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PROGRESS REPORT ON THE PROJECT PORTFOLIO

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ABBREVIATIONS AND ACRONYMS

Africa I (PA)	Western and Central Africa
Africa II (PF)	Eastern and Southern Africa
AsDB	Asian Development Bank
Asia/Pacific (PI)	Asia and the Pacific
CEN	Central and Eastern Europe and the Newly Independent States
CGIAR	Consultative Group on International Agricultural Research
CI	Cooperating Institution
CLP	Core Learning Partnership
COSOP	Country Strategic Opportunities Paper
CPM	Country Portfolio Manager
ECP	IFAD/NGO Extended Cooperation Programme
FAO	Food and Agriculture Organization of the United Nations
FLM	Flexible Lending Mechanism
HIPC	Debt Initiative for Heavily Indebted Poor Countries
IE	Interim Evaluation
LAC (PL)	Latin America and the Caribbean
M&E	Monitoring and Evaluation
MTR	Mid-Term Review
NENA (PN)	Near East and North Africa
NGOs	Non-Governmental Organizations
OE	Office of Evaluation (IFAD)
PCR	Project Completion Report
PoA	Plan of Action
PRSP	Poverty Reduction Strategy Paper
PSR	Project Status Report
TAG	Technical Assistance Grant
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services
WFP	World Food Programme

INTRODUCTION

1. The environment in which IFAD supports countries in their efforts to reduce rural poverty is one of continuous change at all levels. This demands constant adaptation in the way projects and programmes are designed and implemented. It also requires a change in traditional methods of evaluation and reporting, in order to focus on results and impact rather than processes.
2. IFAD is adapting its approach and way of operating to the new requirements, both internally and at the field level. Supported by Member States, the Fund has designed systems for the performance-based allocation of resources¹ and the results-based management and monitoring² of country programmes. It has initiated a pilot programme³ to enhance its country-level presence to strengthen programme impact through implementation support, policy dialogue, knowledge-sharing and partnership-building. These new initiatives have accompanied the regular process of portfolio management which, during the period under review, was characterized by successful efforts to improve project performance and strengthen impact on our target group.
3. As has been the practice for a number of years, an institution-wide process of review and analysis of all country portfolios preceded the preparation of this Progress Report on the Project Portfolio and allowed for an in-depth examination of constraints and issues related to project implementation. In addition to project-level problems, the impact of external factors on the national policy and institutional environment has been identified as increasingly important in achieving results, corroborating the need for an active role by IFAD at this level. The current review process has also touched on complementary non-project activities such as research and training grants, networking and knowledge-sharing, which have been initiated by IFAD to support impact achievement.
4. This report on the evolution of the portfolio in 2003 follows the format adopted in 1998. It includes information on the historical trends and present situation of the project portfolio, identifies main implementation issues and describes the tools and measures applied to monitor the portfolio and improve its performance. In line with requests over the years from the Executive Board, the report also provides specific information on the ongoing direct supervision pilot programme, the status of projects based on the Flexible Lending Mechanism (FLM) and, for the first time, on the implementation of the Gender Action Plan.
5. While IFAD will continue to comply with reporting requirements, we propose to adapt the outline and contents of future progress reports to evolving reporting needs and realities. We believe that the Progress Report on the Project Portfolio should provide the Executive Board with necessary information and analysis on the results being achieved by our projects at the individual project level, and in totality. It should also raise critical portfolio implementation issues and address the implications of trends emerging from the policy framework such as PBAS, RIMS, enhanced field presence and requests for policy dialogue, scaling-up and donor harmonization. Future progress reports will take the growing importance of these activities into account, and provide a more holistic picture of IFAD's role and impact on rural poverty reduction in its borrowing member countries, through a more effective integration of reporting on all of these policies.

¹ Performance-Based Allocation System (PBAS).

² Results and Impact Measurement System (RIMS).

³ Field Presence Pilot Programme.

EXECUTIVE SUMMARY

1. The year 2003 was marked by new initiatives to improve the quality of the portfolio and the impact of IFAD's activities in general. Efforts were enhanced to provide implementation support focused on capacity-building, networking and results-oriented management. A pilot programme was developed to strengthen field presence and in-country capacity with a view to reinforcing project impact and facilitating policy dialogue, partnership-building and knowledge-sharing. A Gender Plan of Action was launched as a framework for region-specific gender strategies and an instrument for mainstreaming gender issues in all aspects of IFAD's work. The present document, based on the internal portfolio review process, analyses the evolution of the portfolio during the year under review and reports on the various measures taken to strengthen its performance and impact.

2. IFAD-wide portfolio reviews are carried out with the full recognition that governments are the owners of loan resources and accountable for their effective application to achieve the agreed objectives. Through its cooperating institutions, IFAD exercises due diligence in fiduciary aspects and provides support on technical issues, institutional capacity-building, knowledge-sharing and policy dialogue to promote a conducive environment for rural poverty reduction strategies. Such activities have resulted in an overall improvement in the health of the project portfolio – the share of underperforming projects was reduced from 25% in 2001-2002 to 21% in 2003.

3. By approving 25 projects for a total lending volume of USD 404 million, IFAD has been able to maintain the annual flow of resources despite resource constraints. Sub-Saharan Africa continued to be the largest recipient of IFAD's assistance both in terms of the number of projects and lending amount. In 2003, the number of current projects in the portfolio reached 234. The average extension period for closed projects was 29%, which is slightly higher than the 25% average for the previous three years but considerably lower than the historical average of 38%. The project pre-implementation phase averaged 14.6 months from 2000-2002. Its increase to 16.4 months in 2003 was due to prolonged delays in obtaining agreement on the conditions for effectiveness of eight loans.

4. The level of cofinancing in 2003 amounted to USD 124 million including two cofinancing arrangements with the Global Environment Facility of USD 6.8 million. This is equivalent to 31% of the level of IFAD financing in that year. Partnership-building, however, went well beyond cofinancing arrangements and included activities such as participation in poverty reduction strategy papers (PRSPs), collaboration with bilateral donors, particularly through the use of supplementary funds for programmatic approaches (e.g. gender-related programmes), and carrying out thematic studies addressing regional/subregional problems.

5. Some of the ongoing project implementation issues persisted in 2003. These include coordination among implementing partners, performance of the Monitoring and Evaluation (M&E) system, complicated procurement procedures, and timely submission and quality of annual project audit reports. Due to the dynamic nature of the implementation process, projects move along the performance scale, dealing with varying management issues from year to year. In the majority of instances they responded positively to the increased implementation support provided by IFAD and recommendations of supervision missions, leading to an improvement in performance.

6. By directing some technical assistance grants (TAGs) towards implementation support and result-oriented management, regional divisions have strengthened the performance of the project portfolio. Activities supported by regional TAGs include training of project staff in management and associated disciplines, M&E, knowledge-sharing and networking. Initiatives supported by TAG resources are often reinforced by resources from supplementary funds provided by bilateral donors. Moreover, joint missions have been launched, involving the Programme Management Department, the Loan Administration Unit of the Office of the Controller (FC) and staff of the Office of the General Counsel, to resolve financial and procurement matters including project audit. Countries

affected by loan suspension because of arrears, have also benefited from these missions by developing repayment schedules for the arrears.

7. IFAD's efforts to introduce result-based management for IFAD-assisted projects over the past several years seem to have started to pay dividends. This is evident from the Project Completion Reports (PCRs) prepared during the year under review. Without exception, all PCRs have provided a candid assessment of achievements and shortcomings. While the M&E system cannot yet fully measure impact, physical achievements recorded by the M&E units, combined with findings of special studies commissioned by some completed projects, offer evidence of actual or potential impact of the completed projects. The most encouraging message from PCRs is a greater awareness of sustainability issues upon completion of IFAD financing, although sustainability seems to have been interpreted in various ways by different project implementers.

8. At the end of 2003, the ongoing portfolio was supervised by nine cooperating institutions and IFAD. The United Nations Office for Project Services (UNOPS) continues to be responsible for the largest number of projects (57%), followed by the World Bank (12%). While IFAD supervises 7% of its projects, the loan administration of these projects is assigned to UNOPS. Both Country Portfolio Managers (CPMs) responsible for direct supervision and project managers having their projects directly supervised by IFAD, have confirmed that this mode of supervision is their preferred option since it facilitates direct contact among key actors in project execution. The Office of Evaluation (OE) will conduct a mid-term evaluation of the direct supervision pilot programme in 2004.

I. THE STOCK OF IFAD'S PORTFOLIO

1. With the Executive Board's approval of 25 projects in 2003, the number of approved projects since 1978 reached 653⁴ for a total amount of USD 8.1 billion.⁵ Table 1 shows the number of completed or active projects and lending approved over time.

Table 1. Regional Distribution of Projects
(USD million)

Region	1978-2003				2000-2002				2003			
	No. of Projects	%	IFAD Amount	%	No. of Projects	%	IFAD Amount	%	No. of Projects	%	IFAD Amount	%
Africa I*	145	22.2	1 440.0	17.8	18	23.4	228.0	19.3	7	28.0	84.9	21.0
Africa II*	120	18.4	1 430.5	17.6	15	19.5	235.2	19.9	5	20.0	74.4	18.4
Asia/Pacific	162	24.8	2 573.8	31.7	17	22.1	332.1	28.1	4	16.0	93.5	23.2
LAC	114	17.5	1 295.3	16.0	11	14.3	184.9	15.6	4	16.0	74.0	18.3
NENA	112	17.2	1 368.3	16.9	16	20.8	202.0	17.1	5	20.0	76.8	19.0
Total	653	100.0	8 108.0	100.0	77	100.0	1 182.2	100.0	25	100.0	403.6	100.0

*Sub-Saharan Africa: Total lending share 46% in 2003. African Continent: Total lending share 52% in 2003.

2. With a noticeable increase in absolute and relative terms, countries in the Western and Central Africa (Africa I) and Eastern and Southern Africa (Africa II) regions continued to be the largest recipients of IFAD assistance in terms of number of projects (48%) and lending amount (39%) in 2003. This has been a continuing trend in recent years and is the result of specific measures by IFAD to compensate for the 1997 shortfall experienced in these two regions. The actual lending shares for the 2000-2002 period were as follows: Africa I and II 39%, Asia and the Pacific (Asia/Pacific) 28%, Latin America and the Caribbean (LAC) 16% and Near East and North Africa (NENA) 17%.

3. At the end of December 2003, the total number of projects approved but not yet closed stood at 234. Of these, 195 are ongoing, 17 are awaiting signing and 22 are signed but not yet effective. The total IFAD loan amount for the 234 projects is USD 3.35 billion. Project distribution by region is shown in Table 2. As in the past several years, IFAD has continued to maintain a stable portfolio size, while making a concerted effort to monitor performance and to improve the quality and impact of its projects. In 2003 a slight decline in the number of current projects was recorded (from 239 in 2002 to 234 in 2003). At the same time however, a small increase in the respective lending volume could be recorded. During 2003, 25 projects for a total lending volume of USD 403.6 million were approved. This exceeds the average lending for 2000-2002 and illustrates a trend towards fewer and larger loans, compared with the historical evolution. It also confirms IFAD's commitment to maintain, and if possible, increase the flow of financial resources to its borrowing Member States while, moreover, accommodating a growing burden in relation to the Debt Initiative for Heavily Indebted Poor Countries (HIPC).

