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IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
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REPORT AND RECOMMENDATION OF THE PRESIDENT

TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO THE

ISLAMIC REPUBLIC OF MAURITANIA

FOR THE

OASIS SUSTAINABLE DEVELOPMENT PROGRAMME

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CURRENCY EQUIVALENTS

Currency Unit	=	Ouguiya (MRO)
USD 1.00	=	MRO 272
MRO 1.00	=	USD 0.004

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 ²)	=	10.76 square feet (ft ²)
1 acre (ac)	=	0.405 hectares (ha)
1 hectare (ha)	=	2.47 acres (ac)

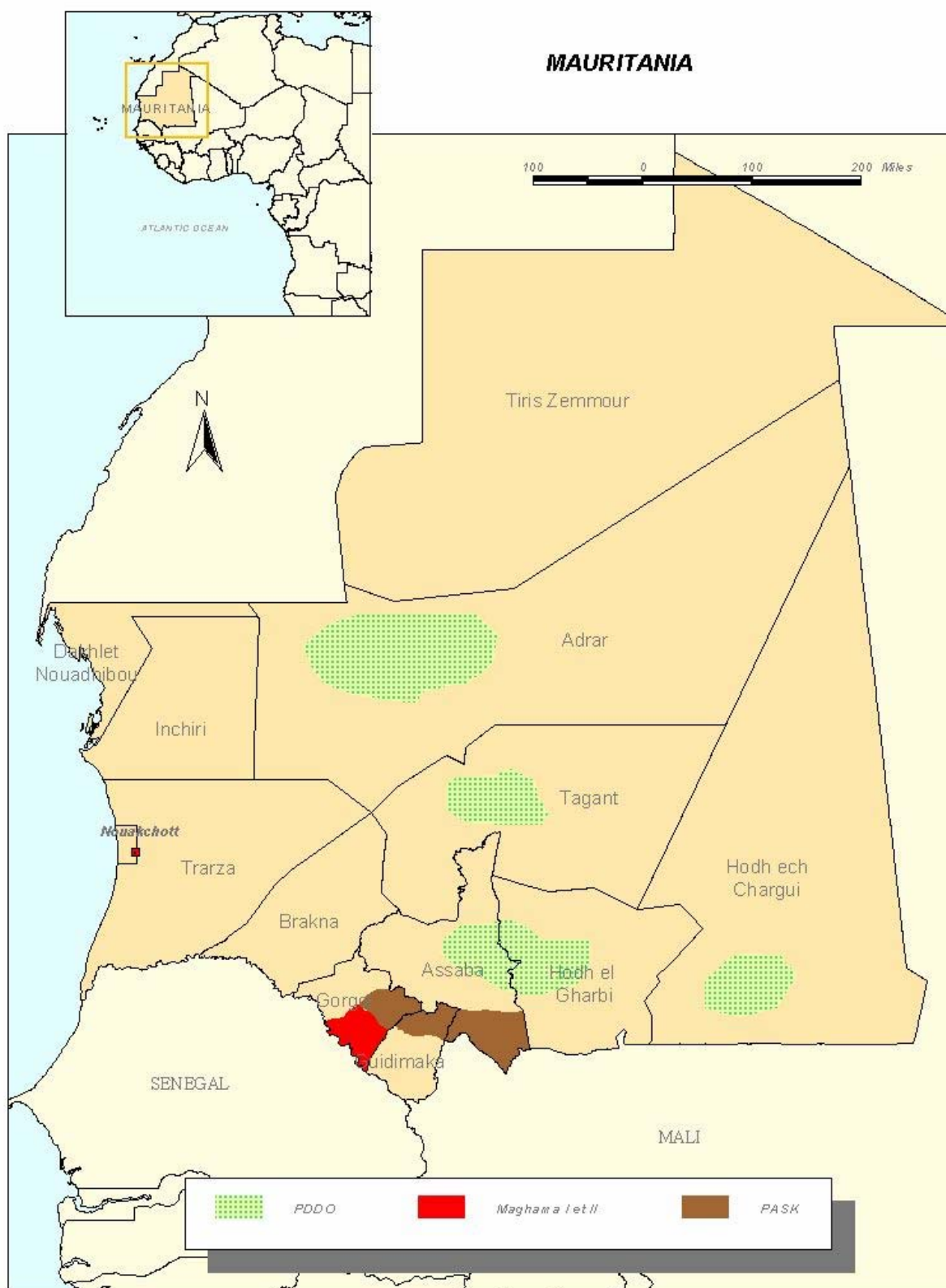
ABBREVIATIONS AND ACRONYMS

AFESD	Arab Fund for Economic and Social Development
AGPO	Oasis Participatory Development Association
AWPB	Annual Work Plan and Budget
COSOP	Country Strategic Opportunities Paper
GEF	Global Environment Facility
MICO	Oasis Credit Association
NGO	Non-Governmental Organization
PCU	Programme Coordination Unit
PRSP	Poverty Reduction Strategy Paper
SOE	Statement of Expenditure

GOVERNMENT OF THE ISLAMIC REPUBLIC OF MAURITANIA
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.

ISLAMIC REPUBLIC OF MAURITANIA
OASIS SUSTAINABLE DEVELOPMENT PROGRAMME

LOAN SUMMARY

INITIATING INSTITUTION:	IFAD
BORROWER:	Islamic Republic of Mauritania
EXECUTING AGENCY:	Ministry of Rural Development and Environment
TOTAL PROGRAMME COST:	USD 33.9 million
AMOUNT OF IFAD LOAN:	SDR 7.90 million (equivalent to approximately USD 11.4 million)
TERMS OF IFAD LOAN:	40 years, including a grace period of ten years, with a service charge of three fourths of one per cent (0.75%) per annum
COFINANCIERS:	Arab Fund for Economic and Social Development (AFESD) Global Environment Facility (GEF)
AMOUNT OF COFINANCING:	AFESD: USD 11.6 million GEF: USD 2.8 million
TERMS OF COFINANCING:	AFESD: Loan – highly concessional terms GEF: Grant
CONTRIBUTION OF BORROWER:	USD 6.8 million
CONTRIBUTION OF BENEFICIARIES:	USD 1.4 million
APPRAISING INSTITUTION:	IFAD
COOPERATING INSTITUTION:	AFESD

PROGRAMME BRIEF

Who are the beneficiaries? The proposed programme would target the 70 oasis communities supported by the Oasis Development Project – Phase II and would include some 50 new communities. The total target population is estimated at 250 000 persons, spread over about 50 000 households. Most oasis residents live in poverty and have limited access to basic social services. There is a high prevalence of postnatal complications and malnutrition, particularly among women and children. Illiteracy remains high, even among men.

Why are they poor? Most households in the target area depend on agriculture for their livelihood. Agriculture is primitive and is practised with very limited knowledge and under extremely harsh environmental conditions. Repeated droughts in the last 30 years have greatly reduced the water available for irrigation as well as the area cultivated under flood recession and dry farming. The same droughts have also resulted in smaller livestock herds and lower productivity. Scope for diversification and intensification of agricultural production exists, but it is unexploited due to very limited market access, the small size of most oases and the lack of transport infrastructure. A number of oases are seriously threatened by dune encroachment, and about a dozen of them have been hit by endemic Bayoud disease.

What will the programme do for them? The programme will focus on building the capacity of rural institutions at the grass-roots level, including community organizations, women and youth associations, decentralized financing institutions and rural communes. It will provide substantial support to enhance the productivity and sustainability of oasis agricultural production systems and alleviate market access problems. Access to social services will also be improved through an important programme to improve rural roads and basic social and economic infrastructure.

