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**IFAD**

**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**

**Executive Board – Eightieth Session**

Rome, 17-18 December 2003

**REPORT AND RECOMMENDATION OF THE PRESIDENT**

TO THE EXECUTIVE BOARD ON PROPOSED

**TECHNICAL ASSISTANCE GRANTS**

FOR

**AGRICULTURAL RESEARCH AND TRAINING**

BY

**NON-CGIAR-SUPPORTED INTERNATIONAL CENTRES**



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**ABBREVIATIONS AND ACRONYMS**

AFRACA	African Rural and Agricultural Credit Association
AWP/B	Annual Workplan and Budget
CAP	Common Agricultural Policy
ECOWAS	Economic Community of West African States
FAO	Food and Agriculture Organization of the United Nations
GTZ	German Technical Co-operation Agency
MFI	Microfinance Institution
NEPAD	New Partnership for Africa's Development
PRSP	Poverty Reduction Strategy Paper
ROPPA	Network of Farmers' Organizations and Agricultural Producers in West Africa <i>(Réseau des Organisations des Paysannes et des Producteurs Agricoles de l'Afrique de l'ouest)</i>
TAG	Technical Assistance Grant
WAEMU	West African Economic and Monetary Union



**REPORT AND RECOMMENDATION OF THE PRESIDENT OF IFAD  
TO THE EXECUTIVE BOARD ON PROPOSED  
TECHNICAL ASSISTANCE GRANTS  
FOR AGRICULTURAL RESEARCH AND TRAINING BY  
NON-CGIAR-SUPPORTED INTERNATIONAL CENTRES**

I submit the following Report and Recommendation on two proposed technical assistance grants (TAGs) for agricultural research and training to non-CGIAR-supported international centres in the amount of USD 1.56 million.

**PART I – INTRODUCTION**

1. This report recommends the provision of IFAD support to the research and training programmes of the following non-CGIAR-supported international centres:

- Network of Farmers' Organizations and Agricultural Producers in West Africa (ROPPA); and
- African Rural and Agricultural Credit Association (AFRACA).

2. The documents of the TAGs for approval by the Executive Board are contained in the annexes to this report:

- I. Network of Farmers' Organizations and Agricultural Producers in West Africa (ROPPA): Support Programme to Strengthen ROPPA Capacity
- II. African Rural and Agricultural Credit Association (AFRACA): Development Programme 2004-07

3. The objectives and content of these applied research programmes are in line with the evolving strategic objectives of IFAD, and the policy and criteria of its TAG programme for agricultural research and training.

4. The strategic objectives of IFAD support for technology development relate to: (i) the Fund's target groups and their household food-security strategies, specifically in remote and marginalized agro-ecological areas; (ii) technologies that build on traditional knowledge systems, are gender-responsive, and enhance and diversify the productive potential of resource-poor farming systems by improving productivity and addressing production bottlenecks; (iii) access to productive assets (land and water; financial services; labour and technology, including indigenous technology), and sustainable and productive management of such resources; (iv) a policy framework that gives the rural poor an incentive to increase productivity, thereby reducing their dependence on transfers; and (v) an institutional framework within which formal and informal, public and private-sector, local and national institutions, according to their comparative advantages, provide services to the poor. Within this framework, IFAD also intends to develop commodity-based approaches to the rural poor. Finally, the establishment of a consolidated network for knowledge-gathering and dissemination will enhance the Fund's capacity to establish long-term strategic linkages with its development partners and to multiply the effect of its agricultural research and training programme.

5. The TAGs proposed in this report respond to the foregoing strategic objectives. The support to ROPPA contributes directly to the achievement of the first objective of the *Strategic Framework for IFAD 2002-2006*, namely to strengthen the capacity of the rural poor and their organizations, and to improve the pro-poor focus of rural development policies and institutions. IFAD support to ROPPA will enable small farmers to be better organized and to participate in policy dialogue, develop positions, defend their own views and concerns, and influence the share of development resources allocated to agricultural and rural development. The proposed TAG will support the Fund's strategic objectives by increasing the rural poor's access to financial services and by creating an institutional framework supportive of their needs. AFRACA's consolidated network for knowledge-gathering and dissemination will enhance the Fund's capacity to establish long-term strategic linkages with its development partners.

