soil fertility is not widespread and readily available at the national level. Partnership with experienced international research and development institutions will be needed to overcome this constraint. (iv) Programme implementation is contingent on the availability of natural phosphate, other fertilizers and equipment, and on a well-functioning credit market which is dependent on the implementation of complementary projects over which PICOFA has no control. (v) The programme is not sufficiently concerned with the improvement of livestock productivity. Yet, agricultural intensification depends largely on organic fertilizers and there are potential conflicts between farmers and herders for lowland use. (vi) Migration to the programme area may take place because of the success in programme activities, adversely affecting the positive programme impact on direct beneficiaries. Finally, (vii) women may find it difficult to participate in programme activities such as infrastructure development, organic manure preparation and fattening activities. Therefore programme activities will need to take into account the opportunity costs and time constraints faced by women and counteract these through labour-saving technologies.

### **I. Environmental Impact**

52. The programme will contribute to increasing soil fertility through the use of organic fertilizers and natural phosphate. As a result, the programme has been classified as category B and does not require an ex ante environmental impact assessment. However, issues relating to biodiversity and the environmental balance should be taken into account when developing the non-exploited lowlands. Any actions that may introduce environmental risk will not be eligible for programme consideration.

### **J. Innovative Features**

53. PICOFA is innovative in several ways: (i) Its approach is based on the needs expressed by local communities and relies on strengthening the capacity of local communities in developing microprogrammes. (ii) It builds on local knowledge and recognizes the dynamics in local communities, considering local initiatives and knowledge as the engine of change and progress. (iii) Research-development activities are undertaken in the farmers' environment in collaboration with programme teams, using reputable national and international research institutions and resources. (iv) The programme relies on close collaboration and synergy with other similar and complementary programmes, and on beneficiaries, rural organizations, NGOs, local government institutions and researchers to undertake development activities.

### **PART III – LEGAL INSTRUMENTS AND AUTHORITY**

54. A loan agreement between Burkina Faso and IFAD constitutes the legal instrument for extending the proposed loan to the borrower. A summary of the important supplementary assurances included in the negotiated loan agreement is attached as an annex.

55. Burkina Faso is empowered under its laws to borrow from IFAD.

56. I am satisfied that the proposed loan will comply with the Agreement Establishing IFAD.

### **PART IV – RECOMMENDATION**

57. I recommend that the Executive Board approve the proposed loan in terms of the following resolution:

RESOLVED: that the Fund shall make a loan to Burkina Faso in various currencies in an amount equivalent to eight million eight hundred thousand Special Drawing Rights (SDR 8 800 000) to mature on or prior to 15 May 2043 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

Lennart Båge  
President

**SUMMARY OF IMPORTANT SUPPLEMENTARY ASSURANCES  
INCLUDED IN THE NEGOTIATED LOAN AGREEMENT**

(Loan negotiations concluded on 3 September 2003)