How will beneficiaries participate in the programme? Beneficiaries will be at the centre of the implementation process, through their community organizations, oasis participatory development associations, microfinance institutions, oasis credit associations, and other beneficiary groups and organizations, such as economic interest groups, cooperatives, and youth associations. Programme support will be largely demand-driven and prioritized by the targeted beneficiaries. Eligibility criteria will include provisions that ensure full participation of women and youth in the participatory diagnostic and planning processes, in implementation, and in partaking of programme benefits. The programme will implement an exit strategy based on realistic time frames for graduation of targeted communities. The strategy will be based on a deliberate capacity-building of beneficiary organizations to assume increasing technical, managerial and financial responsibility. The strategy will be supported through the systematic application of participatory diagnostic, planning and evaluation processes, which have been designed to ensure effective participation by women and other vulnerable groups.

Size of the programme and cofinancing. The overall cost of the eight-year programme is estimated at USD 33.9 million, with a proposed IFAD loan of about USD 11.4 million. The Arab Fund for Economic and Social Development would cofinance the programme in the amount of approximately USD 11.6 million. About USD 2.8 million would be eligible for funding from the Global Environment Facility. The Government and beneficiaries would contribute an estimated USD 8.2 million.

**REPORT AND RECOMMENDATION OF THE PRESIDENT OF IFAD
TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO THE
ISLAMIC REPUBLIC OF MAURITANIA
FOR THE
OASIS SUSTAINABLE DEVELOPMENT PROGRAMME**

I submit the following Report and Recommendation on a proposed loan to the Islamic Republic of Mauritania for SDR 7.90 million (equivalent to approximately USD 11.4 million) on highly concessionary terms to help finance the Oasis Sustainable Development Programme. 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 per cent (0.75%) per annum. It will be administered by the Arab Fund for Economic and Social Development as IFAD's cooperating institution.

PART I – THE ECONOMY, SECTORAL CONTEXT AND IFAD STRATEGY¹

A. The Economy and Agricultural Sector

1. Mauritania is a vast country, with an area exceeding one million square kilometres and a coastline of 650 km on the Atlantic Ocean. The country's population, currently estimated at 2.5 million, is growing by 2.9% annually. The population is young, with 42% under the age of 14. The urbanization rate has now surpassed 50%, and the nomadic population has declined to 10%, from 80% in the early 1960s.

2. During the 1990s, the Government implemented a series of macroeconomic reforms, supported by the International Monetary Fund, the World Bank and other agencies. The reforms have helped pare back internal and external deficits to manageable levels, and have cut inflation. The overall policy and institutional environment has improved, with reduced state intervention in production, marketing and prices, and with liberalized trade and foreign exchange. Consequently, economic growth, which was modest in 1991 and 1992, improved to a healthy 4.9% per year between 1993 and 1997, and has stabilized at around 4.3% since 1998.

3. However, the country remains highly vulnerable to external shocks, with near total reliance on fish and iron ore for its export earnings, high dependency on food and fuel imports, high indebtedness and high dependency on international aid. In July 2002, Mauritania reached the completion point under the Enhanced Debt Initiative for Heavily Indebted Poor Countries, in which IFAD is participating. Under its poverty reduction strategy, the Government has committed to cofinancing the proposed programme out of the debt-reduction windfall.

4. The **agricultural sector** contributes about 25% of the country's gross domestic product, with livestock accounting for about 15% of that amount and crops and fisheries for about 5% each. Mauritania's agriculture is highly dependent on a limited and extremely variable annual rainfall, which ranges from 35 mm in the north to 650 mm in the south. The rainy season is short (three to four months), thus limiting possible rainfed crops to sorghum and millet. Rainfed and flood recession agriculture, which constitute the main sources of income for the majority of Mauritanian farmers, rely on traditional production methods, with practically no modern inputs. Overgrazing, deforestation and soil erosion, aggravated by repeated droughts, are contributing to desert encroachment and shrinking

¹ See Appendix I for additional information.

the amount of useable land. Less than 0.5% of the country's area is under permanent crops, while extensive pastures cover some 39 million hectares, or about 38% of the total land area.

5. For a long period, agricultural policy in Mauritania was focused on irrigated agriculture, in repeated attempts to reduce the country's dependency on food imports. Heavy reliance was placed on public irrigation schemes, and state intervention in production, marketing and trade was pervasive. The shift in the early 1990s, induced by declining export and budgetary resources, brought about major policy and institutional reforms. Rural policy reforms resulted in the liberalization of agricultural production, marketing and trade, especially for paddy and rice, and in the elimination of farm input subsidies.

6. In the wake of a series of institutional reforms, agricultural public institutions are now regrouped into a single unit, the Ministry of Rural Development and the Environment, supported by a few parastatals. The reform of the ministry produced a more streamlined central administration and further deconcentration of farm support services. However, the level of deconcentration achieved is still insufficient and the delivery of farm support services, particularly to small subsistence farmers, is still highly inefficient.

7. The 1986 decentralization law was implemented in three phases: first in the 13 regional capitals, then in the department capitals, and lastly in the remaining 162 – mostly rural – communes. The Government is now addressing some of the constraints faced by rural communes, particularly those attributable to limited human and financial resources.

8. The law on cooperatives, amended in 1996, made provision for more participatory processes in the establishment and operation of cooperatives and for increased autonomy in their management. Civil-society institutions in rural areas have recently become more diversified, thanks to the emergence of non-governmental organizations (NGOs) and professional associations. The Government is now preparing new legislation that would improve the regulatory framework for all civil-society institutions.

B. Lessons Learned from Previous IFAD Experience

9. **IFAD portfolio.** IFAD has funded ten loans in Mauritania, for a total commitment level of about USD 55.0 million. The first loan was approved in 1980, for the Gorgol Irrigation Project, and the most recent one was approved in 2001, for the Poverty Reduction Project in Aftout South and Karakoro. Another recent project was the Oasis Development Project – Phase II (Oasis II), completed on 30 September 2003.

10. IFAD funded no new projects in Mauritania during the period 1994–2000 because of recurring implementation problems. A country portfolio evaluation (CPE) conducted in 1996 examined these problems in depth and analysed the causes of rural poverty in Mauritania. The CPE's conclusions and recommendations provided the basis for constructive dialogue with the Government, which has since taken strong measures to address some of the problems encountered by IFAD projects. IFAD cooperation with Mauritania was reactivated with the approval of the Country Strategic Opportunities Paper (COSOP) prepared in May 2000.

11. **Lesson learned.** The key lessons learned from IFAD's 20-year presence in Mauritania relate mostly to requirements for effective implementation and transparent management. The lessons are that: (i) project implementation has suffered from lack of autonomy of project management units, non-competitive selection procedures for project staff, and limited reliance on contractual arrangements with private service providers; (ii) dialogue with the Government has been effective in helping to address implementation problems and improve the institutional and regulatory environment for rural development; and (iii) close monitoring of agreed decisions on personnel and financial management procedures is essential for proper project implementation.

12. **Lessons learned from Oasis II.** According to the interim evaluation, the Oasis II project was successful in obtaining major achievements in about five years. The most notable was the establishment of some 70 community-based organizations, with associated capacity-building, and 67 decentralized financial institutions. After only five years of support, about one third of both types of institutions are fully functional, while another third has acceptable performance. The interim evaluation also notes a successful participatory approach, which enhanced social cohesion and women's participation and brought solutions to many of the local development problems. Household incomes increased substantially, and rural migration appears to have been reversed in some oases.

13. The interim evaluation concludes that most of these achievements are sustainable and offer true potential for replication in other oasis areas. The evaluation recommends another operation in the oasis areas, focusing on: (i) promoting a more favourable regulatory framework to provide a clearer definition of the roles of decentralized public and community organizations; (ii) strengthening support for agricultural production and environmental mitigation measures; (iii) expanding programme support to other eligible oasis communities; and (iv) implementing a progressive exit strategy based on capacity-building of existing organizations.

C. IFAD's Strategy for Collaboration with Mauritania

14. **Rural poverty and Government strategy.** The 1996 Integrated Household Survey revealed an average poverty rate in Mauritania of 50%, of which about 27% was in urban areas and as much as 63% in rural areas. When compared with the findings of the 1990 poverty assessment, the survey showed a decline in the overall incidence of poverty, from 57% to 50% of the total population.