## PART II – RECOMMENDATION

6. I recommend that the Executive Board approve the proposed technical assistance grants in terms of the following resolution:

RESOLVED: that the Fund, in order to finance, in part, the Support Programme to Strengthen ROPPA Capacity, shall make a grant not exceeding four hundred thousand United States dollars (USD 400 000) to the Network of Farmers' Organizations and Agricultural Producers in West Africa (ROPPA) 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.

FURTHER RESOLVED: that the Fund, in order to finance, in part, the AFRACA Development Programme 2004-07, shall make a grant not exceeding one million one hundred and sixty United States dollars (USD 1 160 000) to the African Rural and Agricultural Credit Association (AFRACA) 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

## **NETWORK OF FARMERS' ORGANIZATIONS AND AGRICULTURAL PRODUCERS IN WEST AFRICA (ROPPA): SUPPORT PROGRAMME TO STRENGTHEN ROPPA CAPACITY**

### **I. BACKGROUND**

1. The Network of Farmers' Organizations and Agricultural Producers in West Africa (ROPPA) is a regional apex organization grouping national apex organizations ('platforms') in ten western Africa countries: Benin, Burkina Faso, Côte d'Ivoire, The Gambia, Guinea, Guinea-Bissau, Mali, Niger, Togo and Senegal. Recently farmers' organizations in Ghana and Nigeria have expressed interest in joining ROPPA. The Network's administrative structure includes an executive board and an executive committee, supported by a regional technical unit recently established in Ouagadougou, Burkina Faso.

2. The main objective of ROPPA is to contribute to poverty reduction by empowering western African farmers' organizations to: (i) promote and advocate a sustainable, competitive and efficient smallholder farming system in the region; (ii) encourage and support the participation of farmers (in particular smallholders) in agricultural policy-making at the local, national and regional level; and (iii) develop a mechanism for permanent dialogue and consultation between ROPPA and its national platforms.

3. ROPPA operates in a region facing complex and interrelated environmental, economic and political crises. Unreliable climatic patterns, a degraded natural resource base, low investments in the agricultural sector, inappropriate agricultural practices and poor governance have contributed to the impoverishment of countries. Two thirds of the poor are living in rural areas where agriculture is the engine of development and the main source of income and employment.

4. Since its creation in 2000, ROPPA has positioned itself as the main organization representing rural poor communities in western Africa. Governments, regional intergovernmental organizations such as the West African Economic and Monetary Union (WAEMU) and the Economic Community of West African States (ECOWAS), non-governmental organizations (NGOs) and donors (including IFAD and the Food and Agriculture Organization of the United Nations – FAO) increasingly consult ROPPA when defining rural development policies and programmes.

5. In this context, ROPPA was a main partner in the design of the ECOWAS common agricultural policy (CAP) and participated in the design of the WAEMU CAP. It is more and more frequently invited to represent small farmers in the most important regional and international forums (e.g. the African Union Summit, Maputo, Mozambique; G-8 Summit, Evian, France; and trade negotiations at the Fifth World Trade Organization Ministerial Conference, Cancun, Mexico). Its national platforms are involved in the design of policies (poverty reduction strategy papers (PRSPs) and donor country strategies) and programmes at the country level. In Burkina Faso, Côte d'Ivoire, The Gambia, Guinea, Mali, Niger, Senegal, they also actively participate in the restructuring of agricultural services, and in the main market reforms and PRSP consultations.

6. In 2002, IFAD provided support to ROPPA capacity-building through a small TAG (USD 95 000) that contributed to establishing the regional technical unit, training staff and hiring consultants to help national platforms prepare national action plans for capacity-building of farmers' organizations. In 2003 and again with IFAD financial support, ROPPA organized workshops, attended by all its member countries, to prepare a proposal expressing the views of national platforms on the agricultural policy of the New Partnership for Africa's Development (NEPAD). ROPPA is already a strong partner of IFAD in the region. However, it faces many challenges, including: (i) weaknesses in internal communications, networks and information flows; (ii) inadequate grass-roots representation at different organizational levels; (iii) insufficient number of senior leaders;

- (iv) limited analytical capacity of members when faced with new agricultural sector challenges; and
- (v) highly variable capacities of national platforms.