1. In order to carry out the programme, the Government of Burkina Faso (the Government) will make the loan proceeds available to the lead programme agency in accordance with the annual work programmes and budgets (AWP/Bs) and its customary national procedures for development assistance.
2. The Government's contribution to financing the programme is calculated at an amount in CFA francs equivalent to USD 3.20 million. This amount includes all duties, taxes and levies on goods and services, which will be defrayed by the Government through exemptions for import duties and taxes or through cheques drawn on the Treasury. This amount also includes the Government's contribution, as part of the counterpart funding, to levies on minor expenditures and those for which treasury cheques cannot be used. To this end, the Government will make the amount of FCFA 65 million available to the PMU for the purpose of defraying costs for the first year of the programme. Subsequently, the Government will replenish the programme account each year by depositing therein the counterpart funds as set forth in the AWP/B for the respective programme year. The programme will be included in the Government's investment programme. The Government will further ensure that the proceeds of the BOAD and AfDB loans will be made available to the lead programme agency in accordance with the AWP/Bs.
3. As part of maintaining sound environmental practices, the Government shall maintain appropriate pest management practices under the programme and, to that end, the Government shall ensure that pesticides procured under the programme do not include any pesticide either proscribed by the International Code of Conduct on the Distribution and Use of Pesticides of the Food and Agriculture Organization of the United Nations (FAO), as amended from time to time, or listed in Tables 1 (Extremely Hazardous) and 2 (Highly Hazardous) of the World Health Organization (WHO) Recommended Classification of Pesticides by Hazard Classification 1996-1997, as amended from time to time.
4. One of the programme's specificities will be the implementation of a local, participatory monitoring and evaluation system with which beneficiaries are fully conversant. In addition, participatory village-level workshops will be organized to assess programme impact on the objectives of agriculture intensification, sustainable natural-resource management, income enhancement, improvement of the situation of vulnerable groups and local ownership of development. Special attention will be given to the ability of beneficiaries to identify, programme and perform activities, so as to adapt the programme objectives to their capacities and ensure better ownership of techniques and outcomes.
5. External evaluations will be conducted periodically to assess the impact on the general objective, with specific reference to anthropomorphic and nutritional criteria. The programme will participate in the environmental, fertility and agricultural-productivity monitoring system set up under the Community-Based Rural Development Project (IFAD loan 535-BF).
6. The Government shall insure programme personnel against health and accident risks to the extent consistent with its customary practice.
7. Programme staff will be recruited through a local bidding published in the national press, in accordance with the Government's current procedures and excluding all forms of discrimination; contracts will be for fixed, renewable terms. Decisions on the recruitment of the programme officers –

i.e. the PMU coordinator, the PMU administrative and financial officer, the monitoring and evaluation officer, the engineer and the operators – and, if necessary, on the termination of their contracts will be taken in consultation with IFAD. Programme staff will be subject to annual performance evaluations, and their contracts may be terminated on the basis of the findings of those evaluations. Support staff will be recruited and managed in accordance with applicable national procedures.

8. The manual of administrative, accounting and financial procedures and the implementation manual are to be finalized and forwarded to IFAD for its non-objection within six months after effectiveness.

9. The following are specified as conditions for disbursement:

- (a) No withdrawal may be made before the first tranche of counterpart funds has been deposited in the programme account.
- (b) No withdrawal may be made before an accounting and financial system is in place.
- (c) No withdrawal may be made before the first AWP/B has been approved by the steering committee and IFAD.

10. The following are specified as conditions precedent to effectiveness:

- (a) A favourable legal opinion issued by the Cour Constitutionnelle or other competent authority in the country, acceptable in form and substance, has been submitted by the Government to IFAD.
- (b) The PMU and the steering committee have been created by ministerial decree.
- (c) The PMU coordinator and the administrative and financial officer have been recruited in accordance with the procedure described in paragraph 7 above.
- (d) A programme account and a special account have been opened by the Government.