15. These findings led the Government to launch numerous poverty reduction initiatives. However, by 1999, both the Government and the international donor community had recognized the need for a coherent national poverty reduction strategy. The Debt Initiative for Heavily Indebted Poor Countries provided the opportunity for formulating such a strategy. The resulting Poverty Reduction Strategy Paper (PRSP), prepared in record time and approved in early 2001, set very ambitious goals for the country vis-à-vis the 2015 horizon. These goals, which exceed the Millennium Development Goals (MDGs), are as follows: (i) to reduce the overall incidence of poverty by two thirds (from over 50% to 17%), that of extreme poverty by one third (from 33% to 22%), and that of rural poverty by half (from 68% to 34%); (ii) to reach, well before 2015, the MDG with respect to school enrolment, basic literacy, health coverage, and access to drinking water and decent housing; and (iii) to significantly reduce existing geographical and social inequalities.

16. In pursuing these goals, the PRSP proposed: (i) promoting an accelerated and equitable economic growth of about 6% per year; (ii) anchoring economic growth in the activities sphere of the poor; (iii) supporting the development of human resources and increasing all people's access to basic services, particularly education, health and nutrition, and potable water; and (iv) promoting institutional development and capacity-building at the local level. For the period 2001–2004, the PRSP set goals for reducing the overall incidence of poverty to 39% and of rural poverty to 53%, and identified five focal areas for intervention, the first of which is rural development.

17. **Poverty eradication activities of other major donors.** IFAD has historically been the most active donor in the programme area. The European Union and the Japan International Cooperation Agency (JICA) have funded studies on water resources in the Adrar and Tagant regions. The World Bank is considering funding a second phase of a natural resource management project in rainfed areas in the regions of Hodh Ech-Chargui, Hodh El-Gharbi and Assaba.

18. **IFAD's strategy in Mauritania.** IFAD's strategy for collaboration with Mauritania, as set out in the COSOP, proposes to focus future interventions on the following strategic thrusts:

- empowering rural populations, particularly IFAD's target groups, to participate effectively in setting local development priorities, in defining and implementing local development programmes, and in partaking of their benefits;
- establishing effective mechanisms for transferring resources to rural populations for the funding of local development programmes that address their priorities;
- alleviating the access problems faced by the rural poor regarding secure land tenure, financial capital and markets; and
- developing grass-roots organizations' capabilities for advocacy, programme design and implementation.

19. A two-pronged approach will be followed in pursuing these goals: (i) exploitation of the synergies between policy dialogue and investment funding; and (ii) leverage of IFAD's limited capacity for policy dialogue and finite financial resources through strategic alliances and partnerships with other donors having the same objectives and approaches. Policy dialogue between IFAD and the Government will focus on issues that are most critical to the interests of the rural poor. The interim evaluation also recommends developing effective partnerships with NGOs and other civil-society institutions for the design and implementation of IFAD operations, and, whenever necessary, providing targeted capacity-building support.

20. **Programme rationale.** Oasis areas are among the poorest regions in Mauritania and their residents are highly vulnerable to the effects of drought. In view of the achievements of Oasis II, expectations are extremely high among the population and the Government as to the continued involvement of IFAD in the oasis areas. By building on past achievements, the proposed programme would help rehabilitate the natural resource base, improve rural incomes, and reduce the vulnerability of the target groups to market and climatic variations. By focusing on consolidation, the programme will be able to implement an exit strategy based on a gradual assumption of local development responsibilities by oasis organizations. To do so, the programme will tap the synergy existing between policy dialogue and technical and financial support.

21. These features reflect the key priorities of the COSOP, respond to the Government's priorities and orientations – as set out in its poverty reduction strategy – and are fully congruent with key orientations of IFAD's strategic framework.

PART II – THE PROGRAMME

A. Programme Area and Target Group

22. As with Oasis II, the proposed programme area would involve five provinces: Adrar, Tagant, Assaba, Hodh Ech-Chargui and Hodh El-Gharbi. The area under irrigation, with a production system centred around date palms, is estimated at about 5 000 ha. Flood recession farming is also present, particularly in the three southern provinces (Assaba, Hodh Ech-Chargui and Hodh El-Gharbi). Rainfed agriculture is possible in some areas, but only during years of good rainfall. Most oasis communities engage in nomadic herding of camels, sheep and goats.

23. The total number of oases in the area is estimated at about 270, although many of them are rather small. Most oasis residents live in poverty and have limited access to basic social services. Income opportunities remain limited, as access to markets is extremely difficult due to the geographical dispersion of the oases over vast desert areas, the lack of transport infrastructure, and the

small size of most oases. There is a high prevalence of postnatal complications and malnutrition, particularly among women and children. Illiteracy remains high, even among men.

24. The proposed programme would target the 70 oasis communities supported by Oasis II and would include some 50 new communities. The total population in these oases is estimated at about 250 000 persons, spread out over about 50 000 households. The programme would focus its support on local development processes, development of rural finance institutions, and provision of know-how to enhance the productivity and sustainability of oasis agricultural production systems. It will also contribute funding for the rehabilitation or establishment of basic social and economic infrastructures. The proposed exit strategy is based on realistic time frames for graduation of the targeted oasis communities, which would depend on the maturity and functionality of each oasis association.

25. Oasis II made good progress in enhancing women's participation in community decisions and in facilitating their access to know-how and to financial services. Even so, women remain more vulnerable because, compared with men, they have a higher level of illiteracy, lower access to schooling and larger workloads, and are susceptible to perinatal and postnatal health complications. Owing to higher migration rates for men, nearly 30% of households are headed by women. An explicit strategy has been developed to ensure further empowerment of women, improve their access to social services, and enhance their income opportunities.

26. Many oasis communities have taken action to encourage the return of migrated youth. The proposed programme will work with the communities to help facilitate young people's access to land and financial capital, and to promote employment and income opportunities for them.

B. Objectives and Scope

27. Within the framework of the PRSP, the programme aims to reduce, in a sustainable manner, the high incidence of poverty among rural populations in the five oasis regions. The proposed eight-year programme will pursue this goal through: (i) the development of grass-roots organizations of the target populations; (ii) the promotion of sustainable oasis agricultural systems through the development and dissemination of appropriate technical and managerial know-how and through marketing support; (iii) financial support for essential community-based social and economic infrastructure; and (iv) the consolidation of viable decentralized rural finance systems.

C. Components

28. The programme has five main components (i) structuring of oasis communities; (ii) sustainable development of oasis productive capacity; (iii) decentralized rural finance; (iv) basic social and economic infrastructure; and (v) programme coordination, monitoring and evaluation.

29. **Component 1 – structuring of oasis communities** – is divided into three sub-components. *Sub-component 1.1* will support *capacity-building of oasis organizations*, including oasis participatory development associations (AGPOs), other grass-roots organizations (such as women's cooperatives, economic interest groups, farmer organizations and youth associations), and communes involved in programme implementation. Support will be provided on the basis of participatory assessments and will include: (i) organizational, technical and managerial training and support for grass-roots organizations; (ii) literacy programmes; and (iii) information, education and communications programmes targeting women, men and youth.

30. *Sub-component 1.2* will support policy dialogue to enhance and implement the legal and institutional framework for these organizations, help establish platforms for collaboration among the various local development actors (especially among AGPOs, the decentralized entities and the communes), and facilitate exchanges of information, particularly through rural radio.

31. *Sub-component 1.3* will consist essentially of a *community investment fund* to support eligible community investments, such as water mobilization infrastructure, collective water lifting and distribution systems, dune protection systems and other environmental protection activities. The types of eligible investments, eligibility criteria for communities and microprojects, and beneficiary contribution to financing have been reviewed with oasis communities during appraisal. Operation and maintenance of the resulting infrastructure will be the responsibility of beneficiary organizations. Priorities for community microprojects will be established through the participatory diagnostic and planning processes.