## II. RATIONALE/RELEVANCE TO IFAD

7. The primary rationale for IFAD support is to strengthen the collaborative framework of ROPPA to improve the flow of information between ROPPA and its national platforms, and between the latter and their member organizations; and to help the Network develop into a strong, reliable organization capable of representing the rural poor and participating in policy dialogue in western Africa. Strengthening smallholder participation in national platforms, and improving the Network's internal organization and its analytical and leadership capacities, will enable it to play a stronger role in national and regional policy dialogue. In particular, it will be better able to participate in the PRSPs, NEPAD, and the WAEMU and ECOWAS CAP processes, and ensure that they are focused on the poor and adequately address rural sector concerns.

8. Support to ROPPA at the regional level complements ongoing support to ROPPA national platforms, which are increasingly becoming key partners in IFAD projects. IFAD has gained experience through its projects in building the capacity of rural grass-roots organizations, but has not scaled up this experience to national and regional levels – a gap that ROPPA can potentially fill. An opportunity exists to link grass-roots organizations to ROPPA in order to ensure their sustainability and give them a voice at the national and regional level. The major risk facing this programme is inadequate representation of the needs and realities of the rural poor. The programme will therefore closely monitor the development of links between farmers' organizations and their representatives. The participation of IFAD in discussions and planning exercises will help to minimize these risks. Its support to ROPPA will enable small farmers to be better organized, participate in policy dialogue, develop positions, defend their own views and concerns, and influence the share of development resources allocated to agricultural and rural development.

## III. THE PROPOSED PROGRAMME

9. The programme's overall objective is to contribute to poverty reduction by empowering the rural poor and their organizations to participate in the design and monitoring of rural development policies and programmes in the region. To this end, it will support and strengthen ROPPA as a reliable and efficient organization of the rural poor, which will ensure that policies and programmes in western Africa contribute to the reduction of poverty and food insecurity.

10. The programme's specific objectives include: (i) improving internal communications and interaction among the different institutional levels; (ii) promoting the development of strategic analysis and leadership capacities; and (iii) improving the organization and management of farmers' organizations.

11. The grant will focus on strengthening ROPPA linkages with its national platforms and building their member organizations' capacities to manage their own development and to participate meaningfully in national and regional policy dialogue. It will ensure the timely generation and sharing of information at all organizational levels and favour the emergence of new representative leaders.

12. The programme will have three main components:

- (i) **support to the ROPPA information and communication strategy**, which will include communication between ROPPA and its national platforms, with emphasis on communications between the latter and local member organizations, particularly in the smaller and poorer rural communities. With grant funds, a communication plan will be

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prepared at each country level, the ROPPA webpage will be improved and newsletters will be published;

- (ii) **development of strategic analysis and leadership capacities**, through studies, networking visits, study tours and training. The programme will identify and train young people with potential as future leaders; and
- (iii) **support to the organization and management of farmers' organizations**, and in particular to the implementation of the national action plans currently under preparation. The action plans will include measures to strengthen all levels of the organization. This component will also include pilot activities to encourage grass-roots organizations supported by IFAD loans to join ROPPA.

**IV. EXPECTED OUTPUTS/EXPECTED BENEFITS**

13. The main expected output of the TAG is the strengthening of farmers' organizations at the national and regional level so that they can adequately represent the rural poor in policy dialogue, strategic planning and the promotion of small-scale farming systems.

14. Strengthening ROPPA to improve its internal organization, communications and ability to develop farmer strategies will enable it to influence NEPAD, the PRSPs and the ECOWAS and WAEMU CAPs, sharpening their focus on reducing poverty and food insecurity. ROPPA will also become a main partner in monitoring the achievement of these objectives.

15. In terms of scaling-up, the grass-roots organizations supported by IFAD loans will become more sustainable by joining ROPPA, thus ensuring that their concerns will be taken into account more fully at national policy levels.

16. IFAD will be in a better position to build strategic partnerships with ROPPA and others to make national and regional policies more responsive to the concerns of the rural poor. Given the potential impact of ROPPA on institutional and policy development in the region and the significant demand for capacity-building (and risk minimization), IFAD will seek to mobilize additional financial support for sustained partnership.

17. The main beneficiaries of the grant will be the small farmers in the ten West African member countries of ROPPA, and their local and national organizations.

18. The grass-roots organizations strengthened with the support of IFAD loans will also be among the major beneficiaries.