APPENDIX I

COUNTRY DATA

BURKINA FASO

<b>Land area (km<sup>2</sup> thousand) 2001 1/</b>	274	<b>GNI per capita (USD) 2001 1/</b>	220
<b>Total population (million) 2001 1/</b>	11.55	<b>GDP per capita growth (annual %) 2001 1/</b>	3.1
<b>Population density (people per km<sup>2</sup>) 2001 1/</b>	42	<b>Inflation, consumer prices (annual %) 2001 1/</b>	5
<b>Local currency</b>	CFA Franc BCEAO (XOF)	<b>Exchange rate: USD 1 =</b>	XOF 610
<b>Social Indicators</b>		<b>Economic Indicators</b>	
Population (average annual population growth rate) 1995-2001 1/	2.4	GDP (USD million) 2001 1/	2 328
Crude birth rate (per thousand people) 2001 1/	44	Average annual rate of growth of GDP 1/ 1981-1991	3.5
Crude death rate (per thousand people) 2001 1/	19	1991-2001	4.3
Infant mortality rate (per thousand live births) 2001 1/	104	Sectoral distribution of GDP 2001 1/	
Life expectancy at birth (years) 2001 1/	44	% agriculture	38
Number of rural poor (million) (approximate) 1/	n/a	% industry	21
Poor as % of total rural population 1/	n/a	% manufacturing	15
Total labour force (million) 2001 1/	5.68	% services	41
Female labour force as % of total 2001 1/	46	Consumption 2001 1/	
<b>Education</b>		General government final consumption expenditure (as % of GDP)	14
School enrolment, primary (% gross) 2001 1/	44 a/	Household final consumption expenditure, etc. (as % of GDP)	76
Adult illiteracy rate (% age 15 and above) 2001 1/	75	Gross domestic savings (as % of GDP)	10
<b>Nutrition</b>		<b>Balance of Payments (USD million)</b>	
Daily calorie supply per capita, 1997 3/	2 121	Merchandise exports 2001 1/	174
Malnutrition prevalence, height for age (% of children under 5) 2001 3/	37 a/	Merchandise imports 2001 1/	656
Malnutrition prevalence, weight for age (% of children under 5) 2001 3/	34 a/	Balance of merchandise trade	-482
<b>Health</b>		Current account balances (USD million)	
Health expenditure, total (as % of GDP) 2001 1/	4 a/	before official transfers 2001 1/	n/a
Physicians (per thousand people) 2001 1/	n/a	after official transfers 2001 1/	-338
Population using improved water sources (%) 2000 3/	42	Foreign direct investment, net 2001 1/	n/a
Population with access to essential drugs (%) 1999 3/	50-79	<b>Government Finance</b>	
Population using adequate sanitation facilities (%) 2000 3/	29	Overall budget deficit (including grants) (as % of GDP) 2001 1/	n/a
<b>Agriculture and Food</b>		Total expenditure (% of GDP) 2001 1/	n/a
Food imports (% of merchandise imports) 2001 1/	n/a	Total external debt (USD million) 2000 1/	1 490
Fertilizer consumption (hundreds of grams per ha of arable land) 2001 1/	89 a/	Present value of debt (as % of GNI) 2000 1/	29
Food production index (1989-91=100) 2000 1/	137	Total debt service (% of exports of goods and services) 2000 1/	12
Cereal yield (kg per ha) 2001 1/	867	Lending interest rate (%) 2001 1/	n/a
<b>Land Use</b>		Deposit interest rate (%) 2001 1/	4
Arable land as % of land area 2000 1/	14		
Forest area as % of total land area 2000 1/	26		
Irrigated land as % of cropland 2000 1/	0.6		

a/ Data are for years or periods other than those specified.

1/ World Bank, *World Development Indicators* CD ROM 2003

2/ UNDP, *Human Development Report*, 2000

3/ UNDP, *Human Development Report*, 2003

**PREVIOUS IFAD FINANCING TO BURKINA FASO**

Project Name	Initiating Institution	Cooperating Institution	Lending Terms	Board Approval	Loan Effectiveness	Current Closing Date	Loan/Grant Acronym	Currency	Approved Loan/Grant Amount	Disbursement (as % of approved amount)
Rural Development Project in the Eastern ORD	IFAD	AfDB	HC	22 Apr 81	15 Jun 82	30 Sep 92	G - I - 69 - UV	SDR	330,000	40
							L - I - 65 - UV	SDR	11,900,000	65
Hauts Bassins/Volta Noire Agricultural Development Project	World Bank: IDA	World Bank: IDA	HC	14 Sep 82	14 Jun 83	30 Jun 88	L - I - 102 - UV	SDR	9,900,000	38
Special Programme for Soil and Water Conservation and Agroforestry in the Central Plateau	IFAD	BOAD	HC	04 Dec 87	26 Oct 88	31 Dec 95	G - S - 10 - BF	USD	200,000	95
							G - S - 8 - BF	SDR	650,000	39
							L - S - 11 - BF	SDR	7,000,000	83
Special Programme for Soil and Water Conservation - Phase II	IFAD	BOAD	HC	05 Dec 94	02 May 96	31 Dec 03	G - S - 41 - BF	USD	110,000	100
							L - I - 369 - BF	SDR	7,100,000	100
							L - S - 44 - BF	SDR	4 750,000	100
South West Rural Development Project	IFAD	BOAD	HC	11 Sep 96	12 Jan 98	30 Jun 05	G - I - 21 - BF	USD	80,000	63
							L - I - 418 - BF	SDR	10,150,000	30
Rural Microenterprise Support Project	IFAD	BOAD	HC	28 Apr 99	14 Jul 00	31 Mar 08	G - I - 68 - BF	USD	75,000	75
							L - I - 502 - BF	SDR	6,950,000	15
Community-Based Rural Development Project	World Bank: IDA	World Bank: IDA	HC	04 May 00	17 May 02	31 Dec 07	G - I - 104 - BF	USD	60,000	60
							L - I - 535 - BF	SDR	8,550,000	7