32. **Component 2 – sustainable development of oasis productive capacity** – has three sub-components. *Sub-component 2.1* will aim at the *intensification and diversification of agricultural production* in the oases. Support will include: (i) development and broad dissemination of water saving and management techniques, to be implemented by communities (supported by the community investment fund) and by individual farmers; (ii) identification and broad dissemination of improved farming practices for date palms and other oasis crops, adopting an ecological system approach; (iii) dissemination of improved natural resource management practices in peripheral oasis areas; and (iv) mainstreaming of the farmer extension system developed under the Oasis II project, using Moroccan as well as Mauritanian farmers. The sub-component will also support marketing and conservation of agricultural production, including: (i) on-demand training for beneficiary groups in marketing and improved technologies for conservation and processing of agricultural products; and (ii) market information systems for the major agricultural products of the oasis areas (dates, meat and some important vegetables).

33. *Sub-component 2.2* aims to safeguard date palm plantations from Bayoud disease, namely at 10 oases severely hit by this endemic disease. The sub-component, which would be a continuation of an AFESD grant-supported programme launched in 2001, will include: (i) public awareness campaigns; (ii) incentives and technical support for the quarantine and destruction of infected plantations; (iii) other support, such as strengthening of the regulatory framework, and research, development and training for plant protection; and (iv) research and development on date production techniques.

34. *Sub-component 2.3* will focus on natural resource management and environmental protection. It would provide training and technical support in: improved natural resource management practices for use in oasis border areas; water harvesting technologies; and techniques for arresting dune encroachment. It would also include a subprogramme to preserve wetland biodiversity in the southern part of the programme area, with cofinancing from the Global Environment Facility (GEF).

35. **Component 3 – decentralized rural finance** – will support the consolidation of existing oasis credit associations (MICOs), the establishment of new MICOs, and the development of a network of microfinance institutions in oasis areas. This component will include: (i) organizational and managerial support for individual MICOs and their federations; (ii) contributions to capitalize the MICOs (for short-term lending) and their federations (for medium-term lending); (iii) financial support for the establishment and initial two years of operation of new MICOs and federations; and (iv) consultations between AGPOs and MICOs to clarify their relationship and promote refinancing arrangements between the federations and commercial banks.

36. **Component 4 – basic social and economic infrastructure** – will support the planning and funding of the rehabilitation or establishment of basic social and economic infrastructure, e.g. rural roads, water works, and educational and health facilities targeting rural populations. To ensure the social effectiveness and efficacy of this infrastructure, the component will support consultative and planning processes associating oasis communities, the decentralized entities, the communes, and specialized deconcentrated government services. This component will be linked to the national medium-term public expenditures programme, and would be cofinanced by AFESD.

37. **Component 5 – programme coordination, monitoring and evaluation** – comprises the coordination, monitoring and evaluation of all programme activities, in addition to financial management of the programme and the establishment of a *dynamic information system for the management of local development*, which would include: (i) a baseline assessment of essential social, economic and institutional development indicators, supported through a geographical information system; and (ii) regular updates based on various special studies and yearly participatory evaluations by the targeted communities. This component would be implemented by a light programme coordination and management unit, entrusted with full autonomy for its operations, and operating under two-year renewable contractual arrangements. This component will also provide for about 30 man-months of international technical assistance to the management of the programme. Six man-months will be used during the period January-June 2004 to help ensure a speedy and smooth start-up of the programme, and the remaining 24 months will be used during the two first years following effectiveness to provide technical assistance and training to the PCU in planning, management and participatory monitoring and evaluation techniques.

D. Costs and Financing

38. **Programme costs.** The total programme cost is estimated at USD 33.9 million, including duties and taxes (9% of the total) and physical and price contingencies (7%).

39. **Programme financing.** The proposed IFAD financing would be about USD 11.4 million; AFESD would cofinance the programme for USD 11.6 million; and approximately USD 2.8 million would be eligible for GEF funding. Beneficiary contributions are estimated at about USD 1.4 million, and the Government's total contribution is estimated at USD 6.8 million, including duties and taxes (USD 3.0 million), to be covered mainly by treasury cheques, and a contribution in real terms of about USD 3.8 million out of the Debt Initiative for Heavily Indebted Poor Countries windfall.

TABLE 1: SUMMARY OF PROGRAMME COSTS^a
(USD '000)

Component	Local	Foreign	Total	% of Foreign Exchange	% of Base Costs
A. Structuring of oasis communities	6 435	139	6 574	2	21
B. Sustainable development of oasis productive capacity	6 877	3 111	9 988	31	32
C. Decentralized rural finance	1 789	108	1 887	6	6
D. Basic social and economic infrastructure	6 486	3 415	9 901	34	31
E. Programme coordination, monitoring and evaluation	2 205	1 101	3 305	39	19
Total base costs	23 791	7 874	31 665	25	100
Physical contingencies	827	215	1 041	21	3
Price contingencies	835	378	1 213	31	4
Total programme costs	25 453	8 467	33 919	25	107

^a Discrepancies in totals are due to rounding.

TABLE 2: FINANCING PLAN^a
(USD '000)

Component	IFAD		AFESD		GEF		Beneficiaries		Government		Total		Foreign Exchange	Local (Excl. Taxes)	Duties and Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
A. Structuring of oasis communities															
- Capacity-building of oasis organizations	821	70	-	-	-	-	-	-	352	30	1 172	4	39	1 046	88
- Legal and institutional framework	337	70	-	-	-	-	-	-	144	30	481	1	103	325	53
- Community investment fund	2 793	53	-	-	-	-	1 260	24	1 197	23	5 250	16	-	5 250	-
Subtotal	3 951	57	-	-	-	-	1 260	18	1 693	25	6 904	20	142	6 621	141
B. Sustainable development of oasis productive capacity															
- Intensification and diversification of agricultural production	1 582	70	-	-	-	-	-	-	678	30	2 260	7	794	1 263	204
- Protection and promotion of date production	-	-	2 014	88	-	-	-	-	285	12	2 299	7	1 298	716	285
- Sustainable natural resource management	2 058	34	-	-	2 764	45	104	2	1 189	19	6 115	18	1 187	4 452	479
Subtotal	3 639	34	2 014	19	2 764	26	104	1	2 152	20	10 674	31	3 278	6 429	967
C. Decentralized rural finance	1 373	70	-	-	-	-	-	-	589	30	1 963	6	115	1 691	157
D. Basic social and economic infrastructure	-	-	9 581	88	-	-	-	-	1 308	12	10 888	32	3 779	5 802	1 308
E. Programme coordination, monitoring and evaluation	2 444	70	-	-	-	-	-	-	1 047	30	3 491	10	1 154	1 952	385
Total disbursement	11 408	34	11 594	34	2 764	8	1 364	4	6 787	20	33 919	100.0	8 467	22 495	2 957

^a Discrepancies in totals are due to rounding.

E. Procurement, Disbursement, Accounts and Audit

40. **Procurement** of goods and civil works will be undertaken in accordance with IFAD procedures. Consultants will be hired in accordance with AFESD procedures acceptable to IFAD.

41. International competitive bidding will be used for procuring vehicles valued at USD 100 000 or more and equipment and materials valued at USD 50 000 or more. National competitive bidding will be used for procuring vehicles valued at less than USD 100 000 and materials and equipment valued at between USD 50 000 and USD 6 000. Local shopping procedures, acceptable to the Fund, will be used for goods and services valued at less than USD 6 000 equivalent, as well as for highly dispersed community infrastructure microprojects.

42. **Disbursements.** To facilitate disbursements and programme implementation, a special account will be opened by the borrower at an acceptable commercial bank in Nouakchott. The account will be in the name of the programme and will be denominated in United States dollars, with an authorized allocation of USD 600 000. It will be replenished in accordance with procedures stipulated in the loan agreement. The account will be managed by the programme coordinator and the financial officer under the double signature principle.

43. A programme account will be opened into which the Government will deposit its counterpart contribution, in real terms, to cover small operating costs and taxes for which treasury cheques cannot be used. The Government will provide the amount of USD 300 000 to cover the first year of programme implementation. The account will be replenished at the start of each fiscal year in accordance with the respective annual work plans and budgets (AWPBs).