**V. IMPLEMENTATION ARRANGEMENTS**

19. The President of the Executive Committee will be responsible for managing the grant and for reporting to IFAD. The Executive Committee, with the active collaboration of IFAD, will define the annual workplan and budget (AWP/B). Upon IFAD approval of the AWP/B, funds will be transferred to an account opened by ROPPA. IFAD will emphasize the importance of monitoring interventions, in particular those addressing the representation of the poorest communities in decision-making. The regional technical unit will implement the annual workplan, manage the funds and carry out the technical and financial control of the operations undertaken by the national platforms. It will produce both progress and evaluation reports of the programme and its operations.

**VI. INDICATIVE PROGRAMME COSTS AND FINANCING**

20. Total programme cost is estimated at USD 600 000, including a contribution of USD 200 000 expected from the Italian Trust Fund. The IFAD grant will amount to USD 400 000. IFAD ongoing projects and ROPPA, including the national representatives, will contribute to the organization of workshops and training at national levels.

21. The two-year budget estimate for the IFAD grant is detailed below. Italian Trust Fund resources will be allocated proportionally (two thirds from the IFAD grant; one third from the Italian Trust Fund) to the various activities.

<b>Item</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Total</b>
	<b>(USD)</b>		
Implementation of communication strategy	20 000	20 000	40 000
Workshops and networking activities	40 000	40 000	80 000
Studies	15 000	15 000	30 000
Training and study tours	45 000	45 000	90 000
Implementation of national action plans	60 000	60 000	120 000
Administrative support	20 000	20 000	40 000
<b>Total</b>	<b>200 000</b>	<b>200 000</b>	<b>400 000</b>

**AFRICAN RURAL AND AGRICULTURAL CREDIT ASSOCIATION (AFRACA):  
AFRACA DEVELOPMENT PROGRAMME 2004-07**

**I. BACKGROUND AND RATIONALE**

1. The African Rural and Agricultural Credit Association (AFRACA) is a regional membership-based association of sub-Saharan African financial institutions that are involved in providing financial services to the rural populations of the region. Established in 1977 with a Secretariat in Nairobi, Kenya, AFRACA seeks to promote a policy environment for rural finance operations in the region, assist its member organizations in increasing their rural outreach, and support them in the introduction of appropriate rural banking practices and innovative products.
2. In 1992, IFAD awarded AFRACA an initial TAG of USD 500 000 to finance training courses, research and case studies, and workshops and seminars for rural financial institutions. In 1998, a five-year strategy and action plan for AFRACA was developed. Its implementation was made possible by a second TAG of USD 1.2 million from IFAD, plus cofinancing from the German Agency for Technical Cooperation (GTZ) and FAO. The first disbursement from the IFAD grant was made in 1999; total disbursements to date stand at USD 1.1 million (90%).
3. Over the past four years, the achievements of AFRACA have been impressive. Its research programme has focused on clearly defined themes, which are then debated by its members. Its regular newsletters, annual thematic publications and website have enabled it to disseminate its research findings to a wide audience. Under its capacity-building programme, some 250 staff members of financial institutions have visited other banks and microfinance institutions (MFIs) in the region to learn new working methods and to familiarize themselves with innovative financial products; special seminars and workshops have been organized focusing on the provision of financial services to rural women; and a microfinance forum has been established to consider themes related to microfinance service provision.
4. A new AFRACA constitution, reflecting the requirements of liberalized financial markets more effectively, was approved in 2002; and with a new and dynamic secretary-general in place since 2000, AFRACA's image has been improved, its service delivery capacity enhanced, and its management strengthened. Planning and budgeting is carried out with members in a participatory manner; and financial management is sound. This growing reputation is reflected in the rapidly expanding membership. In 2000, AFRACA had 27 institutional members; today it has 60 paying member organizations drawn from 24 countries. The membership structure, influenced by the Association's new focus on all operators in the rural finance sector, consists of 11 central banks, 10 agricultural and development banks, 13 commercial banks, 24 microfinance institutions, an apex bank and a subregional organization. The larger membership has significantly increased AFRACA's revenue base: in 2004, membership fees are expected to reach around USD 200 000, which covers almost the entire AFRACA administrative budget.
5. The implementation experience over the past four years confirms the value of the AFRACA institutional model, which provides a unique opportunity for central, commercial and development banks and MFIs to come together, appreciate each other's perspectives and learn from each other's experiences. Most importantly, the range of services that AFRACA can now deliver to member organizations is enhancing their capacity to provide appropriate, targeted and sustainable financial services to rural poor people in the region. The *Strategic Framework for IFAD 2002-2006* and the Fund's regional strategies for both eastern and southern, and western and central, Africa seek to increase the access of rural poor people to financial services. In sub-Saharan Africa, AFRACA is in a unique position to act as a strategic partner for IFAD on these issues.