Table 2. Current Project Portfolio by Region
(USD million)

Region	End-December 2001				End-December 2002				End-December 2003			
	No. of projects	% of total	IFAD Amt USD m	% of total	No. of projects	% of total	IFAD Amt USD m	% of total	No. of projects	% of total	IFAD Amt USD m	% of total
Africa I	48	19.7	558.2	16.8	48	20.1	579.5	17.4	51	21.8	609.2	18.2
Africa II	50	20.5	640.7	19.2	47	19.7	640.7	19.3	49	20.9	697.7	20.8
Asia/Pacific	58	23.8	964.6	29.0	53	22.2	879.1	26.5	46	19.7	808.9	24.1
LAC	47	19.3	623.7	18.7	47	19.7	633.1	19.0	42	17.9	614.8	18.3
NENA	41	16.8	544.2	16.3	44	18.4	591.1	17.8	46	19.7	623.6	18.6
Total	244	100.0	3 331.5	100.0	239	100.0	3 323.5	100.0	234	100.0	3 354.2	100.0

⁴ Fully cancelled or rescinded projects not included.

⁵ Except where otherwise stated, all amounts quoted in this document relate to the original amounts approved by the Executive Board. Project amounts are given in United States dollars (USD) and include component grants. Discrepancy in totals is due to rounding.

4. **Pre-implementation performance.** For the 26 projects that became effective during 2003, the average time between Executive Board approval and loan effectiveness was 16.4 months, compared with 16.5 months for the previous year. The average for the period 2000-2002 was 14.6 months. The 2003 average for the two Africa regions was noticeably lower compared with previous years. Similarly, a decrease was registered for the NENA region. Conversely, there was an increase in the Asia and the Pacific region and a significant increase in the LAC region (Table 3). The pre-implementation periods for eight projects in Nigeria, Sao Tome and Principe, Bangladesh, Pakistan, Argentina, Bolivia, Panama and Venezuela were significantly above the annual average for 2003, reinforcing the upward trend of this indicator. This underlines the need for continued, if not enhanced, early implementation support through grant resources (the former Special Operations Facility grants).

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

Region	Number of Effective Projects			Approval to Effectiveness (Months)		
	1978-2003	2000-2002	2003	1978-2003	2000-2002	2003
Africa I	135	15	7	13.5	15.1	13.3
Africa II	111	16	3	11.6	13.9	10.8
Asia/Pacific	157	14	7	8.8	12.3	14.3
LAC	108	14	4	16.7	17.8	33.2
NENA	103	14	5	11.1	14.0	10.2
Total/Average	614	73	26	12.3	14.6	16.4

5. A prolonged pre-implementation period is closely linked to a country's difficulties in meeting the conditions of loan effectiveness. There is a trade-off between simple conditions of effectiveness and the quality of performance and the implementation period. Design-specific conditions of loan effectiveness can serve to safeguard the interests of all stakeholders and to ensure, to the extent possible, a smooth implementation and flow of project funds. On the other hand, wherever advisable, IFAD makes a deliberate effort to ease the conditions of effectiveness in order to enable approved projects to have a speedy start. In many cases in the past several years, a prolonged pre-implementation period was related to the internal situation of borrowing countries such as political difficulties, prolonged election campaigns of legislative bodies and changes in the administrative entities and/or structures. In four projects – one each in Nigeria, Bangladesh, Pakistan and Panama – it took longer than expected to conclude implementation arrangements satisfactory to IFAD. In Panama, for instance, the project is focused on the Ngobe ethnic group and IFAD wanted to ensure that representatives of this target group were involved in managing the project. Delayed effectiveness in Argentina, Bolivia and Venezuela was caused by political and institutional instability. In Sao Tome and Principe project effectiveness was delayed due to a prolonged electoral campaign.

6. **Extension of project implementation period.** Of the 30 projects completed during the year (compared with 26 in 2002), 24 had been extended for an average period of 1.7 years. This is above the average period of 1.4 years for 2000-2002, but still below the overall average of 1.9 years for all completed projects (Table 4). It should be borne in mind that some projects are still being extended to bring them in line with the redefined project implementation period, which takes into account the real period of implementation by commencing on the date of loan effectiveness (President's Bulletin 99/01, 14 January 1999). It will take a few years for this indicator to stabilize.

Table 4. Project Extension

	Completed IFAD Projects 1983-2003	Completed IFAD Projects 2000-2002	Completed IFAD Projects 2003
Number of projects	419	86	30
Expected project duration (years)	5.0	5.6	5.8
Period of extension (years)	1.9	1.4	1.7
Actual project duration (years)	6.8	7.0	7.5
Average time overrun (percentage)	38	25	29
Extended projects:			
Number	338	72	24
Percentage	81	84	80

7. Loans were extended to make up for time lost during start-up, to consolidate project achievements and to enhance the project's impact on beneficiaries. In situations where a second phase of a project was warranted, an extension was granted to bridge the two phases to prevent interruption of ongoing activities. In 2003, extensions of more than two years were limited to six out of 30 completed projects. Due to political and financial difficulties, the **North-Central Agricultural Development Project** in **Sierra Leone** was kept open to facilitate relaunch of IFAD activities in the country. Financing from an Italian trust fund programme, implemented through the project management unit, has helped to bridge the gap between this project and a subsequent project for Sierra Leone, which was approved by the Executive Board in December 2003. The **Pilot Agricultural Services Project** in **Comoros** suffered a two-year delay during start-up because of country suspension. Implementation of the **Neelum and Jhelum Valleys Community Development Project** in **Pakistan** was delayed because of the inaccessibility of the Upper Neelum Valley as a result of military incidents and a delay in the recruitment of the United Nations Development Programme (UNDP) technical assistance team. The **Hills Leasehold Forestry and Forage Development Project** in **Nepal** was extended to enable gender mainstreaming and continuation of policy dialogue on amendments to the Forest Act. Delays resulting from the political situation and preparation for a second phase were the main reasons for extending the **Small-Scale Irrigation Schemes Rehabilitation Project** in **Haiti**. The unavailability of liquidity from the Special Account led to low disbursement and delayed implementation of the **Rural Development Project for Ngobe Communities** in **Panama**.

8. **Loan disbursement.** During 2003, total disbursement amounted to USD 288.56 million, compared with the disbursement figure of USD 268.68 million for 2002. Table 5 lists yearly disbursement by region from 1999 to 2003. In 2003, the two Africa regions and the NENA region showed increases compared with the previous year, whereas Asia and the Pacific and LAC showed a decrease. The disbursement ratio in 2003 is consistent with previous years. This ratio is calculated as the yearly disbursement divided by outstanding commitment at the beginning of the same year and therefore neutralizes the impact of increased commitment in disbursement performance.

**Table 5. Regular and Special Programme
Disbursements**
(USD million, historic)

Region	1999		2000		2001		2002		2003	
	Total	%	Total	%	Total	%	Total	%	Total	%
Africa I	37.41	13	43.59	15	37.62	13	37.31	14	49.84	17
Africa II	35.80	13	46.53	16	56.96	19	49.11	18	56.92	20
Asia/Pacific	86.20	30	82.94	29	97.88	33	85.99	32	78.66	27
LAC	53.20	19	50.97	18	63.15	21	51.44	19	47.02	16
NENA	71.06	25	61.42	22	44.61	15	44.84	17	56.11	19
Total	283.67	100	285.44	100	300.22	100	268.68	100	288.56	100

9. **Loan cancellation.** During 2003, 30 loan accounts were closed (compared with 11 in 2002). SDR 39.7 million or 14% of the original commitments were cancelled. This is well within the historical average of 17%. Many of the loans closed in 2003 had enjoyed one or more extensions of their closing dates to improve performance. In the majority of cases, loan cancellation is related to poor/non-performing components that could not absorb resources from loan proceeds upon completion of the original and/or extended implementation period. The following loans have cancellations above the historical average.

- The **Livestock Development and Rangeland Management Project in Central African Republic** cancelled SDR 2.1 million against the original commitment of SDR 3.4 million (62%), because of political instability and suspension of disbursement due to arrears.
- The **Food Security Project in the Northern Guéra Region in Chad** cancelled SDR 2.3 million against the original commitment of SDR 8.0 million (29%) because of weak institutional capacity at the national level, which hampered a smooth flow of funds to the project.
- The **Sheep Development Project in Kyrgyzstan** cancelled SDR 0.8 million against the original commitment of SDR 2.4 million (33%) due to the lack of provision of counterpart funds.
- The **Livestock and Pasture Development Project in the Eastern Region in Morocco** cancelled SDR 4.3 million against the original commitment of SDR 10.9 million (39%), due to devaluation of local currency and because the implementing agency for the credit component refrained from utilizing loan proceeds to avoid foreign exchange risks.
- The **Groundwater Irrigation and Flood Rehabilitation Project in Nepal** cancelled SDR 3.7 million against the original commitment of SDR 7.0 million (52%) because the implementing agency accorded more priority to physical progress than providing support services and community mobilization.
- The **Second Barani Area Development Project in Pakistan** cancelled SDR 4.3 million against the original commitment of SDR 15.2 million (29%) because of devaluation of local currency, which led to increased local currency resources above the appraisal estimates.
- The **Peasant Development Fund Project – North-Eastern Region of Paraguay** cancelled SDR 2.1 million against the original commitment of SDR 8.5 million (24%) because many activities by one implementing agency were to continue under a subsequent loan to the country.
- The **North-Central Agricultural Development Project in Sierra Leone** cancelled SDR 2.1 million against the original commitment of SDR 3.6 million (59%) because of civil war and weak management.
- The **North-Western Province Dry Zone Participatory Development Project in Sri Lanka** cancelled SDR 1.6 million against the original commitment of SDR 6.2 million (26%) because of very slow disbursement in its initial years. Although disbursement accelerated in later years it was not sufficient to make up for the lost time.

- The **Fourth Fisheries Development Project in Yemen** cancelled SDR 2.5 million against the original commitment of SDR 5.0 million (49%) because of lack of coordination among implementing agencies and a change in government priorities.

10. **Loan suspension.** At the end of 2003, six loans were under suspension, three in Zimbabwe (since 01/02/02), two in Haiti (since 15/04/03) and one in Paraguay (since 01/09/03). In all cases, suspensions were due to country arrears.