44. Withdrawals from the loan account may be made against statements of expenditures (SOEs) for expenditure categories jointly determined by the Government, IFAD and the cooperating institution. The relevant documentation justifying these expenditures will be retained by the programme and made available for inspection by supervision missions and external auditors. All other withdrawals from the loan account will be made on the basis of full supporting documentation.

45. Prior to the beginning of each calendar year, an AWPB – reviewed by the programme steering committee (PSC) – will be submitted to IFAD and AFESD for comment and approval. Withdrawal applications will be prepared by the programme coordinator and the financial officer and forwarded to the Ministry of Economic Affairs and Development, which will subsequently forward them to the cooperating institution. Specimens of the authorized signatures for withdrawal applications will be submitted to IFAD and the cooperating institution.

46. **Accounts and audit.** The programme coordination unit (PCU) will keep the programme accounts using double-entry books that satisfy international accounting standards. Establishment of an integrated programme accounting system will be a condition for disbursement. Partner organizations in charge of executing specific programme activities will keep separate accounts to record the use of programme funds. Such organizations will receive advances against future expenditures, beginning with a payment equivalent to the forecasted operating costs for the first three months, and will submit monthly SOEs with the original documentation to the PCU. After verification, the PCU will replenish the accounts as appropriate.

47. The accounts of the programme and of partner organizations will be examined on a regular basis or at the request of supervision missions. A financial and management audit will be conducted each year by a recognized auditing firm acceptable to IFAD, selected on the basis of international competitive bidding. The auditing firm will express its opinion on the tendering procedures, on the legitimacy of the expenditure items charged against the special account, on the use of goods and services financed by the programme, and on the status of counterpart contribution. It will also issue a

separate opinion on SOEs and the special account. The PCU will be responsible for timely implementation of audit recommendations. The fees of the auditing firm will be paid from the loan proceeds.

F. Organization and Management

48. **Overall organization.** The programme will be implemented with the direct participation of beneficiary associations, AGPOs, MICOs, their federations and other grass-roots organizations, such as women's cooperatives, farmer groups and youth associations. Support services for beneficiaries and their grass-roots organizations will be delivered through contractual or cooperative arrangements with private and public service providers. A clear delineation will be established in decision-making processes, funding mechanisms and eligibility rules for public infrastructure, community infrastructure and private investments.

49. **Beneficiary participation.** Community organizations (AGPOs) will use participatory processes to ensure beneficiaries' effective participation in diagnosing their development problems, in defining and implementing priority support activities, and in evaluating the effectiveness and impact of programme support. Clear commitments will be sought and enforced with regard to the participation of traditionally marginalized groups, such as women and youth, particularly when setting priorities for public infrastructure and services. Beneficiaries, through their organizations, will have full responsibility for the operation and maintenance of all facilities rehabilitated or established with programme support.

50. **Provision of support services.** Support services will be provided under contractual arrangements with private service providers or through cooperative agreements with public service providers. When possible, the programme will rely on beneficiary organizations as implementing partners, providing capacity-building support as needed. The farmer extension system tested successfully in the Oasis II project, using couples of Moroccan oasis farmers, will be mainstreamed under the programme and expanded so as to involve Mauritanian couples selected for their knowledge of oasis farming systems.

51. **Coordination and management.** The Ministry of Rural Development and Environment will be the Government's implementing agency. For the purpose of programme implementation, the ministry will establish a light programme coordination unit (PCU), with full autonomy for administrative and financial management of the programme. The PCU will be responsible for coordinating all programme interventions, administering contracts and cooperative framework agreements with implementing partners, and managing programme funds. The PCU will rely on small regional units for local programme coordination and monitoring in the targeted regions.

52. Programme oversight will be entrusted to a programme steering committee (PSC), which will also play a facilitating role in inter-institutional coordination. The PSC, chaired by the Minister for Rural Development, will include representatives of other key departments, especially those responsible for primary education, health, literacy, rural roads, and women's affairs, and an appropriate number of representatives of beneficiary organizations, local government and civil-society organizations.

53. **Partnerships and coordination with other projects.** At the implementation level, the programme will seek to establish cooperative arrangements with other relevant donor and NGO interventions in the programme area and elsewhere in the country in order to promote synergy, exchange experiences and avoid duplication of activities.

54. **Monitoring and evaluation.** The programme monitoring and evaluation system is designed to be an integral part of the implementation process. It will start from the baseline prepared through initial participatory assessments to define support programmes for producer organizations. The

baseline will be supplemented by a nutritional survey. Key process and physical indicators will be measured on a regular basis through annual self assessments conducted by all targeted beneficiary organizations as part of their annual programming exercises. In addition, each target organization will be required to establish its own internal monitoring system geared towards regular assessment of implementation processes and performances, to be used as a basis for a decentralized knowledge management system. In this respect, the PCU will identify and disseminate best practices on a regular basis. Service providers will lend the necessary support for the establishment and operation of such systems. Regular organizational and financial audits of AGPOs, MICOs, and their federations will also be conducted. A **mid-term and a final participatory evaluation** will be conducted, in order to assess progress towards the programme's development objectives and the efficacy of implementation. A second **nutritional assessment** will be conducted as part of the final evaluation, to measure progress made in reducing the incidence of chronic malnutrition, particularly among women and children.

G. Economic Justification

55. **Benefits and beneficiaries.** Expected programme benefits include: (i) effective empowerment of rural populations to manage their own development; (ii) increased sustainability of the productive base and significant improvements in natural resource management practices and environmental protection; (iii) sustainable increases in rural incomes, particularly those of women; and (iv) enhanced access to basic social infrastructure. In view of the high level of social and environmental investments, no internal rate of return has been calculated. Instead, a financial analysis of the key activities to be supported by the programme has been conducted, and shows high return levels for each.

56. **IFAD target group and gender impact.** Women, in particular, will be progressively better empowered for effective participation in local development diagnostic and planning processes, and will benefit from targeted support for their income-generating activities and organizations. As a result, women are expected to play a key role in decision-making and implementation of programme activities, will have improved access to essential social services, and will see significant improvements in their incomes and health status.

57. **Sustainability.** The programme design provides for the consolidation or establishment of beneficiary organizations, which will assume increased responsibility for local development, with explicit provision for the progressive transfer to them of responsibilities for operation and maintenance of infrastructures, as well as for providing support services. Sustainability will be further enhanced by the development of an agricultural support services system progressively managed by beneficiaries' organizations. An important part of programme support will aim at ensuring the sustainability of the agricultural production resource base, particularly through the promotion of more effective oasis protection against dune encroachment, and at enhancing the viability of the oasis production system by addressing the key issues of the efficacy of water mobilization and distribution.

58. **Environmental impact.** An environmental screening and scope note, prepared for this programme, has identified fundamental problems in the areas of oasis protection against dune encroachment, water economy, management of the natural resource base, and inadequacy in the policy and institutional framework for better natural resource management. A wide range of support activities have been identified to address these problem areas, and a sub-component has been earmarked for possible GEF cofinancing. Consequently, the project's environmental impact has been classified as category A.

H. Risks

59. The first risk might arise from recurrent public-sector interference in the day-to-day operation of the programme. This risk has a medium probability of occurring. To mitigate this risk, appraisal will define requirements for the financial and administrative autonomy of the PCU and for the

instruments for programme steering and ex post evaluation and control, to be specified in the loan agreement. The second risk pertains to the possibility of infiltration and/or take-over of producer organizations, particularly their federative structures, by local political factions. This risk is of low probability, but its negative effects could be high. It will be mitigated by the programme promoting a service delivery culture and good governance practices and accountability among all beneficiary organizations to be supported by the programme.

I. Innovative Features

60. The proposed programme will introduce at least two major innovative features. The first is a combination of three funding mechanisms for public, collective and individual investments, each obeying different decision-making and control rules, and all contributing in a complementary manner to address the most critical oasis development problems. The funding for basic social infrastructure will be aligned with the Government's medium-term public expenditures programme. The second consists of an explicit exit strategy for the programme support structure, based on deliberate building up of beneficiary organizations' capacity to assume increasing technical, managerial and financial responsibilities for local development.