## II. GOAL, OBJECTIVES AND OUTPUTS

6. **Goal and objectives.** The overall goal of the AFRACA Development Programme 2004-07 is to improve the access of rural poor people to appropriate and sustainable financial services. Its specific objectives are to: (i) promote enabling policy and legal frameworks for rural financial service development in AFRACA member countries; (ii) enhance the management, outreach, products and performance of AFRACA member institutions; and (iii) strengthen the capacity of AFRACA to provide effective services to its members on a financially sustainable basis.

7. **Outputs.** The above objectives will be attained through the following outputs: (i) improved policy environment for rural finance operations in place in AFRACA member countries; (ii) appropriate rural finance practices developed through AFRACA initiatives, and adopted and mainstreamed by member institutions; (iii) pilot projects on innovative product development supported in member countries; (iv) skills of member institution staff developed through capacity-building programmes; (v) members and the wider public reached with AFRACA information services; (vi) membership of AFRACA increased in a balanced manner among central banks, commercial banks, cooperative and development banks, and MFIs; (vii) income-generating partnership programmes implemented with regional and international organizations; and (viii) governance and management systems of AFRACA streamlined and made more efficient.

## III. PROGRAMME COMPONENTS

8. The activities through which AFRACA will achieve its overall objectives are organized under the following eight components:

- (i) **Policy development and advocacy.** Activities will include carrying out policy-related research; preparing policy documents; conducting workshops on topics contributing to the establishment of appropriate rural finance policies; and engaging in policy dialogue and advocacy in individual African countries, to assist the efforts of member institutions in promoting an appropriate framework for rural finance operations.
- (ii) **Development of best practices.** AFRACA will document successful rural finance products and approaches developed and mainstreamed by specific members, and disseminate the experiences to its other members and stakeholders in the rural finance sector.
- (iii) **Innovative product development.** Activities will include documenting and disseminating the results of members' initiatives to develop innovative products aimed at less profitable target groups such as smallholders in remote areas, rural women, and HIV/AIDS-affected households, or schemes that focus on financial service delivery in post-crisis situations in member countries.
- (iv) **Information services.** The Secretariat will provide its membership with high-quality, effective information and publication services, relating to both topical issues in rural finance and the operations of the AFRACA network itself. Outputs will include regular newsletters, the quarterly *AFRACA News*, the *AFRACA Rural Finance Series* for major publications, and the AFRACA website.
- (v) **Member staff capacity-building.** The popular exchange visit programme has provided unique opportunities for the personnel of African banks and MFIs to learn from each other's experiences. This will be expanded under the programme. In addition, training

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courses will be organized on topics prioritized by members (management systems, collateral management, services to special client groups, governance issues, etc.).

- (vi) **Membership drive.** Systematic efforts will be made to attract suitable new member organizations. This will include sponsoring senior executives of potential member organizations to participate in AFRACA workshops and seminars. In the interest of cost-effectiveness, AFRACA members, supported by the Secretariat, will carry the main responsibility for this activity in the subregions.
- (vii) **Partnership programmes.** AFRACA will establish partnerships with other networks and agencies involved in rural finance. Such partnerships will build on the relative comparative advantage of AFRACA itself and the different agencies, and will aim to minimize duplication of capacity and maximize the benefits to the AFRACA membership. Partnerships will also be further developed with donors and development agencies interested in rural finance in the region.
- (viii) **Strengthening of Secretariat management.** To cater for the service needs of the growing membership, the AFRACA Secretariat will be further strengthened. This will require modest investments in additional staff, new systems and staff training. The programme budget will also include funds to carry out comprehensive, participatory evaluations of the programme's progress and impact.