## LOGICAL FRAMEWORK

Objective	Key Performance Indicators	Means of Verification	Critical Assumptions/Risks
<p><b>Goal:</b></p> <p>To improve sustainably the livelihoods and living conditions of poor rural communities, with emphasis on women and young people, and to preserve natural resources.</p>	<ul style="list-style-type: none"> <li>• Prevalence of malnutrition</li> <li>• Access to potable water</li> <li>• Levels of literacy and women's participation</li> <li>• Incomes and food security</li> <li>• Soil fertility and biodiversity</li> <li>• Water resources</li> <li>• Maintenance of regional parks</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic anthropometrical surveys by gender and region.</li> <li>• Periodic household surveys for incomes within the PRSP framework</li> <li>• Environmental monitoring foreseen by PNGT II</li> <li>• Park management unit</li> </ul>	<ul style="list-style-type: none"> <li>• Agricultural output and input prices not against agriculture</li> <li>• Agricultural marketing systems are efficient</li> </ul>
<p><b>Purpose:</b></p> <ul style="list-style-type: none"> <li>• Reverse the present destruction of natural resources and improve natural resource management</li> <li>• Sustainably improve agricultural productivity</li> </ul>	<p><b>Outcome/Impact Indicators:</b></p> <ul style="list-style-type: none"> <li>• Land use</li> <li>• Soil fertility and erosion</li> <li>• Agropastoral productivity and yield evolution</li> <li>• Value added of agricultural and livestock commodities</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental monitoring foreseen by PNGT II</li> <li>• Regional agricultural and livestock statistics</li> <li>• Additional specific surveys</li> <li>• Supervision and mid-term review (MTR) reports</li> <li>• Programme completion report</li> </ul>	<ul style="list-style-type: none"> <li>• Political stability is maintained</li> <li>• Migration level in the region remains tolerable</li> <li>• Conflicts arising from land use are well managed by local governments and communities</li> <li>• Different agents (endogenous, immigrants, herders) live well together</li> <li>• Women have time for, and are able to participate in, training and other programme activities</li> <li>• Sufficient acceptable training resources are available for community work, particularly with women</li> <li>• There is commitment by all tiers of government to put in place effective pro-poor policies and institutions, and to allocate an increasing share of technical and financial resources to community-based rural development</li> </ul>