61. **IFAD's strategic framework.** Empowerment of the rural population, particularly of the most vulnerable, lies at the core of the design of this programme. The success of the proposed strategy will be an indicator of the progress towards such empowerment. The programme will also specifically address several priorities of both IFAD's overall strategic framework and of the regional strategy of the Africa I Division, in particular: (i) gender mainstreaming; (ii) development of human and social capital of the rural poor; (iii) improved natural resource management; (iv) access to markets and financial services; and (v) enhanced farmer access to technology and to modern knowledge.

PART III – LEGAL INSTRUMENTS AND AUTHORITY

62. A loan agreement between the Islamic Republic of Mauritania 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.

63. The Islamic Republic of Mauritania is empowered under its laws to borrow from IFAD.

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

PART IV – RECOMMENDATION

65. 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 the Islamic Republic of Mauritania in various currencies in an amount equivalent to seven million nine hundred thousand Special Drawing Rights (SDR 7 900 000) to mature on or prior to 1 November 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 5 December 2003)

1. The Government of the Islamic Republic of Mauritania (the Government) will make facilities and services available to the Ministry of Rural Development and Environment (the Ministry) and to each of the programme parties in order to implement the programme in accordance with the loan agreement.
2. The contribution of the Government to the financing of the overall programme is calculated at an amount in Mauritanian ouguiyas equivalent to USD 6.8 million. The contribution of the Government corresponding to the part of the programme financed by the IFAD loan is calculated at an amount in ouguiyas equivalent to USD 4.9 million. This amount includes all duties, levies and taxes on goods and services to be defrayed by the Government through exemption from import duties and taxes. The amount also includes the assumption by the Government, as counterpart funds, of the value added tax and the tax on delivery of services as well as the contribution of the Government to the financing of the programme in an amount in ouguiyas equivalent to USD 3.8 million. To this end, the Government will make an initial deposit of counterpart funds in an amount in ouguiyas equivalent to USD 300 000 to the programme account to cover the expenses of the first year of the programme. The Government will replenish, each year and in advance, the programme account by depositing therein the counterpart funds as set forth in the respective AWPB. The programme will be included in the Government's consolidated investment budget.
3. In order to maintain sound environmental practices, the Government will take the necessary pesticide management measures within the framework of the programme. To this end, it will ensure that the pesticides furnished under the programme do not include any pesticide proscribed by the International Code of Conduct on the Distribution and Use of Pesticides of the Food and Agriculture Organization of the United Nations and any amendments thereto, or listed in Tables 1 (very hazardous) or 2 (hazardous) of the 1996-1997 Recommended Classification of Pesticides by Hazard and Guidelines to Classification of the World Health Organization and any amendments thereto.
4. The monitoring system will be participatory. The members of the offices of the AGPO, MICO, their federations, and groups and associations with which the programme will collaborate will be initiated and trained in data collection. They will participate in the determination of monitoring and performance indicators and will take part in monitoring activities so that the AGPOs, MICOs and their federations are able to carry on the process suitably before the end of the programme. The programme will also set up a monitoring and evaluation system that responds to the objectives of management, learning and innovation of team officers. The programme will conduct a series of studies aimed at assessing the effectiveness of the approaches and proposing improvements or new approaches. A mid-term evaluation and a completion evaluation will be conducted by service providers not involved in the programme. These two evaluations will provide input for the joint mid-term and completion reviews. All the evaluations will be based on self-evaluation arrangements of the beneficiaries.
5. The Government will defray all duties, levies and taxes on goods and services necessary for the programme through exemptions of import duties and taxes and/or through tax credits. The value of all these taxes is considered to represent a part of the counterpart funds that the Government undertakes to provide under the terms of the loan agreement.
6. The key programme personnel – i.e. the coordinator, the operations officer responsible for programming and for monitoring and evaluation, and the accounting officer – will be selected under

the authority of the Ministry on the basis of a call for proposals open to qualified individuals from the public, non-governmental and private sectors; no discrimination will be allowed in the process. These appointments will be submitted for prior consent by IFAD. Similarly, any decision to terminate the functions of these officers must be notified officially and as promptly as possible to IFAD, and their replacement is to be arranged for in accordance with the procedure described above. The selection of technical, management and administrative staff will be the responsibility of the coordinator and will be done in accordance with the same procedure. All things being equal, preference will be given to women candidates. All staff of the PCU will be recruited on the basis of renewable two-year contracts, although programme staff will be subject to annual performance evaluations, and their contracts can be terminated on the basis of the findings of those evaluations.

7. The Government will insure programme staff against health and accident risks in accordance with procedures in force in the Islamic Republic of Mauritania.

8. The following are specified as conditions precedent to disbursement:

(a) No withdrawal may be made under any disbursement category until such time as:

- (i) the Government has deposited in the programme account an amount equivalent to USD 300 000;
- (ii) the first AWPB has been approved by IFAD; and
- (iii) the manual of administrative, financial and accounting procedures has been approved by IFAD.

(b) No withdrawal may be made before the implementation manual for the community investment fund and the MICO capitalization fund has been approved by IFAD.

9. The following are specified as conditions precedent to loan effectiveness:

- (a) a favourable legal opinion issued by the Director-General for Legislation, Translation and Publishing of the official gazette or other competent authority of the Islamic Republic of Mauritania, acceptable in form and substance, has been delivered to IFAD by the Government;
- (b) the regulatory texts concerning the establishment of the PCU and the steering and monitoring committee have been published; and
- (c) the programme coordinator and the administrative and financial officer have been selected and have been approved by IFAD.

APPENDIX I

COUNTRY DATA

MAURITANIA

Land area (km² thousand) 2001 1/	1 025	GNI per capita (USD) 2001 1/	360
Total population (million) 2001 1/	2.75	GDP per capita growth (annual %) 2001 1/	1.4
Population density (people per km²) 2001 1/	3	Inflation, consumer prices (annual %) 2001 1/	5
Local currency	Ouguiya (MRO)	Exchange rate: USD 1 =	MRO 272
Social Indicators		Economic Indicators	
Population (average annual population growth rate) 1995-2001 1/	3.2	GDP (USD million) 2001 1/	1 007
Crude birth rate (per thousand people) 2001 1/	41	Average annual rate of growth of GDP (%) 1/ 1981-1991	1.9
Crude death rate (per thousand people) 2001 1/	15	1991-2001	4.3
Infant mortality rate (per thousand live births) 2001 1/	120	Sectoral distribution of GDP 2001 1/	
Life expectancy at birth (years) 2001 1/	51	% agriculture	21
Number of rural poor (million) (approximate) 1/	n/a	% industry	29
Poor as % of total rural population 1/	n/a	% manufacturing	8
Total labour force (million) 2001 1/	1.27	% services	50
Female labour force as % of total 2001 1/	44	Consumption 2001 1/	
Education		General government final consumption expenditure (as % of GDP)	16
School enrolment, primary (% gross) 2001 1/	83 a/	Household final consumption expenditure, etc. (as % of GDP)	70
Adult illiteracy rate (% age 15 and above) 2001 1/	59	Gross domestic savings (as % of GDP)	14
Nutrition		Balance of Payments (USD million)	
Daily calorie supply per capita, 1997 2/	3 097	Merchandise exports 2001 1/	280
Malnutrition prevalence, height for age (% of children under 5) 2001 3/	35 a/	Merchandise imports 2001 1/	335
Malnutrition prevalence, weight for age (% of children under 5) 2001 3/	32 a/	Balance of merchandise trade	-55
Health		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/	65
Population using improved water sources (%) 2000 3/	37	Foreign direct investment, net 2001 1/	n/a
Population with access to essential drugs (%) 1999 3/	50-79	Government Finance	
Population using adequate sanitation facilities (%) 2000 3/	33	Overall budget deficit (including grants) (as % of GDP) 1999 1/	n/a
Agriculture and Food		Total expenditure (% of GDP) 1999 1/	n/a
Food imports (% of merchandise imports) 2001 1/	n/a	Total external debt (USD million) 2001 1/	2 164
Fertilizer consumption (hundreds of grams per ha of arable land) 2000 1/	n/a	Present value of debt (as % of GNI) 2001 1/	143
Food production index (1989-91=100) 2001 1/	112	Total debt service (% of exports of goods and services) 2001 1/	23
Cereal yield (kg per ha) 2001 1/	791	Lending interest rate (%) 2001 1/	n/a
Land Use		Deposit interest rate (%) 2001 1/	n/a
Arable land as % of land area 2000 1/	0.5		
Forest area as % of total land area 2000 1/	0.3		
Irrigated land as % of cropland 2000 1/	10		

a/ Data are for years or periods other than those specified.
n/a = not available.