#### IV. IMPLEMENTATION ARRANGEMENTS

9. The AFRACA Development Programme 2004-07 will be fully implemented by the AFRACA Secretariat and its members, the financial institutions. The Secretariat in Nairobi has a lean staff structure, consisting of the secretary-general, the AFRACA development programme coordinator and five support staff.

10. A participatory approach is applied in the planning and implementation of AFRACA operations. Its executive committee, comprising five member representatives, meets annually to discuss and decide on AFRACA policies and to approve the AWP/Bs. Its policy advisory group, made up of experienced representatives of member organizations, meets regularly and supports the secretary-general in developing AFRACA's activities and selecting its research topics. Member organizations are largely responsible for organizing subregional and regional workshops, and they have shown strong commitment in this area by allocating significant amounts of their time and financial resources to these activities.

11. AFRACA has an effective monitoring system. The Secretariat provides comprehensive semi-annual reports on the Association's performance. Separate financial reports are prepared to external donors on the use and flow of funds. The Association's accounts are audited by a reputable international audit firm with an office in Nairobi.

12. During the current programme phase, an IFAD consultant has regularly supervised the programme and provided technical advice on banking and rural finance issues to the AFRACA Secretariat and its member institutions. This important technical support arrangement will continue.

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**V. PROGRAMME COSTS AND FINANCING**

13. **Programme budget.** Total programme costs over the period 2004-07 are estimated at USD 3.88 million. Of this, the administrative budget, which covers the operations of the Secretariat, amounts to USD 1.11 million, or about 29% of the total programme budget; while the development programme budget, which supports AFRACA activities to service its members, amounts to USD 2.77 million (71%).

14. **Financing plan.** AFRACA and its member institutions will cover USD 1.85 million, or 48%, of the total programme costs. IFAD will contribute USD 1.04 million, or 27%; and this will be used to jointly finance the activities under the development programme budget (described in paragraph 8). Cofinancing from GTZ, FAO and the Technical Centre for Agricultural and Rural Cooperation (CTA) will add a further USD 0.53 million (14%). The AFRACA Secretariat has also started negotiations with various international and bilateral organizations for the USD 465 000 of additional development grants required to balance the budget in the medium term. The financing plan is shown in the table below.

**AFRACA 2004-07 FINANCING PLAN**  
(USD '000)

	2004	2005	2006	2007	Total
<b>AFRACA contributions:</b>					
AFRACA internal revenue	210.9	235.7	265.0	288.9	1 000.5
Member contributions to activities	216.2	145.4	270.1	126.7	758.4
IFAD TAG 1999-2003 balance	90.0	-	-	-	90.0
<b>Subtotal</b>	<b>517.1</b>	<b>381.1</b>	<b>535.1</b>	<b>415.6</b>	<b>1 848.9</b>
<b>Development partner contributions:</b>					
IFAD TAG	269.9	250.1	260.0	260.0	1 040.0
GTZ	130.0	130.0	130.0	0.0	390.0
FAO/CTA	35.0	35.0	35.0	35.0	140.0
Other donors to be identified	-	21.1	171.0	272.9	465.0
<b>Subtotal</b>	<b>434.9</b>	<b>436.2</b>	<b>596.0</b>	<b>567.9</b>	<b>2 035.0</b>
<b>Total</b>	<b>952.0</b>	<b>817.2</b>	<b>1 131.1</b>	<b>983.6</b>	<b>3 883.9</b>

15. **IFAD TAG and disbursement schedule.** The proposed TAG amounts to a total of USD 1.16 million. This includes the USD 1.04 million contribution to the development programme budget, and USD 120 000 allocated for technical assistance. As during the previous AFRACA grant period, this amount will remain in IFAD, to be used for the recruitment of technical assistance to support development programme activities.

16. **Sustainability.** The self-financing share of AFRACA members in the development programme budget is about 50%, while AFRACA membership fees are expected to cover 90% of the administrative budget. These can be regarded as high levels of self-financing for a pan-African service organization such as AFRACA. However, AFRACA aims to take further action to increase its level of self-financing: first, by expanding the membership and thus increasing the internal revenue base; and second, by encouraging member institutions to provide an increasing share of personnel and financial resources to implement the proposed programme activities. In the medium term, however, AFRACA will still require donor support for its service activities. This calls for an active approach by the Secretariat to develop partnerships and ensure that donors are aware of AFRACA activities and the opportunities that its network provides for the support of rural finance operations in Africa.