II. IMPROVING THE PERFORMANCE OF THE PORTFOLIO

A. Measures to Improve the Quality of the Portfolio

11. In 2003 quality improvements focused on target group identification, institutional set-up, and partnerships with other donors and stakeholders. IFAD's role in providing implementation support focused on capacity-building, facilitating networking and contacts among people involved in project implementation, technological development and training (see Annex II). Specific workshops were held on impact management and improving the M&E system (see paragraph 24). All project implementation workshops included a session on result-oriented management systems. In order to alleviate constraints resulting from a lack of physical in-country presence, IFAD's Member States supported an initiative to enhance field presence and in-country capacity through a three-year pilot programme, which will facilitate policy dialogue and institutional support to improve the environment within which the projects are being implemented.⁶

12. Although the M&E units of the current portfolio are not fully equipped to report systematically on impact, their performance has shown improvements in registering quantitative indicators and physical progress. This, together with periodic surveys, has enabled project management teams to catalogue case studies to demonstrate how certain design issues of concern to IFAD are being addressed. Some such examples are cited here to illustrate the efforts of project implementers.

13. **Targeting strategy** and the choice of targeting mechanisms have been a crucial consideration in a large number of projects in the portfolio. For instance in the **Zone Lacustre Development Project - Phase II (Mali)**, various methods were successfully employed to ensure access by youth, women and the landless to irrigated perimeters in those areas where this practice was unprecedented in the traditional land allocation system. In **Bolivia**, the **Sustainable Development Project by Beni Indigenous People** has contributed to ensuring land tenure rights for indigenous communities in **Beni**, and the **Camelid Producers Development Project in the Andean High Plateau** has enabled camelid breeders and artisans' organizations to obtain legal status. The main challenges facing precision targeting are overcoming patterns of exclusion in the socio-economic milieu of the project areas and reconciling the objective of targeting the poorest with the tempo of project implementation.

14. **Gender focus** continues to be exercised at both the design and implementation stages of the existing portfolio. Depending on the constraints facing rural women in a given project, gender-related activities include access to water for domestic use, improving access to primary health care services, functional literacy, management and technical skills training related to microenterprises, development of labour-saving technologies, and promoting women's organizations and their effective participation in decision-making. The ongoing portfolio contains numerous examples of these activities, mostly guided by regional gender programmes drawn up for this purpose (see paragraphs 58-63).

15. Strengthening the **policy and institutional framework** to respond to the interests of the rural poor has been part of IFAD's mandate since the beginning. However, it has become increasingly

⁶ See document EB 2003/80/R.4.

prominent in the light of (i) the introduction of decentralization policies by borrowing countries and (ii) the need to ensure sustainability upon completion of IFAD assistance. For example, projects in rural financial systems development in Benin, Ethiopia, The Gambia, Tanzania and Uganda cover interventions both at the project and the national level to address related policy issues. The **National Microfinance Support Programme in India**, for instance, represents an important milestone for IFAD in rural financial services at the national level. Many such projects have a component or subcomponent dedicated to policy/legislative framework development.

16. Some of the more mature ongoing projects have already started showing signs of positive results in **poverty reduction**. An Interim Evaluation of **Burkina Faso's Special Programme for Soil and Water Conservation – Phase II** carried out in 2003 shows that the project has had considerable impact on food security and poverty reduction through an increase of both agricultural and non-agricultural income. The programme is estimated to have led to a 25% increase in productivity. Cereal yields have increased by as much as 80-100%. The food availability increase has been recorded at 75% in good rainfall years. Similarly, an Interim Evaluation of the **Agricultural and Environmental Management Project in Tanzania** found that the project made a positive impact on physical and financial assets measured in terms of ownership or rights of use of additional land, tree nurseries and tree plantations, cattle, improved housing, reduced indebtedness and ability to pay school fees. Estimated yield increases are over 100% for banana, 50-60% for beans, 30-70% for maize and 100% for cassava.

17. In addition to their significance in targeting the poor, the referenced projects in Bolivia (see paragraph 13 above) have had a positive impact on incomes and asset holdings. This is facilitated by improvements in the average quality of their products and marketing campaigns to promote the development of local markets. In **Jordan**, the **Agricultural Resource Management Project in the Governorates of Karak and Tafila** has resulted in higher productivity levels from natural resources. There is now more water for livestock and an increased recharge of groundwater. The credit component has boosted income-generating activities and rural employment. Rural women developed entrepreneurial skills and enhanced their financial position within the household. Higher incomes have helped women maintain family food security and finance their children's education.

B. Cross-Cutting Issues and Remedial Action

18. In many African countries, HIV/AIDS has had a devastating impact and can no longer be seen as a health issue alone. It is rapidly eroding human and social assets and transforming the nature of poverty and the opportunities for responding to it. Africa is also suffering from a history of conflict, with its significant negative consequences for rural people.

19. Weak institutional and management capacity, and the absence of a management information system compound the problems of projects in Africa. The portfolio in the Africa I region is particularly affected by arrears and loan suspension resulting from poor financial management and political instability. Once loan suspension is applied to a country, it affects the start-up of new projects and leads to a downward spiral in the implementation of the existing portfolio. The lost time is extremely difficult to recuperate after the suspension is lifted. In order to preserve the development partnership, and in expectation of an eventual settlement of arrears, IFAD has maintained a meagre link with some of the suspended countries through technical assistance grants to address immediate post-conflict problems.

20. The Asia and the Pacific region is advantaged by a vibrant civil society/Non-Governmental Organization (NGO) sector that constitutes a strong body of service providers for development projects. Nevertheless, the portfolio is affected by an inadequate incentive structure leading to high staff turnover. On the whole, governments accord less priority to capacity-building at the grass-roots level, thus hindering a decentralized approach to development. Many governments are more

concerned with investment in infrastructure and activities with a more tangible physical output. More resources are needed for training government officers and field staff as they have limited experience in participatory approaches to planning, management, supervision and monitoring.

21. Cross-cutting issues identified in the LAC region are performance of the M&E system, project management and availability of counterpart funds. Challenges facing the NENA region include limited management capacity, weak coordination among implementing agencies, slow disbursement of counterpart funds, delays in procurement, problems associated with the implementation of credit components, policy environment and political uncertainties.

22. Common project-related issues across regions are project management, coordination among implementing partners, performance of the M&E systems, complicated procurement procedures, and timely submission and quality of annual project audit reports. Some of these issues seem to have persisted but they are not necessarily recurring over the same group of projects. By means of backstopping support, many previously underperforming projects have moved to a higher performance category (see paragraph 29).

23. Joint missions involving the Programme Management Department, the Loan Administration Unit of FC and/or the staff of the Office of the General Counsel have been particularly helpful in resolving financial and procurement problems and for rescheduling country arrears. New guidelines for the selection of, and terms of reference for, project auditors have recently been adopted to improve the quality and timeliness of project audits. Since 1996, debt rescheduling plans have been negotiated with six governments in the Africa I region: Cameroon, The Congo, Gabon, Guinea-Bissau, Niger and Sierra Leone. However, with the enhanced HIPC, there is hope that the debt situation of some of the debt-burdened countries may improve.

24. Supervision and backstopping missions not only resolve specific implementation problems but also provide training for project staff and stakeholders. In addition, national, subregional and regional implementation workshops are also organized by IFAD each year for both training and cross-fertilization of ideas among project managers and the staff of implementing agencies.⁷

C. Tools, Processes and Performance Rating

25. In response to the Gender Action Plan (approved by the Executive Board in April 2003) and in anticipation of the Performance-Based Allocation System, Project Status Reports (PSRs) were amended in 2003. These amendments expanded the scope for data collection and analysis of performance with respect to new directives.

26. A new section dealing with “Gender Equality and Women’s Empowerment” was included in PSRs (see paragraph 58). The section covers a range of critical aspects such as equitable participation in and access to benefits derived from the project. It also reveals how women have participated in

⁷ Some such events in 2003 took place in: Ghana, (where IFAD has a large portfolio) involving all projects; Senegal, including projects from Cape Verde and Guinea; Turin, Italy, in collaboration with the International Training Centre of the International Labour Organization and UNOPS, for projects in the Africa II region; Maputo, Mozambique, Project Implementation Workshop for the Africa II region in collaboration with UNOPS, attended by 120 participants (including project managers, M&E officers and financial controllers/accountants); China, Sustainable Livelihood, Training of Trainers Workshop; India, Country Portfolio Review Workshop; and Bangladesh, Sustainable Livelihood Workshop with project staff and Government. In addition, the Internet-based network of organizations and projects working with the rural poor in Latin America and the Caribbean (FIDAMERICA) carried out, on a demand basis, project implementation workshops for IFAD projects in Dominican Republic, El Salvador, Honduras, Nicaragua and Peru. Workshops were also held on: Innovation and Knowledge for Rural Poverty Reduction in Lima, Peru; Management of Project Impact in Aden, Yemen; and Impact-Oriented Project Management for Achieving, Monitoring, Evaluating and Enhancing Impact in the NENA region, in Bari, Italy.

decision-making bodies and the type of policy dialogue generated by a project for empowering women.

27. Essential information on approved projects and PSRs is regularly fed into the Project Portfolio Management System (PPMS), which serves as a corporate database and is available to all IFAD staff members. PPMS is frequently used to aggregate and analyse trends from the regional and global project portfolio and also for reporting to the governing bodies of IFAD.

28. In addition to PSRs, Country Portfolio Issues Sheets register IFAD's operation in its entirety in a given country. Besides the totality of loan operations, a typical Country Portfolio Issues Sheet contains information on non-lending activities and on issues related to pipeline development, policy dialogue, partnership-building, impact and knowledge management. The preparation of PCRs closes the reporting cycle on projects. PCRs provide a self-assessment, by IFAD and the borrower, of the effectiveness of project design and implementation in the achievement of development objectives (see paragraphs 31-32). Evaluations and reviews by the Office of Evaluation provide valuable input in verifying/modifying reported outcomes from the ongoing and completed projects.

29. Underperforming projects are those projects in the portfolio judged to have substantial or severe problems. As indicated in Table 6, the number of underperforming projects in 2003 amounted to 21% of the rated projects – an improving trend compared with previous years. This improvement should be attributed not only to actions taken in 2003 but also to cumulative measures. Analysis of this trend started from 1999. This is in contrast with the key portfolio indicators presented in Chapter I, where variations in trends for each are always compared with the previous three years as well as with historical figures.

Table 6. Trends in the Performance of the Project Portfolio

	2000	2001	2002	2003
Projects rated*	202	197	205	204
<i>Rating vis-à-vis development objectives</i>				
1: above or on target	34	28	28	34
2: mostly on target	116	120	126	127
3: substantially below target	48	42	46	34
4: little or no progress	4	7	5	9
Underperforming projects (rated 3 or 4)	52	49	51	43
Underperforming projects as a percentage of rated projects	25.7%	24.9%	24.9%	21.1%

* Excludes projects not effective as of the review date or closed prior to the previous review.

30. Identification of problem projects and analysis of underlying causes form a major part of the portfolio review exercise by Country Portfolio Managers (CPMs), regional divisions and senior management. However, the review exercise is not simply confined to the identification of problem areas. The real challenge lies in foreseeing emerging problems and applying preventive measures both at the field and corporate level as discussed in Sections A and B of this chapter. IFAD will continue its efforts along these lines with a view to further improving project performance. Even more than in the past, accompanying and catalytic measures will be used to support implementation and its impact on poverty reduction. The recently approved Field Presence Pilot Programme (see paragraph 11) can be expected to contribute significantly to these efforts.