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

2/ UNDP, *Human Development Report*, 2000

3/ UNDP, *Human Development Report*, 2003

PREVIOUS IFAD FINANCING IN MAURITANIA

Loan No.	Project/Programme Name	Initiating Institution	Cooperating Institution	Lending Terms	Board Approval	Loan Effectiveness	Closing Date	Currency	Approved Amount	Disbursement (% of approved amount)
MR-44	Gorgol Irrigation Project	World Bank/IDA	World Bank/IDA	HC	16.09.80	27.08.81	30.06.90	SDR	7 600 000	95%
MR-92	Gorgol Farmers' Training Project	IFAD	World Bank/IDA	HC	31.03.82	28.07.83	30.06.90	SDR	1 200 000	20%
MR-169	Small-Scale Irrigation Project	World Bank/IDA	World Bank/IDA	HC	03.04.85	30.01.86	30.06.93	SDR	3 500 000	74%
MR-1	Agricultural Rehabilitation Programme	AFESD	AFESD	HC	30.04.86	10.12.86	30.06.94	SDR	4 000 000	100%
MR-22	Agricultural Rehabilitation Programme II	AFESD	AFESD	HC	06.12.89	06.11.90	31.12.96	SDR	8 650 000	99%
MR-31	Banc d'Arguin Protected Area Management Project	IFAD	UNOPS	HC	15.04.92	18.05.93	30.06.00	SDR	1 200 000	93%
MR-318	Maghama Improved Flood Recession Farming Project	IFAD	UNOPS	HC	03.12.92	10.06.93	31.12.00	SDR	7 450 000	97%
MR-43	Oasis Development Project – Phase II	IFAD	AFESD	HC	06.09.94	08.02.95	30.09.03	SDR	5 400 000	92%
MR-563	Poverty Reduction Project in Aftout South and Karakoro	IFAD	UNOPS	HC	12.09.01	-	-	SDR	11 300 000	-
MR-590	Maghama Improved Flood Recession Farming Project – Phase II	IFAD	UNOPS	HC	05.09.02	23.07.03	31.03.10	SDR	7 600 000	

Note: HC = Highly concessional
 IDA = International Development Association
 UNOPS = United Nations Office for Project Services

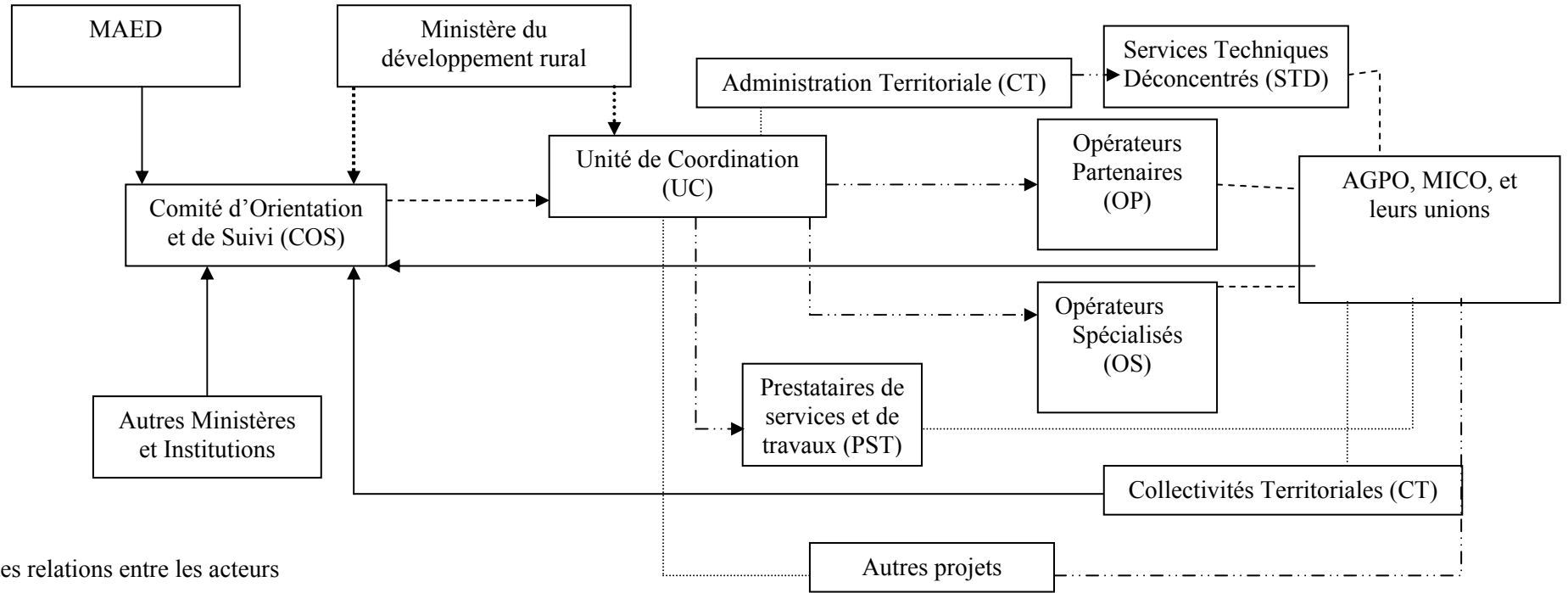
LOGICAL FRAMEWORK

Summary Description	Verifiable Indicators	Means of Verification	Hypotheses and Risks
I. Development Goals 1. Poverty reduced in targeted oasis communities 2. Access to social services improved	1.1.1 Reduction in prevalence of poverty, 1.1.2 Reduction in chronic malnutrition among children, 1.1.3 Reduction in rates of infant and maternal mortality 1.2.1 Increase in women literacy rates 1.2.2 Increase in access to potable drinking water 1.2.3 Increase in access rate to sanitation facilities	<ul style="list-style-type: none"> ● National poverty, nutrition, and health surveys ● Anthropometric surveys ● Mid-term and end-of-project evaluations 	
II. Programme Development Objectives 1. Strengthen local development capabilities Capacity of oasis organizations strengthened Policy and institutional framework improved Women status in oasis communities enhanced 2. Productive capacity improved in a sustainable manner Rural incomes increased Incomes of vulnerable groups increased Income sources diversified Oases productive capacity enhanced 3. Delivery of financial services improved Access of oases population to ST and MT credit increased Access of women to ST and MT credit increased Returns to savings increased 4. Road conditions and social infrastructure improved	Key outcomes 2.1.1 Number of oasis community associations (AGPOs) having implemented community development plans 2.1.2 Number of farmer, women and youth organizations having implemented a new economic activity 2.1.3 Regulatory texts on decentralization, on civil-society organizations, and on natural resource management adopted 2.1.4 Percent of executive positions in AGPOs held by women 2.2.1 Average per capita income 2.2.2 Average income of female-headed households 2.2.3 Share of non-farm income increased 2.2.4 Number of oases protected from dune encroachment 2.3.1 Number of ST and MT loans extended by MICO per year 2.3.2 Number of ST and MT loans extended to women per year 2.3.3 Average annual returns for type B shares 2.4.1 Number of oases without road access problems 2.4.2 Primary school enrolment 2.4.3 Average distance to a functioning health facility 2.4.4 Percent of HH with easy access to potable water	<ul style="list-style-type: none"> ● Published legislation ● Institutional assessment of AGPOs and other organizations ● Activity reports of AGPOs, MICO, federations ● AWPB ● Mid-term and final reviews 	<ul style="list-style-type: none"> ● Resistance to reforms ● Administrative interference in operation and management of project ● Political interference in operation of AGPOs, MICOs, and their federations