Intervention Logic	Key Performance Indicators	Means of Verification	Critical Assumptions/Risks (to realize purpose)
<p><b>Outputs/Results:</b></p> <p><b>Output 1</b></p> <p>Local partnership is established and local capacity is strengthened to enable local communities to be in charge of the development and implementation of intensification activities</p>	<p><b>Output Indicators:</b></p> <ul style="list-style-type: none"> <li>• Number of villages having partnership contract with programme</li> <li>• Organization and working level of local communities involved in programme</li> <li>• Level of women's participation in programme</li> </ul>	<ul style="list-style-type: none"> <li>• Community plans and annual workplans and budgets</li> <li>• Programme M&amp;E reports</li> <li>• Supervision and mid-term reports</li> </ul>	<ul style="list-style-type: none"> <li>• Provincial agents are competent</li> <li>• Women are allowed to participate in planning process</li> <li>• There is continuing commitment of Government and development partners to principle of community contribution</li> <li>• PNGT II and other local development projects respect their programmes and take into account village planning</li> </ul>
<p><b>Output 2</b></p> <p>Local communities plan and manage viable microprogrammes aimed at natural resource management and agricultural intensification</p>	<ul style="list-style-type: none"> <li>• Viable farming systems are available</li> <li>• Quantity and quality of microprogrammes undertaken</li> <li>• Improved local community skills</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring and statistics of IFSAP</li> <li>• Annual workplans and budget</li> <li>• Progress reports</li> <li>• M&amp;E reports</li> <li>• Beneficiary assessments</li> <li>• Audit reports</li> <li>• Supervision and mid-term reports and budgets</li> <li>• Reports submitted to cooperating institution and IFAD</li> </ul>	<ul style="list-style-type: none"> <li>• New farming systems are adequate and adapted to local conditions</li> <li>• PNGT II and other local development programmes respect their programmes and take into account village planning</li> <li>• Experienced trainers in participatory approaches are available</li> </ul>

Intervention Logic	Key Performance Indicators	Means of Verification	Critical Assumptions/Risks (to realize purpose)
<p><b>Outputs/Results:</b></p> <p><b>Output 3</b></p> <p>The value of agriculture and livestock commodities, notably for women and young people, is enhanced thanks to better access to credit</p>	<p><b>Output Indicators:</b></p> <ul style="list-style-type: none"> <li>• Volumes and value added by type of commodity</li> <li>• Number of beneficiaries with access to credit and volume of credit provided</li> </ul>	<ul style="list-style-type: none"> <li>• Programme M&amp;E reports</li> <li>• Statistics from local credit institutions</li> <li>• Annual workplans and budgets</li> <li>• Supervision and mid-term reports</li> </ul>	<ul style="list-style-type: none"> <li>• The programmes of the Network of Grass-Roots Microfinance Agencies of Burkina (RCPB) and BACB are fully realized</li> <li>• Credit criteria are adapted to the capacity of the poor</li> </ul>
<p><b>Output 4</b></p> <p>The regional environment (technologies, input acquisition, economic infrastructure and decentralized institutions) is conducive to intensive and sustainable agriculture</p>	<ul style="list-style-type: none"> <li>• Input and equipment costs</li> <li>• Efficient output markets</li> <li>• Quality of planning and provincial and regional consultations</li> </ul>	<ul style="list-style-type: none"> <li>• Socio-economic analyses at farm level</li> <li>• Progress reports</li> <li>• M&amp;E reports</li> <li>• Audit reports</li> <li>• Supervision and mid-term reports and budgets</li> </ul>	<ul style="list-style-type: none"> <li>• Sectoral policies are effectively implemented</li> <li>• Government makes public resources available for programme implementation</li> </ul>

Activities	Means	Costs
<b>Output 1: Strengthen the capacity of local communities</b>		
<b>1.1 Select villages</b> having a local development plan (PDL) for space and natural resource management, and enhancing agricultural (crop and livestock) value	<ul style="list-style-type: none"> <li>• Planning coordinated with PNGT II and other PDLs</li> <li>• Opportunity for programme to address local needs</li> </ul>	<ul style="list-style-type: none"> <li>• Provincial service providers: USD 3.7 million</li> <li>• Literacy: USD 0.7 million</li> <li>• Other specialized service providers: USD 0.6 million</li> <li>• Total: USD 5 million</li> </ul>
<b>1.2 Inform populations</b> of village selected on programme objectives and rules (financial contribution, contracts, conditions, etc.) and identify volunteer groups	<ul style="list-style-type: none"> <li>• Targeted radio broadcasts</li> <li>• Local information meetings</li> <li>• Documents in local languages and drawings</li> </ul>	<p>Grant for activity 1:</p> <ul style="list-style-type: none"> <li>• Provincial service providers: USD 1.0 million</li> <li>• Literacy: USD 0.7 million</li> <li>• Other specialized service providers: USD 0.6</li> <li>• Total: USD 2.3 million</li> </ul>
<b>1.3 Support to microprogramme development</b> for volunteer groups and design partnership contracts with beneficiaries	<ul style="list-style-type: none"> <li>• Provide a microprogramme adviser acceptable to beneficiaries</li> <li>• Hire necessary competence through adviser</li> </ul>	
<b>1.4 Plan and implement complementary training activities of local groups involved</b>	<ul style="list-style-type: none"> <li>• Sensitize village leaders</li> <li>• Promote literacy</li> <li>• Provide support to local groups for better organization and management</li> <li>• Organize trips for information exchange</li> </ul>	