D. Performance of Completed Projects

31. During the year under review, 20 PCRs were prepared. The majority of the completed projects had an area-based development approach and targeted less favoured localities of the country with a high percentage of rural poverty. Four projects with the subsectoral focus of small-scale enterprises, rural finance, sericulture and fisheries targeted women, small farmers, the landless, unemployed and youth. One project specifically targeted tribal populations. The main intervention of two projects centred on the development of small-scale irrigation.

32. Achievements in capacity-building and institutional development have ranged from substantial to satisfactory in the majority of the completed projects, although some projects have not completed their stated physical objectives. All PCRs were candid in depicting the areas where achievements fell short of expectations and provided a reasonable analysis of the lessons from individual project experiences. A number of projects had uneven success in the implementation of all their components – this was particularly true of three completed projects, one each in Lesotho, Swaziland and Yemen. Almost all projects benefited from mid-term reviews and had their design improved to minimize the negative consequences of weak components. Attainment of food security, capacity-building, environmental protection, access to markets and concern for sustainability, in varying combinations, featured very strongly in the design and achievements of the majority of completed projects (see Annex IV).

III. COFINANCING

33. In aggregate terms, of the total project cost of USD 22.9 billion approved by IFAD since its establishment, 35% has been provided by IFAD, 35% by domestic financing and 29% by external cofinancing. A large part of the domestic financing (83%) was provided by borrowing governments. The aggregate figures for cofinancing show considerable variation across regional divisions as indicated in Table 7.

Table 7. Financing Breakdown by Region
(USD million)

Region	IFAD	% of Project Cost	Cofinancing	% of Project Cost	Domestic	% of Project Cost	Project Cost
Africa I	1 440.0	39.2	1 317.1	35.9	915.1	24.9	3 672.3
Africa II	1 430.5	44.1	1 138.0	35.0	678.8	20.9	3 247.2
Asia/Pacific	2 573.8	32.7	1 963.0	25.0	3 329.9	42.3	7 866.8
LAC	1 295.3	44.0	787.8	26.8	859.0	29.2	2 942.1
NENA	1 368.3	26.5	1 484.3	28.7	2 313.4	44.8	5 166.1
Total	8 108.0	35.4	6 690.3	29.2	8 096.1	35.4	22 894.4

34. During the period 1978-2003, total external cofinancing reached USD 6.7 billion, of which USD 5.3 billion (80%) was provided by multilateral donors (Table 8) and USD 1.1 billion by bilateral donors. A total of USD 30.2 million (1%) was contributed by NGOs. Private sector companies provided financing of USD 7.2 million. The remainder is scheduled to be contributed by cofinanciers still to be determined (USD 181.1 million or 3%). Total cofinancing during 2003 amounted to USD 124.8 million, entirely provided by multilateral donors. In the year under review, collaboration with the Global Environment Facility (GEF) accelerated, leading to the cofinancing of two projects (in Mauritania and Mexico) for a value of USD 6.8 million.

Table 8. Cofinancing by Cofinancier and Financing Type

(USD million)

Cofinancier Type	CI-Initiated Projects			IFAD-Initiated Projects			All Projects					
	1978-2003	2000-2002	2003	1978-2003	2000-2002	2003	1978-2003		2000-2002		2003	
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	% of Total	Amount	% of Total	Amount	% of Total
Bilateral	613.6	14.6	0.0	510.7	111.1	0.0	1 124.3	17%	122.3	17%	0.0	0%
Multilateral	3 564.8	169.4	30.0	1 782.4	281.1	94.5	5 347.1	80%	450.5	64%	124.5	100%
NGO	11.9	0.0	0.0	18.3	0.5	0.0	30.2	0%	0.5	0%	0.0	0%
Private Sector	0.0	0.0	0.0	7.2	7.2	0.0	7.2	0%	7.2	1%	0.0	0%
To be determined	61.2	37.8	0.0	120.3	80.3	0.3	181.5	3%	118.1	17%	0.3	0%
Total external cofinancing	4 251.5	221.8	30.0	2 438.8	480.1	94.9	6 690.3	100%	698.5	100%	124.9	100%
<i>Domestic resources a/</i>	<i>3 731.9</i>	<i>151.7</i>	<i>10.0</i>	<i>4 364.2</i>	<i>788.0</i>	<i>174.1</i>	<i>8 096.1</i>		<i>939.7</i>		<i>184.1</i>	

a/ Includes projects without external co-financing

35. Cofinancing performance has always been subject to strong cyclical movements, for instance, the exceptionally high level of cofinancing by bilateral donors in 2002 (USD 51 million) was thrice the amount of the year before. Regional divisions, however, are making continuous efforts to mobilize cofinancing resources and several projects now in the pipeline are expected to be cofinanced with bilateral donors. With many bilateral donors there are, moreover, parallel sector/project-specific activities where the external resources of each donor, though dedicated to the same purpose, flow independently of IFAD's and, hence, are not included in the conventional definition of cofinancing. For example, in the **Rural Poverty Reduction Project in Prey Veng and Svay Rieng in Cambodia** approved by the Executive Board in December 2003, IFAD is closely collaborating with the Department for International Development (United Kingdom), the Swedish International Development Cooperation Agency and UNDP under the umbrella of the Partnership for Local Governance.

36. It should also be noted however that cofinancing performance has been affected, in the medium-term, by the withdrawal of certain bilateral donors from countries that are no longer their priority. Another factor is that IFAD projects, with their rural poor target group, may not attract external donors due to their socio-economic complexities and overhead costs. Limited IFAD field presence has likewise constrained efforts to mobilize resources of bilateral donors as many of them now operate on a decentralized system of decision-making for country assistance. As regards IFAD-initiated projects in 2003, for each dollar of IFAD financing, 56 cents were nevertheless mobilized from external resources, only slightly below the historical average of 60 cents. Although it has proved to be a staff-intensive exercise, IFAD has been pursuing cofinancing as part of its partnership-building strategy for replication and scaling up of innovative approaches in its project portfolio.

37. Historically, the World Bank remains the largest cofinancier with IFAD, with a 53% share among multilateral cofinanciers. This is followed by 10% by the Asian Development Bank (AsDB), 7.6% by the Inter-American Development Bank, 6.5% by the African Development Bank, and 5.7% by the Arab Fund for Economic and Social Development. Although the corresponding share for the World Food Programme (WFP) has only been 3.5%, the quality and impact of their cofinancing in Asian countries and in Yemen have been quite significant. IFAD has been collaborating with numerous sources of bilateral cofinancing; the top ten, in order, were Germany, United Kingdom, France, The Netherlands, Belgium, United States, Japan, Sweden, Kuwait and Saudi Arabia. Their combined share amounted to 68% of total bilateral financing.

IV. COOPERATING INSTITUTIONS FOR PROJECT SUPERVISION

38. The ongoing portfolio of 194 projects is being administered by nine cooperating institutions (CIs) and IFAD. As shown in Table 9, UNOPS is responsible for the supervision of 57% of the portfolio, followed by the World Bank with 12% and IFAD 7%.

**Table 9. Distribution of the Loan Portfolio by Cooperating Institution
Year-End 2003**

Cooperating Institution*	No. of projects	% of total	IFAD USD million	% of total
AfDB	3	1.5	24.0	0.9
AFESD	9	4.6	124.0	4.5
AsDB	4	2.1	60.3	2.2
BCIE ^a	3	1.5	41.5	1.5
BOAD ^a	10	5.2	116.2	4.2
CAF ^a	13	6.7	182.0	6.6
CDB ^a	4	2.1	19.6	0.7
IFAD	14	7.2	223.7	8.2
UNOPS	111	57.2	1 611.0	58.8
World Bank	23	11.9	338.6	12.4
Total	194	100.0	2 741.0	100.0

^a Central American Bank for Economic Integration (BCIE), West African Development Bank (BOAD), Andean Development Corporation (CAF), Caribbean Development Bank (CDB).

39. The share of UNOPS in the projects approved during 2003 was 76% compared with 72% the previous year. Based on a survey of CPMs, the Evaluation of Supervision Modalities in IFAD-Supported Projects (EC 2003/35/W.P.2, paragraph 27) found that many CPMs believe that diversification of CIs has value and that IFAD needs to develop local capacity for supervision and implementation support and use various forms of field presence.

40. Annually the overall performance of the CI for each ongoing project is assessed and rated by CPMs. The assessment is based on a number of key indicators such as frequency and quality of supervision, timeliness of approvals, loan administration and compliance with the letter of appointment. Overall CI performance for the entire portfolio is reported as satisfactory. With some variation among regional divisions, CIs with a larger share in the portfolio – UNOPS and the World Bank – have been rated more favourably than the smaller ones. With respect to all CIs, there is a general recognition of satisfactory performance on loan administration.

41. Having accumulated first-hand experience through direct supervision, IFAD is now better equipped than before to appreciate the intricacies of supervision work and pass more informed judgment on the work of its CIs. CPMs and regional divisions have expressed concern about certain technical aspects relating to supervision of some projects and even the entire portfolio in a few countries administered by a single CI. Observations on technical issues are not necessarily confined to smaller CIs and include duration and frequency of supervision missions, composition and mix of expertise of missions and insufficient attention to the participation of local partners in supervision work. The present practice by many CIs of launching one supervision mission per year is deemed inadequate, particularly when projects are in the early stages of implementation.

42. Understandably, those CIs that are also financial institutions are governed by their respective mandates and operational procedures. As a result, the mix of expertise of their supervision missions may not, in all cases, correspond to the specific issues of concern to IFAD. Even a non-financial

service provider, such as UNOPS, is limited in recruiting certain expertise or increasing the frequency of supervision missions under the terms of its existing financial agreement with IFAD. Such technical deficiencies have been compensated for by IFAD's participation in supervision and sponsoring of well-focused backstopping missions. Invariably CPMs get involved in the early supervision work to ensure that essential elements of project design are well understood by all stakeholders.

43. OE's review of supervision modalities (see paragraph 39) has revealed interesting results on the cost-quality relationship. Analysis of supervision effectiveness and supervision costs indicates that on the whole, the best performing supervisors (CI or IFAD) are those with the higher cost. This is an indication that IFAD is obtaining proportional benefits from its resource allocation to supervision. There is, however, much scope for further enhancing supervision quality (EC 2003/35/W.P.2, paragraphs 39, 43 and 47).

44. Regular meetings continued in 2003 between IFAD and the CIs for the resolution of operational issues, coordination of supervision missions, briefing of CIs on IFAD's emerging policy direction (e.g. Gender Action Plan) and other points of concern. Such meetings take place at the field level, joint retreats at the regional level and alternate visits to headquarters. As much as possible, concerned CIs participated in loan negotiations and even appraisal missions, to become familiar with the main parameters of new projects. The recurring theme with CIs over the past few years has been the role of the CI in monitoring and reporting on project impact. Deliberations over this issue have continued within the context of an unchanged fee level and the concern of major CIs over additional workload.