III. Results By Component			
Component 1: Oasis community development			
<p>Sub-component 1.1: Capacity-building of oasis organizations</p> <ul style="list-style-type: none"> • Training and managerial support provided to 69 existing AGPO, to about 50 new AGPOs and to a large number of specialized grass-roots organizations • AGPO federations established in the five provinces and provide support services to member AGPOs • Systems for exchange of experiences, for coordination, and for negotiations established to support community development initiatives • Roles and participation of women strengthened • Literacy programmes reach a large number of beneficiaries, and target women 	<ol style="list-style-type: none"> 1. Number of existing AGPOs having completed their consolidation programme 2. Number of newly established AGPOs 3. Percentage of AGPOs reaching level 3 in terms of technical and managerial capabilities 4. Number of agreements signed between communes and AGPO, 5. Number of oasis development plans formulated, funded and implemented 6. Percentage of women in decisional and implementing bodies of AGPOs 7. Number of federations providing sustainable support services to their members 8. Number of meetings/workshops for enhanced collaboration between local development partners 	<ul style="list-style-type: none"> • Published legislation • Activity reports of AGPOs • Institutional assessment of AGPOs and other organizations • Mid-term and final reviews 	<ul style="list-style-type: none"> • Resistance to reforms • Administrative interference in operation and management of project • Political interference in operation of AGPOs, MICOs and their federations
<p>Sub-component 1.2: Legal and institutional framework</p> <ul style="list-style-type: none"> • Prerogatives of AGPOs, of their federations, and of rural communes clarified 	<ol style="list-style-type: none"> 9. Legal reviews 10. Meetings with involved departments 11. Regulatory texts published 	<ul style="list-style-type: none"> • Published regulatory texts • Annual activity reports • Mid-term and final reviews 	
<p>Sub-component 1.3: Community investment fund</p> <ul style="list-style-type: none"> • Rules for access to and for the management of the fund implemented in an effective and transparent manner • Priority community investments implemented in an efficient and transparent manner • Resulting infrastructures operated and maintained efficiently by beneficiary organizations 	<ol style="list-style-type: none"> 12. Number of community plans funded by the fund 13. Types and number of infrastructures established 14. Utilization rate of established infrastructures 15. Percentage of infrastructure with effective user-funded maintenance systems 	<ul style="list-style-type: none"> • Annual activity reports • Thematic assessments • Geographical information system (GIS) • Computerized database • Mid-term and final reviews 	<p>Administrative and political interference in operation and management of fund</p>
Component 2: Sustainable development of oasis productive capacity			
<p>Sub-component 2.1: Intensification and diversification of agricultural production</p> <ul style="list-style-type: none"> • Systems for improved water management established • Support services for intensification and diversification of oases agricultural production operational • Practices for efficient water use, for improved date palm orchard management adopted • Market information system established for oases major products • Support systems for improved marketing established and operational 	<ol style="list-style-type: none"> 1. Water draft control procedures established and enforced 2. Rate of adoption of improved water management practices 3. Number of Maghrebi extension couples deployed 4. Number of local extension farmers trained and deployed 5. Percentage of oases acreage used by secondary crops increased by 30% 6. Yields of date palm trees and of vegetable crops increased by 50% 7. Time series on prices for at least three major products 8. Percentage marketed of major oases produce 9. Number of farmers' groups benefiting from targeted marketing support 10. Number of farmer and women groups receiving targeted support for the transformation and marketing of agricultural products 	<ul style="list-style-type: none"> • Annual activity reports • Thematic assessments • GIS • Computerized database • Mid-term and final reviews 	<ul style="list-style-type: none"> • Availability of good service providers • Resistance to group actions for improved water economy

III. Results By Component (cont.)			
Component 1: Oasis community development			
<p>Sub component 2-2: Rehabilitation of date plantations</p> <ul style="list-style-type: none"> • Support and incentives system for the rehabilitation of the Bayoud infected oases established and operational • Improved cultural practices for date production disseminated in an effective manner • Programme for selection and diffusion of more productive date varieties established and operational 	<ol style="list-style-type: none"> 11. Bayoud-infected oases rehabilitated 12. Preventive Bayoud protection practices effective and adopted by oases 13. Crop protection effective and risk of pest infestation reduced 14. Yields of date plantations increase by 50% 	<ul style="list-style-type: none"> • Annual activity reports • Thematic assessments • GIS • Computerized database • Mid-term and final reviews 	<ul style="list-style-type: none"> • Availability of good service providers • Resistance to group actions for rehabilitation of date plantations
<p>Sub component 2-3: Protection of the oasis environment</p> <ul style="list-style-type: none"> • Effective protection systems against dune encroachment established and adopted • Improved natural-resource management (NRM) practices are applied within the oases and in surrounding range areas • Biodiversity is safeguarded in the oasis areas, especially in the humid microclimates 	<ol style="list-style-type: none"> 15. Number of oases with effective dune encroachment systems 16. Number of oases applying improved NRM to surrounding areas 17. Number of humid ecosystems safeguarded 	<ul style="list-style-type: none"> • Annual activity reports • Thematic assessments • GIS • Computerized database • Mid-term and final reviews 	<ul style="list-style-type: none"> • Availability of good service providers • Resistance to group actions for improved natural resource management
Component 3: Decentralized rural finance			
<p>Coverage and access to financial services expanded and broadened</p> <ul style="list-style-type: none"> • Existing MICOs consolidated • New MICOs established and operational • MICO federations established and operational • Types of financial services expanded • Linkages with the banking system established and operational 	<ol style="list-style-type: none"> 1. Number of fully operational and financially sustained MICOs 2. Number of fully operational and financially sustained MICO federations; 3. Support services provided by the federations to member MICOs are established and self sustained 4. Number of audits of MICOs and of their federations 5. Types and coverage of new financial services to oases population 6. Framework refinancing agreements established and implemented with commercial banks 	<ul style="list-style-type: none"> • Annual audits • BCM Reports • Annual activity reports • Thematic assessments • GIS • Computerized database • Mid-term and final reviews 	<ul style="list-style-type: none"> • Political interference in operation of MICOs, and their federations • Banks not responsive to refinancing requests
Component 4: Basic Social and Economic Infrastructure			
<ul style="list-style-type: none"> • Basic infrastructure for water mobilization, social services, and access roads rehabilitated or established 	<ol style="list-style-type: none"> 1. Number and size of access roads and critical point treatments rehabilitated or established 2. Number of water retention works rehabilitated or established 3. Number of potable water distribution systems rehabilitated or established 4. Number of classrooms rehabilitated 5. Number of health facilities rehabilitated 6. Endogenous infrastructure operations and maintenance systems established 	<ul style="list-style-type: none"> • Annual activity reports • Thematic assessments • GIS • Computerized database • Mid-term and final reviews 	<ul style="list-style-type: none"> • Availability of service providers for endogenous maintenance systems
Inputs		Cost per component	
Component 1: Oasis community development		USD	6.9 million (20%).
Component 2: Sustainable Development of Oases Productive Capacity		USD	10.7 million (32%)
Component 3: Support to decentralized financial services		USD	2.0 million (6%)
Component 4: Basic Infrastructure		USD	10.9 million (32%)
Component 5: Coordination, management, monitoring and evaluation		USD	3.3 million (10%)

ORGANIGRAMME



Nature des relations entre les acteurs

-> Assure la présidence du COS et la sélection du coordinateur UC.
- > Membres du COS
- > Orientation et suivi à posteriori par le COS
- .-.-.-> Relations contractuelles UCG – OP et OS
- Relations de coopération, facilitation
- Fourniture d'Appuis aux populations
- .-.-.- Appuis d'autres projets