Activities	Means	Costs
<b>Output 2: Support local microprogramme implementation and enhanced value</b>		
<b>2.1 Design and adapt technologies</b> economically and socially viable – Research/development approach	<ul style="list-style-type: none"> <li>Partnership with International Fertilizer Development Center/International Centre for Research in Agroforestry/<i>Institut de l'environnement et de recherches agricoles</i> (an agricultural research institute) and <i>Association pour la recherche et la formation en agro-écologie</i> (an organization promoting sustainable agriculture and environmental protection).</li> <li>Targeting of selected villages and supported microprogrammes</li> <li>In-depth diagnosis of fertility restoration techniques</li> <li>Tests and pilot investments</li> <li>Socio-economic analysis</li> </ul>	<ul style="list-style-type: none"> <li>Research: USD 1 million</li> <li>Provincial service providers: USD 2.7 million</li> <li>Component 2: USD 13.0 million</li> <li>Research: USD 0.6</li> <li>Total: USD 16.7 million</li> </ul>
<b>2.2 Identify/create local institutions responsible</b> for design and management of planned investments	<ul style="list-style-type: none"> <li>Learning from existing entities already created by other projects (e.g. PNGT II) and tailor knowledge to programme objectives</li> </ul>	
<b>2.3 Feasibility studies</b> for soil and water conservation, agroforestry and intensification, and plan implementation	<ul style="list-style-type: none"> <li>Specialized service providers</li> <li>Specific studies</li> <li>State's technical services</li> </ul>	
<b>2.4 Programme and meet water needs</b> for drinking, livestock and organic fertilization	<ul style="list-style-type: none"> <li>Construction of pits and complementary water points in coordination with PNGT II and PDLs</li> </ul>	
<b>2.5 Study of precise rules governing programme target group's access to benefits of investment undertaken</b>	<ul style="list-style-type: none"> <li>Codicil to local partnership agreement</li> </ul>	
<b>2.6 Organize fund management by local groups and their preliminary contribution</b>	<ul style="list-style-type: none"> <li>Support from adviser</li> </ul>	
<b>2.7 Submit and defend grant requests from IFSAP</b>	<ul style="list-style-type: none"> <li>Support from adviser</li> </ul>	
<b>2.8 Organize and submit credit request for inputs</b>	<ul style="list-style-type: none"> <li>Support from adviser</li> </ul>	
<b>2.9 Write contracts with service providers and manage</b>	<ul style="list-style-type: none"> <li>Support from adviser</li> </ul>	
<b>2.10 Control work and services and formalize commitment to beneficiaries</b>	<ul style="list-style-type: none"> <li>Support from adviser</li> <li>Specialized service providers</li> <li>State's technical services</li> </ul>	
<b>2.11 Advice on monitoring for enhanced value and intensification</b>	<ul style="list-style-type: none"> <li>Done by adviser for 2-4 years, in addition to support to new microprogrammes</li> </ul>	