V. PROJECTS DIRECTLY SUPERVISED BY IFAD⁸

45. Direct supervision has enabled IFAD to acquire hands-on experience with the complex issues of project implementation. CPMs involved in direct supervision have not only acquired knowledge of the directly supervised projects but have gained a much broader appreciation of the entire portfolio of IFAD-assisted projects in the country. This has provided a better understanding of the inter-relationships between the principal agricultural/rural development subsectors and their relative priorities in the national context, leading to the identification of common grounds for policy dialogue with the decision-makers.

46. Since CPMs are fully familiar with the major thrusts and detailed design of their projects, and also with the policy concerns of IFAD, they are more at ease (than their counterparts in CIs) in fine-tuning design during project implementation. For this reason, the directly supervised projects enjoy a more timely response to the emerging technical and institutional challenges. During project implementation some of the seemingly mundane issues can create disorder if not quickly dealt with. Direct supervision has allowed CPMs to receive early warning on emerging issues and even devise risk management approaches rather than having to apply crisis management techniques later. On the whole, the first few years of implementing this pilot scheme have provided valuable lessons of experience and CPMs have indicated the need for more training on specific skills on social topics. At the same time, the portfolio review of 2003 reconfirmed the growing tension between the allocation of staff time and financial resources among directly supervised projects, and the fulfilment of other responsibilities of CPMs, regional divisions and the Programme Management Department.

47. IFAD's Office of Evaluation will conduct the mid-term evaluation of the direct supervision programme in 2004. However, the report Evaluation of Supervision Modalities in IFAD-Supported Projects prepared by OE in 2003 also contained some interesting findings concerning the directly supervised projects. On future supervision modalities, the study notes that two thirds (65%) of IFAD staff view direct supervision as the preferred option. The figure for the group of CPMs that currently

⁸ Please see Annex V for project-related details.

directly supervise the pilot projects was as high as 80%. The CPMs undertaking direct supervision were very conscious of the additional workload arising from direct supervision and the difficulties encountered in mobilizing the required resources, yet most of them are professionally satisfied and stimulated by direct supervision. They believe in its merits for achieving better quality supervision and eventually better results on the ground (see EC 2003/35/W.P.2, paragraph 29).

48. The evaluation report points out that, from the perspective of project managers, IFAD direct supervision appears most appreciated because of:

- the direct involvement of the CPMs and thus the elimination of the ambiguity in the respective roles of IFAD and CI;
- more effective consultations with government and greater influence on decision-makers;
- a generally faster response to project queries; and
- the larger teams and more frequent supervision missions used under IFAD direct supervision that appear to have given better services to the projects concerned (Ibid, paragraph 21).

VI. FLEXIBLE LENDING MECHANISM

49. Trends towards decentralized public administration in the mid-1990s necessitated the need for strong capacity-building investments requiring a longer-term commitment than the average project duration. In response, the Executive Board approved the flexible lending mechanism (FLM) in 1998, particularly for the financing of capacity and institution-building projects with a strong participatory dimension. Generally speaking, FLM projects embody the following characteristics:

- a continuing and evolving design process;
- a longer, phased loan period; and
- specification of clearly defined preconditions or ‘triggers’ for proceeding to the subsequent implementation phase.

50. As of end 2003, 20 loans had been approved under FLM: seven in Asia and the Pacific, five in Africa I, three each in Africa II and LAC, and two in NENA. However by transforming the status of the **Second Eastern Zone Agricultural Programme in Bhutan** at the Seventy-Ninth Session of IFAD’s Executive Board (EB 2003/79/R.23), the total number of FLM projects in the portfolio was reduced to 19. IFAD examined the status of ongoing FLM projects in 2002 and reported the results to the Executive Board in September of the same year (EB 2002/75/R.26 and EB 2002/76/R.8/Rev.1).

51. In 2003, two FLM projects approached the completion of their first phase and were reviewed by the respective regional divisions. The first was the **Rural Poverty Alleviation Programme (PLPR) in Cape Verde** and the second, the **Umutara Community Resource and Infrastructure Development Project (UCRIDP) in Rwanda**.

52. After three years of implementation, the PLPR in Cape Verde has achieved significant results in terms of community mobilization and organization, inter alia: poor people (mostly women) have effectively been targeted; over 400 microprojects have been implemented; and five regional partnership commissions have been created and are now legally recognized. Partnerships have been established with other local actors for cofinancing and service provision, as well as with Portuguese NGOs and local development associations. Main challenges for Phase II include: consolidation of existing processes versus further geographic expansion; improving sustainability and quality of

microprojects; a shift towards a long-term development perspective in the choice of microprojects; and capacity-building of community associations and the regional partnership commissions.

53. Although the UCRIDP in Rwanda started some three years ago, activities have been delayed, including the preparation of work plans, technical fieldwork, and contracting and financial operations. The implementing partners of the project (also called service providers) are categorized into four groups coordinated by a small project coordination unit. Implementation problems are caused by: lack of proper understanding of the project due to the varying level of expertise and resources of the implementing partners; shortage of staff at the project coordination unit level; and the untimely departure of the project coordinator in early 2002. However, the Government took appropriate action in bringing in new management (January 2003) and shifting the ministry in charge from the Ministry of Finance to the Ministry of Local Government. These positive changes have already restored project implementation. The first IFAD/Government of Rwanda review mission to assess performance and the status of triggers has identified further areas for improvement and recommended: (i) implementation arrangements in line with the new decentralization policy of the Government; (ii) fine-tuning project components and creation of investment funds to finance local development plans; and (iii) decentralization of technical assistance to the provincial and district level and simplification of contracting procedures with implementing agencies. An information note will be provided to the Executive Board with respect to this project.

VII. TECHNICAL ASSISTANCE GRANTS

54. In 2003, the Executive Board approved a revised IFAD Policy on Grant Financing, following the decision of the Governing Council to raise the volume of grants to 10% of the programme of work. Under the policy, objectives (deriving from the Fund's strategic framework) and expected impacts, rather than grant-recipient and budget categories, will guide the allocation of IFAD's grant programme. Grant proposals may be country-specific or international/regional depending on the nature of the innovation and impact envisaged. Two **strategic objectives of the grant programme**, representing priority areas for IFAD's regular grant resources, are proposed:

- promoting pro-poor research on innovative approaches and technological options to enhance field-level impact; and
- building pro-poor capacities of partner institutions, including community-based organizations and NGOs.

The new policy will be effective in 2004.

55. In 2003, 70 TAGs amounting to USD 20.4 million were approved for grant-funded operations, bringing the total TAG financing of IFAD to USD 463.1 million over 25 years (Table 10).

Table 10. Summary of Technical Assistance Grants
(USD million)

	1978-2003				2003			
	No. of Grants	% of Total	Grant Amount	% of Total	No. of Grants	% of Total	Grant Amount	% of Total
Project component	40	2.3	32.4	7.0	0	0.0	0	0.0
Project preparation/Project Development Fund ^{a,b}	621	36.1	89.4	19.3	0	0.0	0	0.0
Agricultural research	216	12.6	172.5	37.3	10	14.3	10.0	49.5
Agricultural research CGIAR ^c	143	8.3	115.6	25.0	6	8.6	5.7	28.2
Agricultural research Non-CGIAR	73	4.2	56.9	12.3	4	5.7	4.3	21.3
Other research, training and other ^b	330	19.2	127.6	27.6	34	48.6	8.1	39.6
Special Operations Facility ^b	185	10.8	18.1	3.9	0	0.0	0	0.0
Preliminary development and testing phase ^b	52	3.0	4.2	0.9	0	0.0	0	0.0
IFAD/NGO ECP ^d	275	16.0	18.8	4.1	26	37.1	2.3	11.3
Total	1 719	100.0	463.1	100.0	70	100.0	20.4	100.0

^a The Project Development Fund was established in 1995 to cover the costs of project formulation. Prior to 1995, part of such costs was covered under the Preparation Grants Facility.

^b Since the establishment of the Programme Development Financing Facility (PDFF), these categories are no longer part of Regular Programme grants. The PDFF was established as separate from the programme of work and administrative budget of IFAD to finance expenditures required for the design and implementation of projects and programmes supported by loans and grants.

^c Consultative Group on International Agricultural Research.

^d IFAD/NGO Extended Cooperation Programme.

56. A total of USD 10.0 million was committed to the research category of grants: USD 5.7 million for research programmes through five CGIAR-supported research centres and USD 4.3 million to three other agricultural research centres (non-CGIAR-supported centres). The research TAGs are becoming more sharply clustered around downstream, community-participatory adaptation of rural innovation and the speeding up of pro-poor technology adoption by resource-poor farmers. Support continues to expand the capacities of National Agricultural Research Systems for adaptation and dissemination of pro-poor technology in many countries. (For the evaluation of agricultural research TAGs by OE, please see EC 2002/31/W.P.2.)

57. During the period under review, 17 TAGs in the portfolio were coordinated and supervised by the Technical Advisory Division, and the majority of the balance by the regional divisions of IFAD. Management of regional TAGs, complemented by supplementary funds from bilateral donors, continues to serve as a catalyst to enhance implementation and the results of IFAD's loan portfolio. Grant funding has been of prime importance, inter alia, to: (i) embark on innovative pilot activities; (ii) strengthen national and subregional/regional capacity for project implementation; (iii) enhance knowledge-generation and management processes in-house and with a broad range of stakeholders and development partners; and (iv) facilitate policy dialogue and partnership. Regional grants are tailored to respond to specific regional lending portfolio issues. All the grants demonstrate characteristics in support of the Strategic Framework 2002-2006 and of regional strategies. Annex II provides an account of how **regional non-lending activities are directed in support of the loan portfolio.**

VIII. GENDER PLAN OF ACTION 2003-2006 – IMPLEMENTATION PROGRESS

58. **Background.** The Plan of Action 2003-2006 for Mainstreaming a Gender Perspective in IFAD's Operations was approved by the Executive Board in April 2003. It provides a common framework for the implementation of region-specific strategies, and serves as an instrument to ensure that gender issues are an integral part of all aspects of IFAD's work. The Plan of Action (PoA) lists 25 actions with precise time-bound indicators, in three action-areas: (i) impact achievement in the project cycle; (ii) IFAD as a catalyst: policy and partnerships; learning and innovation; and (iii) accountability and monitoring.

59. **Strategic focus.** Across regions, implementation of ongoing projects and design of new investments have reflected IFAD's three-pronged approach to gender equality and women's empowerment, namely: increasing women's access to and control over fundamental assets; strengthening women's agency and decision-making in community affairs and representation in local institutions; and improving their well-being and easing their workload. Implementation experience confirms that economic empowerment – through enterprise development for income-generation and microfinance – is the main entry-point for improving gender relations and decision-making capacity across the portfolio. Increasing women's decision-making role in community affairs and local institutions continues to be a challenge.