Activities	Means	Costs
<b>Output 3: Enhance value of agriculture and livestock commodities</b>		
<b>3.1 Identify and evaluate existing and potential commodities</b>	<ul style="list-style-type: none"> <li>Support from women extension agents (<i>animatrices</i>)</li> <li>Rural Microenterprise Support Project (PAMER), milk project, other specialized projects</li> </ul>	<ul style="list-style-type: none"> <li>Woman leader: USD 0.5 million</li> <li>Women's group fund: USD 0.3 million</li> <li>Equipment: USD 1.9 million</li> <li>Total: USD 2.7 million</li> </ul>
<b>3.2 Identify, select and inform target groups, particularly women, about activities supported by programme</b>	<ul style="list-style-type: none"> <li>Support from <i>animatrices</i></li> <li>PAMER, milk project, other specialized projects</li> </ul>	
<b>3.3 Support identification and planning of income-generating activities by target groups</b>	<ul style="list-style-type: none"> <li>Support from <i>animatrices</i></li> <li>Support from other specialized projects</li> </ul>	
<b>3.4 Ensure intermediation with microfinance institutions and provide working capital to facilitate access to credit by women's groups</b>	<ul style="list-style-type: none"> <li>Support from <i>animatrices</i></li> <li>PAMER, milk project, other specialized projects</li> <li>Self-Promotion Fund Project (PFA)</li> </ul>	
<b>3.5 Advice on monitoring for credit repayment and working capital reconstitution</b>	<ul style="list-style-type: none"> <li>Support from <i>animatrices</i></li> <li>Support from PAMER</li> </ul>	

Activities	Means	Costs
<b>Output 4: Make economic environment conducive to sustainable agriculture</b>		
<b>4.1 Institutionalize participatory management system for IFSAP</b>	<ul style="list-style-type: none"> <li>Establish provincial provider committees</li> <li>Ensure representation</li> <li>Harmonize financing codes and procedures with other projects (PNGT II, PDLs)</li> </ul>	<ul style="list-style-type: none"> <li>Support to IFSAP: USD 0.05 million</li> <li>Creation of two village banks (financial institutions): USD 0.1 million</li> <li>Support to phosphate market: USD 0.4 million</li> <li>Support to other input markets: USD 0.3</li> <li>Infrastructure investments: USD 1.5 million</li> <li>Support to regional/provincial institutions: USD 0.3</li> <li>Total: USD 2.6 million</li> </ul>
<b>4.2 Ensure sufficient coverage by local credit institutions where their number is insufficient (Gnagna and Komandjari)</b>	<ul style="list-style-type: none"> <li>Creation of village bank and subsidiaries</li> <li>Coordination with Agricultural and Commercial Bank of Burkina (BACB) and RCPB supported by the United Nations Capital Development Fund (UNCDF) project</li> <li>Subsidy on equipment for three years</li> </ul>	
<b>4.3 Development of natural phosphate market</b>	<ul style="list-style-type: none"> <li>Participation and support to the national fertility programme</li> <li>Support to farmers' groups and provision of working capital for natural phosphate acquisition</li> </ul>	
<b>4.4 Develop input market involving craftsmen and farmers' groups</b>	<ul style="list-style-type: none"> <li>Support to farmers' groups and provision of working capital for input and equipment acquisition</li> <li>Coordination with PAMER</li> </ul>	
<b>4.5 Create and improve necessary infrastructure at provincial and regional levels</b>	<ul style="list-style-type: none"> <li>Use the competence of specialized projects (PNGT II, PFA, PDLs)</li> </ul>	
<b>4.6 Support regional and provincial planning and development institutions</b>	<ul style="list-style-type: none"> <li>Equipment provision</li> <li>Specific training</li> </ul>	
		PMU: USD 2.6 million Total programme costs: USD 26.9 million

# ORGANIGRAMME

BURKINA FASO  
PICOFA

Organisation du Fonds  
d'Investissement pour la  
Productivité Agricole Durable  
(FIDAD)  
(Financement FIDA et BAD)

## Légende

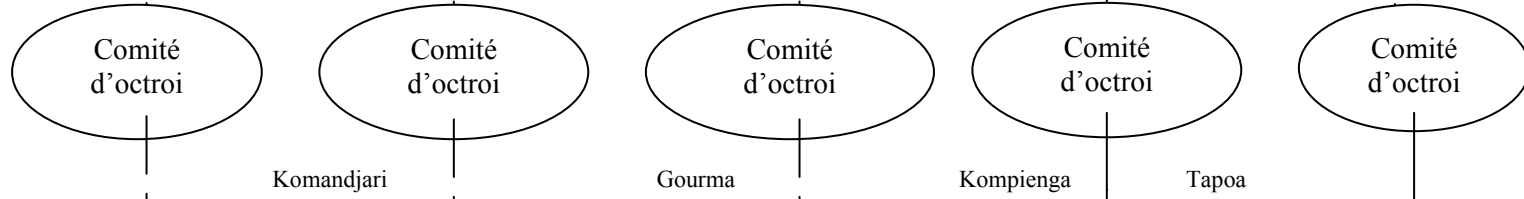
- Attribution d'enveloppes financières annuelles
- Subvention aux microprogramme villageois

## NIVEAUX

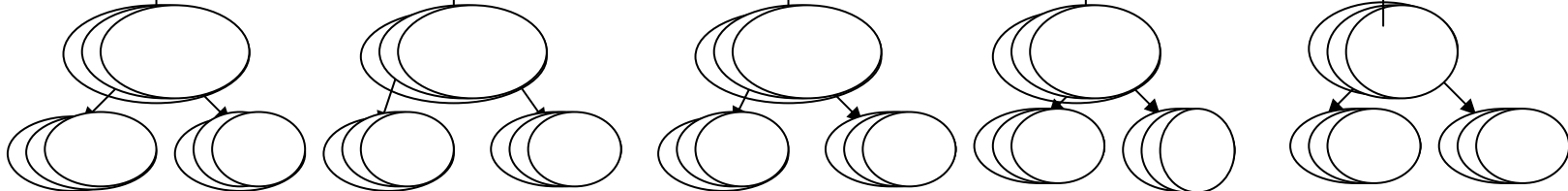
Comité de Pilotage

UGP

## Provinces



## Villages CVGT



## Communautés de base (microprogrammes)



**BURKINA FASO - PICOFA  
ORGANISATION DU PROJET**

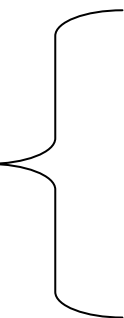
**NIVEAUX**

Ministère de l'agriculture

Comité National de Pilotage

UGP

Région de l'Est



Provinces

Opérateur

Opérateur 2

Opérateur 3

CCTP

CCTP

CCTP

CCTP

CCTP

Gnagna

Komandjari

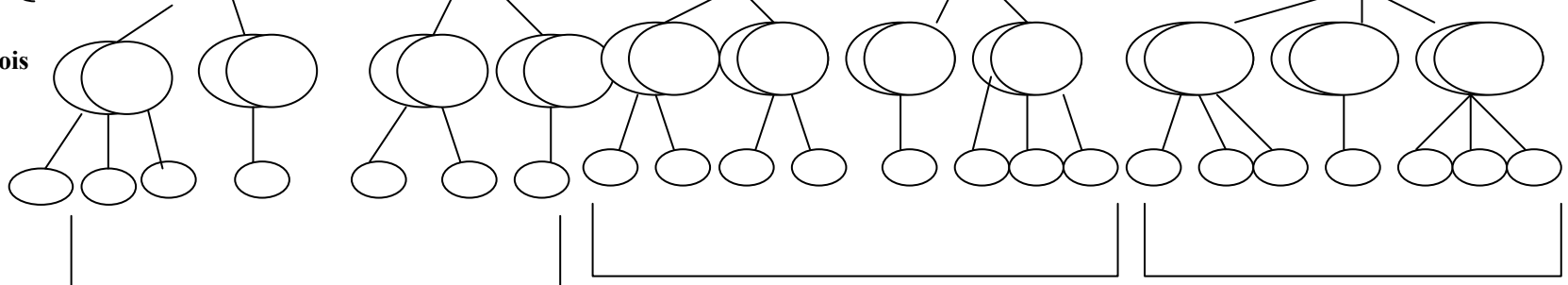
Gourma

Kompienga

Tapoa

Comités villageois de gestion des terroirs

Communautés de base  
Micro-Programmes



Prestations spécialisées