60. **Accountability and monitoring.** Major advances were made in this area during 2003 with gender mainstreaming, the inclusion of specific sections on gender equality and women's empowerment in the PSR format and the completion of the baseline survey (Action 22 of the PoA) (see Annex VI). With financing from an Italian grant, an assessment was undertaken to identify the need for incremental financing beyond IFAD's regular budget. It is recognized that while much can be done with existing resources, additional resources are needed to expand into new areas, and to enhance and accelerate implementation of the Gender PoA.

61. **Impact achievement in the project cycle.** With the introduction of the new format, 75% of PSRs in 2003 reported specifically on gender-differentiated participation in and benefits from project activities (against 31% in 2002). CPMs consider gender focus in implementation as generally "without significant problems". In identifying specific areas of relative strength and weakness, the 2003 PSRs confirm the pattern emerging from the baseline survey for the entire project cycle, from the COSOP to evaluation. While women's level of participation in project activities is high across the IFAD portfolio, improvements are needed in: women's role in project-level decision-making; gender-sensitive M&E; gender-focus in supervision; and policy dialogue. Critical factors of success in ensuring gender-sensitive implementation identified by the regional portfolio reports include:

- understanding and acceptance by government officials, availability of sex-disaggregated statistical data and ability of project staff to address gender issues (Central and Eastern Europe and the Newly Independent States (CEN));
- targeting of women without creating conflict with men (Uganda);
- acquiring gender expertise at the project management unit level during implementation to redress deficiencies (**Community-Initiated Agriculture and Resource Management Project in Belize** and **Management of Natural Resources in the Southern Highlands Project in Peru**);
- adopting affirmative action measures where needed (**Economic Development of Poor Rural Communities Project in Chile**);
- adoption of a gradual approach in culturally sensitive contexts (northern areas of Pakistan and some NENA countries); and
- deployment of female field staff, effective partnerships and the project management unit understanding of gender issues (NENA).

62. The role of women has proved to be critical in peace-building and economic reconstruction programmes implemented in post-conflict situations (e.g. El Salvador and Rwanda). Regional divisions with grant-financed gender programmes (specifically in NENA, CEN, LAC, and Africa I) are providing capacity-building and technical assistance, identifying pre-implementation and early start-up as critical phases for ensuring appropriate attention to gender issues in implementation.

63. **IFAD as a catalyst: policy and partnerships.** Partnerships are key to catalysing efforts towards gender equality and women's empowerment. Despite limitations in staff and financial resources, IFAD has continued to advocate on gender issues in global fora. The round table on Women as Agents of Change organized in the context of IFAD's Twenty-Fifth Anniversary celebrations, was attended by a broad cross-section of country delegates, multi and bilateral organizations and NGOs, who endorsed IFAD's approach and highlighted the importance of promoting cultural change at all levels. An IFAD statement was presented at the event hosted by the United Nations Development Fund for Women (UNIFEM) at the Economic and Social Council (ECOSOC) Preparatory Meeting on 30 April 2003. In June 2003, a discussion note on Securing Women's Access to Land was submitted at the side event organized by the International Land Coalition (ILC) in the context of the ECOSOC High-Level Segment on Promoting an Integrated Approach to Rural Development. A Memorandum of Understanding has been signed with UNIFEM-Africa specifically focusing on the emergence of rural women's leadership. This addresses one of the weaknesses highlighted by the baseline survey and the regional portfolio reports, namely women's decision-making and political representation. Under a joint initiative by IFAD, the Food and Agriculture Organization of the United Nations and ILC, a study was undertaken on Article 14 (on women's access to land) of the Convention on the Elimination of All Forms of Discrimination Against Women, providing a useful tool for advocacy on women's rights. Other country-specific partnerships include: an agreement with the United Nations Committee for Development Policy to provide support to women's enterprise development in Rwanda; a partnership agreement with the Cooperative Agricultural Credit Bank in Syria; and an agreement with the Ministry of Agriculture in Bosnia and Herzegovina to conduct a gender study that would present a picture of the status of gender equality in rural areas of the country as a basis for strategy development.

64. **Learning and innovation.** The Gender PoA establishes that IFAD should "expand its capacities to capture and share knowledge on gender and development". IFAD's gender website has been restructured and updated with new contributions and represents a major instrument for dissemination of IFAD's learning from the field and its policy orientations. As a culmination of extensive work undertaken on the themes of learning and innovation in the context of the regional gender TAG, two thematic workshops were held in Latin America, one on women and microenterprise, and the other on gender and natural resource management. Based on an IFAD project in Nepal, an IFAD-financed study on gender issues 'Incorporating Gender into a Male Domain: A Strategy for Foresters?' was presented as an invited paper at the World Forestry Conference in September 2003. It provided an opportunity to share with a wider audience the importance of leasehold forestry for the poor, especially for the women farmers of poor communities. Findings from the study have since been used for in-country advocacy to extend leasehold forestry for poor women.

LIST OF PROJECT COMPLETION REPORTS RECEIVED IN 2003

Region	Country	Project ID	Project Name
PA	Central African Republic	290	Savannah Food Crops Rural Development Project
PA	Ghana	466	Rural Enterprises Project
PA	Sao Tome and Principe	340	National Smallholders Support Programme
PF	Burundi	463	Ruyigi Rural Resources Management Project
PF	Lesotho	468	Rural Finance and Enterprise Support Project
PF	Madagascar	1020	Second Environment Programme Support Project
PF	Mozambique	334	Nampula Artisanal Fisheries Project
PF	Swaziland	323	Smallholder Agricultural Development Project
PF	Tanzania	489	Mara Region Farmers' Initiative Project
PF	Zambia	430	Smallholder Irrigation and Water Use Programme
PI	India	325	Maharashtra Rural Credit Project
PI	India	349	Andhra Pradesh Participatory Tribal Development Project
PI	Korea, D.P.R.	487	Sericulture Development Project
PI	Nepal	250	Hills Leasehold Forestry and Forage Development Project
PI	Sri Lanka	283	Second Badulla Integrated Rural Development Project
PI	Viet Nam	1007	Agricultural Resources Conservation and Development Project in Quang Binh Province
PL	Brazil	344	Low-income Family Support Project in the Semi-arid Region of Sergipe State
PL	El Salvador	322	Rehabilitation and Development Project for War-torn Areas in the Department of Chalatenango
PN	Sudan	465	White Nile Agricultural Services Project
PN	Yemen	330	Tihama Environment Protection Project
Total			20 projects

REGIONAL NON-LENDING ACTIVITIES IN SUPPORT OF THE LOAN PORTFOLIO

A. Capacity-Building, Institutional Development and Policy Advocacy

1. Capacity-building is the lynchpin of all grant assistance across geographic regions. Support for the West Africa Farmers' Organization Network is intended to strengthen this apex organization to promote the empowerment of national farmers' organizations in ten West African countries. The Network's purpose is to foster sustainable, small farming systems and to encourage policy dialogue at the national and regional level. In a similar vein, assistance to the New Partnership for Africa's Development process focuses on increasing regional consultation, smallholder advocacy, and favouring the input of civil society at the national and regional level. Three regional consultations have been financed by the Italian supplementary fund for infrastructure-building and communications.

2. Since mid-2002, the Africa II Division has been making a concerted effort to engage more proactively in the PRSP process in the countries of the region. The objective of such involvement is to ensure that both documentation and the implementation approach for the PRSPs (i) adequately focus on issues of rural poverty reduction, and (ii) advocate appropriate policies, strategies and activities in support of rural poverty reduction. With supplementary funding from the Governments of Italy and The Netherlands, complemented with IFAD's regular budget, a programme officer was recruited and a series of activities has been underway in three distinct areas: (i) an in-depth desk review of PRSP processes and content in the countries of the region; (ii) country programmes in a limited number of priority countries (Madagascar, Mozambique, Rwanda and Tanzania); and (iii) international policy advocacy: engaging in policy dialogue relative to PRSP with the international community.

3. The goal of the Programme for Improving Income Generation for Forest Communities through IFAD's loan portfolio in the Asia and the Pacific region is to promote more resilient livelihoods for poor and socially disadvantaged women and ethnic minorities dependent on forest resources in Asia. The programme's core activity is to promote participatory action research with national partners and local communities. It will explore how stronger local social organizations and coalition-building can enhance income opportunities and assets for the poor in rural areas. The programme will concentrate its activities in up to six countries in Asia: China, India, Indonesia, Nepal, The Philippines and Viet Nam.

4. Encouraged by its first phase achievements, the LAC region supported the second phase of the Institutional and Policy Support Programme to Reduce Rural Poverty in the Southern Cone Common Market Countries in 2003. The programme's second phase will have four main objectives, to: (i) consolidate the regional coordination unit as a policy dialogue forum and identify economic opportunities for the smallholder sector; (ii) strengthen partnership with the main international donor organizations; (iii) promote convergence among economic, commercial and agricultural sector policies; and (iv) continue to support IFAD-assisted projects by developing trade and market opportunities.

B. Technology Development and Dissemination

5. The multidisciplinary approach to rural development has also influenced the blueprints for regional research activities. The regional agricultural research strategy of the Africa I Division is being revised, taking into account the need for a participatory approach to research and extension. Two new TAGs of USD 1 million each were approved for agricultural research and training to CGIAR-supported international centres, as follows: (i) the International Institute of Tropical Agriculture for participatory technology development, and diffusion and adoption of cowpea for poverty reduction in West Africa; and (ii) the West Africa Rice Development Association for participatory adoption and diffusion of technologies in rice-based systems. Both of these grants are follow-up programmes to successful first phases. The former is designed to continue support to the

loan portfolio in Burkina Faso, Mali and Niger and the latter in Côte d'Ivoire, Guinea, Ghana and The Gambia.

6. The IFAD-financed and FAO-implemented, farmer-field school TAG programme played an important role in developing a region-specific model of FFS in Eastern Africa (Kenya, Tanzania and Uganda). Rather than focusing on Integrated Pest Management, the programme developed a more holistic approach known as the Integrated Production and Pest Management System and enabled the farmers to define their own learning priorities. The three host countries are increasingly interested in the farmer-field school approach, as an element within the framework of the national extension system. As a consequence, during the first part of 2003, Africa II worked with FAO and developed a follow-up TAG-financed programme. The new programme, which was approved by the Executive Board in September 2003, aims to enhance the livelihood of farmers in eastern and southern Africa through the replication of low-cost and broad-based models for farmer education and empowerment.

7. The TAG to the International Rice Research Institute to support research in flood-prone lands in south and south-eastern Asia is being implemented through participatory on-farm adaptive research. The programme is validating new rice technologies for increasing farmers' income in marginal agro-ecosystems. An implementation review workshop was held in Thailand in January 2003 and a final completion workshop is scheduled to take place in Viet Nam in 2004. In terms of results over the past year, a full spectrum of boro rice-growing technology, boro and deep-water rice integrated technology, and rice-cropping system technology has been tested and packaged for dissemination in India, Bangladesh and Viet Nam.

8. The main beneficiaries of the TAG-financed Programme for Enhancing Food Security in the Nile Valley and Red Sea Region approved by the Executive Board in April 2002 are resource-poor farming communities in Egypt, Ethiopia and The Sudan. The expected outputs of the programme include: improved cereal and food-legume cultivars that are high-yielding and drought-resistant; conserving soil moisture; assessment of new technologies; and enhancing the National Agricultural Research Systems' capacity through training of staff to sustain work after completion of the programme. Within the framework of the Government of Italy-IFAD partnership in south-eastern Europe, arrangements have been made for the establishment of a facility for farmers' access to markets in the Balkan area. The facility will initially finance activities in three countries in the south-eastern Balkans with active IFAD-financed investment projects: Albania, Bosnia and Herzegovina, and the Former Yugoslav Republic of Macedonia.

C. Networking and Knowledge-Sharing

9. The general objective is to help IFAD-funded projects/programmes become more effective in documenting and sharing lessons and experiences in rural development, particularly for the benefit of poor communities, primarily through electronic media. TAG-financed regional programmes for networking have improved the access of the rural poor to local knowledge, innovations, technologies and markets. They play a catalytic role in disseminating knowledge and lessons learned through local, national and other regional networks for possible replication, scaling-up and policy changes.

10. FIDAMERICA, the longest-standing programme of its kind in IFAD, started in the LAC region and has now reached its third phase of operation. It has been instrumental in providing low-cost access to high quality information for IFAD-assisted projects, rural organizations, the private sector, government entities and the donor community. Electronic Networking for Rural Asia/Pacific (ENRAP) – Phase II is now covering eight countries (China, India, Laos, Nepal, Pakistan, The Philippines, Sri Lanka and Viet Nam) in the Asia and the Pacific region. Phase I of FIDAFRIQUE was essentially involved with computer and telecommunication infrastructure-building for Western and Central Africa. Phase II of FIDAFRIQUE will continue to work on issues of connectivity and

regional capacity-building. Furthermore, it will venture into developing and disseminating thematic information on two broad areas – rural development and project management.

D. Gender Mainstreaming

11. Resources provided by some trust funds complemented IFAD's TAG resources from its regular budget to launch studies, provide backstopping support and organize workshops to deal more effectively with gender mainstreaming. The objectives of these programmes have been to strengthen the initiatives undertaken by IFAD-assisted projects, transform gender relations in project areas, provide opportunities for more equitable access to project resources, develop gender analysis methodologies, establish policy dialogue on gender-related issues and draw lessons from project experience.

12. In collaboration with FAO's Socio-Economic and Gender Analysis Programme and assisted by a Norwegian supplementary fund, Africa I organized a training workshop in Senegal in May 2003 to train project staff from Cape Verde, Guinea and Senegal on gender mainstreaming. Supported by supplementary funds from Japan and The Netherlands, and also by contributions from the United Nations Development Fund for Women, gender impact assessments have been carried out in five projects, one each in Bangladesh, Cambodia, China, Indonesia and Viet Nam. The TAG-financed Regional Programme to Consolidate Gender-Mainstreaming Strategies in IFAD-Financed Projects of Latin America and the Caribbean (PROGENDER) focuses on training, publications and providing support for project design and implementation. It also provides technical assistance to project staff, consultants and the staff of CIs on the application of tools and methodologies for analysis of gender-related topics.

13. In addition to benefiting from TAG resources, the Gender-Mainstreaming Programme in the NENA region has also been supported by the Italian and Japanese trust funds. The programme identifies, in collaboration with individual projects, key activities that aim to strengthen project outreach and impact on rural women. Such activities encompass: the development of a gender-training curriculum for field officers and community members; recruitment of additional women field officers; diversification of extension topics and delivery methods; strengthening of women's community organizations by providing them with start-up grants; and introduction of social and economic measures to enhance the access of poor women to public utilities such as potable water and education. With support from a supplementary fund from Germany a parallel gender-mainstreaming programme has been developed for the CEN subregion of NENA.

E. Rural Finance

14. Support to the African Rural and Agricultural Credit Association (AFRACA) is directly linked to IFAD's operational strategy. The Strategic Framework 2002-2006 and the regional strategies of the two Africa regions identify increased access to financial services as one of the cornerstones in the economic empowerment of the rural poor. AFRACA is in a unique position to act as a development partner for IFAD in rural finance issues in sub-Saharan Africa. Covering central banks, commercial banks, cooperatives, development banks and microfinance institutions, AFRACA's membership provides a valuable instrument to develop the whole rural finance system in African countries. Its various fora provide opportunities for different types of institutions to interact and learn from each other.

15. AFRACA has made significant progress in achieving the targets set under IFAD's TAG assistance. Its focus on clearly defined research themes, which are then debated in subregional and regional workshops, with findings published in AFRACA's publications, has improved its ability to introduce innovative financial practices and products among its member organizations. A comprehensive capacity-building programme has been implemented involving workshops, training

seminars and exchange visits among member organizations. Special workshops have been held to focus on the provision of financial services to rural women. A Microfinance Forum has been established to work on particular issues of microfinance service provision.

16. The Regional Capacity-Building Programme on Microcredit Systems serves the LAC region and is being executed by the Foundation for International Community Assistance. Lessons learned are transmitted to IFAD-assisted projects through FIDAMERICA (see paragraph 10), under the programme, A Learning Partnership on Rural Microfinance.

F. HIV/AIDS

17. Pre-project activities under the German trust fund-financed Programme to Mitigate the Impact of HIV/AIDS on Rural Populations in Eastern and Southern Africa were initiated in Mozambique and Tanzania. Working with ongoing IFAD-assisted projects, the objective of the pre-project is to engage in participatory dialogue with rural communities and households in order to understand factors that make them vulnerable to HIV, and to identify and develop a limited number of HIV/AIDS prevention and mitigation activities. In Western and Central Africa, efforts are being made to develop partnerships with health-focused donors and specialized NGOs. The comparative advantage of IFAD-funded projects in contributing to HIV mitigation lies in their extensive outreach in rural communities, which could render the projects efficient platforms to combat the epidemic.

PROJECTS DIRECTLY SUPERVISED BY IFAD

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

Notes:

HC = highly concessional

I = intermediate

O = ordinary

MAIN THEMES OF PROJECT COMPLETION REPORTS

A. Food Security

1. Improvements in food security have been recorded in terms of: (i) positive changes in household food security, (ii) improvements in farming technology and cultivation practices, (iii) improvements in agricultural production through expanding the production area, yield increases and changes in the production mix and (iv) increased income derived from on and off-farm sources.

2. In **India**, tribal communities remain the most disadvantaged section of society in terms of poverty, illiteracy, malnutrition, health status, and access to social and technical services. The objectives pursued by the **Andhra Pradesh Participatory Tribal Development Project** were to provide food security and maintain ecological balance. Significant increases in tribal incomes are recorded (50%) derived from a combination of: cropping intensity, yield increase, improvements in livestock and forestry production, and off-farm income. This was accompanied by a shift from subsistence to market-oriented agriculture. The community-based participatory approach of the project is reported to have suffered due to lack of sufficient resources for sensitization and training of local staff.

3. Similarly, the food security focus of the **Mara Region Farmers' Initiative Project** targeted one of the poorest regions in **Tanzania**. The crop development and diversification component of the project increased the area under cultivation using high-yielding varieties and appropriate practices in food production. As a result, average food production per household increased from eight tonnes before the project to 17 at completion. The proportion of food self-sufficient households grew from 34% to 50% and those households depending on food aid have decreased from 17% to 7%. Through various project support activities, coffee is emerging as a widely adopted cash crop in three out of four administrative districts of the Mara region. Moreover, Mara is showing the potential to become a major rice-growing region. A satisfactory level of performance has been achieved in all project components except for input supply. Finding appropriate subcontractors to act as distribution outlets and for recovering sales proceeds from existing subcontractors has proved difficult.

4. Most beneficiaries of the **Second Badulla Integrated Rural Development Project** in **Sri Lanka** have improved their income, food security and the quality of their land-based assets. These gains have arisen from agricultural intensification through irrigation and adoption of improved farming production techniques, particularly soil and water conservation. An impact evaluation study revealed that the incomes of beneficiaries have increased by 27% in real terms. It also showed that beneficiaries have improved their asset base, including housing, sanitary facilities, drinking water, household goods, farm implements and savings. The goal of developing a participatory bottom-up development planning and implementation system, in which the poor play a key role, was achieved to a limited extent.

5. The **Upper Mandrare Basin Development Project** in **Madagascar** pursued the following main objectives: to contribute to attaining national self-sufficiency in rice; to increase rice production through rehabilitation of irrigation schemes and an increase in irrigated area; to raise food exports from the project area to food deficit areas; and to increase the incomes of the target populations. It succeeded in reaching, if not surpassing, its targets, inter alia by rehabilitating 3 000 hectares (ha) of irrigation schemes, improving yields and opening up the project area to outside markets through the rehabilitation of roads and tracks.

6. The **Savannah Food Crops Rural Development Project** in **Central African Republic**, although working under difficult conditions due to recurring suspensions and internal unrest, was able to contribute significantly to food security, not only in the project area but also to that of the capital, Bangui. In addition to production of traditional crops, the project supported processing and marketing,

and promoted the introduction of high-value food crops such as onions and red beans. It helped increase food security both directly through greater availability of produce and indirectly, by bringing about increases in the incomes of the target group, including rural women.

7. In **The Sudan**, out of the 30 irrigation schemes, 24 dealt with rehabilitation in the **White Nile Agricultural Services Project**, covering 8 500 tenants. The benefit stream resulted from a substantial increase in the cultivated area and from the adoption of improved production packages. Yields of sorghum increased from four to eight sacks per feddan. New crops such as irrigated sesame, maize and quar were introduced in the production area. However, the project faced the obstacle of inadequate provision for marketing facilities. The credit component strengthened the operating capacity of the financial institutions in the project area and facilitated access of the poorer groups to institutional financial resources. The objective of creating a tenant-financed extension scheme was not achieved since central Government felt it was too early a stage to implement privatization of the pump scheme.

B. Capacity-Building

8. The completed projects have been particularly successful in capacity-building, especially of those organizations involved in development activities, helping them to enhance structural ability and skills to support the poor and their organizations. Important in this regard has been supporting the decentralization of central bodies involved in rural development to the local level. This process has been supported by strengthening organizations of the poor and by local-level public planning and development of implementation capacity.

9. Physical achievements of the **Smallholder Irrigation and Water Use Programme in Zambia** fell very short of its targets. However, the programme has had a major impact on the capacity-building of the irrigation engineering services (IES) of the Ministry of Agriculture and Cooperatives. The human capacity built within IES, along with various surveys and studies completed by the programme are being used as a springboard for future irrigation development. Other donors have already used the design and surveys for implementation. The Government is benefiting from the lessons learned from this IFAD-assisted operation to develop a national irrigation strategy.

10. By contrast the **Maharashtra Rural Credit Project in India** succeeded in a more even implementation of all its components. The project has substantially achieved its central purpose (output) of improving rural financial services for the poor. The project's impact on the banking system has been twofold: (i) building capacity within the banking system and (ii) improving profitability of branches by externalizing transaction costs. Self-help groups promoted under this project, besides being participatory democratic institutions, have been instrumental in providing rural women with a voice and space in their own communities and households. The experience of this project can also have positive effects on the implementation of other credit-based poverty eradication schemes, the most important being *Swarmajayanti Gram Swarozgar Yojana* (the national poverty reduction scheme for self-employment).

11. Working in a problematic environment, the **Ruyigi Rural Resources Management Project in Burundi** nevertheless succeeded in achieving significant impact in strengthening the capacities both of the provincial public services and the target group, by providing logistics support and training. It also initiated the creation of participatory structures at various levels, including users' associations and women leaders and supported them through participatory workshops, sensitization campaigns and study trips.

12. The **Upper Mandrare Basin Development Project in Madagascar** was based on a highly participatory approach, which involved the target populations and strengthened their capacities. It succeeded in promoting the establishment of nearly 250 beneficiaries' associations, organizing

functional literacy courses and providing resources through a village development fund. In line with the recognized long-term nature of capacity-building initiatives, the activities launched during the first phase of the project will need to be continued and consolidated during the second phase.

13. The outsourcing of support services was practised by the **Rehabilitation and Development Project for War-torn Areas in the Department of Chalatenango in El Salvador**. The project was executed by contracted NGOs and government organizations, and made a significant contribution by building a market for rural development services. Since 1997 all newly IFAD-funded projects in El Salvador have adopted and improved upon the outsourcing approach pioneered by this project. At completion five NGOs were working in rural development, providing technical assistance. The network of improved farms, orchards and demonstration plots is being used to promote technology development through community leaders trained by the project. The credit component of the project, however, was less than successful. The PCR recommended the need to consider the role of remittances in financing the investment of the rural poor.

C. Environmental Protection

14. Natural resource and environmental management has a key role to play in IFAD's poverty reduction strategy. Since the rural poor (including farmers, artisanal fishermen, the landless and pastoralists) depend on the environment for their water, food and livestock, there is a close link between environmental degradation and rural poverty. Unless environmental degradation is reversed and the constraints on the sustainable use of natural resources overcome, attempts to reduce rural poverty may be jeopardized and the potential sustainability of rural development projects undermined. All IFAD-assisted projects are carefully screened for environmental soundness during the design stage.

15. Women actively participated in environmental protection under the **Agricultural Resources Conservation and Development Project in Quang Binh Province in Viet Nam** by producing seedlings and planting in accordance with an agreed timetable and technology. Although the forestation activity of the project is complete, some households have continued to plant trees around their houses and along the streams to avoid sand-slide. Sand dune fixation has positively influenced the ecological balance in sandy areas. Results of the research of the M&E staff show that, in relation to previous years, underground watersheds have become more abundant and run all year round. Casuarina forests funded by the project have formed shelters against sand invasion and have reduced instances of sand encroachment into paddy fields. Despite decentralization efforts by the project, more work is required to: (i) encourage women to participate in community organizations and decision-making; and (ii) recognize village development boards as legal entities.

16. The **National Smallholders Support Programme in Sao Tome and Principe** registered a positive environmental impact thanks to two activities: the replanting of trees, initially cocoa trees and then, in the second phase, also coffee, palm and fruit trees; and diversification towards biological cocoa production, which further reduced the use of chemical and toxic inputs.

17. The impact on rural poverty of the **Hills Leasehold Forestry and Forage Development Project in Nepal** was uneven, depending principally on three interconnected factors: the productive potential of the leasehold sites, the location of the site in terms of markets and communications, and the degree of dynamism and collaboration within the beneficiary groups. The measurable impact was greatest in well-watered lowland sites close to markets and least in high altitude sites with steep slopes and scarcity of groundwater. On average, leasehold members (mainly women) save 2.5 hours a day from collection of forage and fuelwood and they spend this time on family affairs and income-generating activities. As the concept of leasehold forestry as a means of poverty reduction is now well established among the line agencies, this project could serve as a pilot scheme for leasehold forestry in new districts. Delivery of services to remote areas, however, remains a challenge for speedy

expansion since service centres of the line agencies are located in rural market centres at lower altitudes while leasehold groups are to be found in the remote hills, far from service centres.

18. Prior to the start-up of the **Nampula Artisanal Fisheries Project in Mozambique**, little was known about artisanal resources outside Maputo Bay. At completion, and with the contribution of the Norwegian Agency for Development Cooperation for institutional support, a large amount of data was gathered for the project areas and beyond. The information system thus established is being used in the formulation of the fisheries policy and strategy. Concrete examples include stipulation of minimum mesh size for beach seines, preparation of documents in support of a three-mile exclusion zone to benefit artisanal fishermen, and the support of the Administrative Commission for Fisheries for continued exemption of artisanal fisheries from the annual shrimp closed season. Improvement of input markets did not, however, receive early attention during project implementation and delays were experienced in timely analysis and dissemination of information on output markets.

19. Although the **Rural Enterprises Project in Ghana** was designed to reduce poverty through generating self and wage-employment, it nevertheless has also recorded some environmentally friendly practices. It has helped establish lateral links with forest products through the use of sawdust (a by-product of the wood-processing industry) as a major raw material for mushroom cultivation. The project has boosted the promotion of sawdust stoves in agro-processing units in the project area. Such units would have otherwise used wood or charcoal.

D. Access to Markets

20. Difficult market access restricts opportunities for income-generation. Remoteness, a characteristic of many IFAD-assisted projects, undermines the ability of producers to buy their inputs and sell their crops; it results in high transportation costs and high transaction costs for both buyers and sellers. The rural poor are also often constrained by their lack of information of the markets, their limited business and negotiating skills and their lack of organization so that they have less bargaining power vis-à-vis larger and stronger intermediaries.

21. The **Rural Enterprises Project in Ghana** has organized two rural exhibitions and trade shows to enable project clients to find market outlets and to encourage exchange of ideas and networking among entrepreneurs and the concerned institutions. About 127 project clients (of whom 72% were women) participated in these marketing-related events. The road rehabilitation component has also helped by opening up small market centres in rural areas. Farm-to-market roads have also been instrumental in facilitating market access in the **Mara Region Farmers' Initiative Project in Tanzania**. In the region's midland villages, improvements in the rural road network combined with output from the livestock and water resources components, have stimulated the milk trade of both small vendors and agents representing large milk-processing plants. In lowland villages, the road component has encouraged a large number of traders to engage in the fish trade.

22. The **Savannah Food Crops Rural Development Project in Central African Republic** included a specific marketing component covering support to processing and distribution, and the strengthening of the capacities of marketing groups. It trained commercial delegates who undertook market research, supported the activities of the marketing groups and provided price and other market information to the producers. Diversification through food-processing was of particular benefit to women, who produced a variety of goods based on cassava and local fruits. The organization of exhibitions and trade fairs further enhanced market access for small producers. In Sao Tome and Principe, the National Smallholders Support Programme supported marketing of both inputs and produce, promoted diversification and established processing facilities for biological cocoa.

23. Diversification into high value crops in the **Second Badulla Integrated Rural Development Project in Sri Lanka** was facilitated by the presence and use of the organized national body, the Tea

Smallholding Development Authority (TSHDA). TSHDA is responsible for introducing tea into the smallholder farming system, and for the provision of a sound technical approach, facilitation of access to the market and integration into existing growers' associations.

E. Sustainability

24. The completed projects have had certain design features built-in to boost sustainability once IFAD financing comes to an end. These include, inter alia, and in varying combinations: using the existing institutional set-up for project implementation, promoting participatory structures and a sense of project ownership by national stakeholders, providing training and institutional strengthening, making provisions for material/cash contributions by the beneficiaries at the construction phase and encouraging arrangements for cost-sharing for certain project services. Invariably MTRs are judged to have been very helpful in adjusting project design by scaling down non-performing components in order to increase the chances of continuity of promising activities.

25. The majority of PCRs have complied with the PCR format by discussing issues related to the sustainability of the completed projects. Over the years, this requirement seems to have set in motion an encouraging trend in the level of awareness of the importance of the topic itself. Although different project implementers perceive sustainability in various ways, there are common grounds that can reinforce dialogue between IFAD and its development partners on this issue.

26. The most common theme is the intention to continue the more important project activities after completion of IFAD financing. The majority of PCRs favoured more reliance on the participatory institutional structures created and/or strengthened by the project as a means of sustaining the key undertakings. To do so there is a clear recognition that grass-roots institutions would require more time and training of both members and leaders alike. Adult functional literacy is emphasized as a prerequisite for certain training courses such as management. There are instances where continuity is taken to mean sustainability.

27. Apart from the common areas of emphasis mentioned above, the examples/evidence of sustainability in many PCRs are at best partial in that they only refer to selected activities. The report of the successfully implemented **Maharashtra Rural Credit Project in India** justifiably argues that the overall policy environment for post-project sustainability is especially conducive to the promotion of SHGs, while recognizing the need for certain institutional improvements at the village level to maintain the interest of the participating financial institutions. The **Second Badulla Integrated Rural Development Project in Sri Lanka** opens promising horizons for cash crops grown by the project beneficiaries, particularly tea-growing smallholders, on the grounds of the existence of an efficient marketing institution and the economic/financial viability of these enterprises.

28. **The Rehabilitation and Development Project for War-torn Areas in the Department of Chalatenango in El Salvador** has set an example and a methodology that enables NGOs to bid for and obtain contracts from government programmes as service providers. This example is expected to set in motion a shift from government to market-determined provision of support services. The **Sericulture Development Project in the Democratic People's Republic of Korea** has established and maintained a fertilizer/equipment revolving fund. Part of the revenue generated in foreign exchange by the project from increased sales is deposited into this fund to meet future demand for fertilizer. At the same time use of sericulture residue as manure is encouraged to decrease the use of fertilizer.

29. Farm-to-market roads in the **Mara Region Farmers' Initiative Project in Tanzania** will be maintained from road toll funds. Other key project activities requiring continued support have been incorporated and budgeted for in local government development plans. The inter-commune roads in the **Agricultural Resources Conservation and Development Project in Quang Binh Province in**

ANNEX IV

Viet Nam are organized according to administrative borders for the purposes of management and maintenance. While this strategy ensures sustainability of road maintenance, it has become a burden for localities with a low-density, scattered population.

30. Many other completed projects have indicated that government support is required for the maintenance of activities that comprise key technical services or fall under rural infrastructure. For projects with a credit component, the underlying concern is that the participating banks/credit distribution outlets should acquire more skills in loan appraisal and in monitoring the loan portfolio. Integration of savings with credit operation seems to have gained acceptance, in principle, as it is treated as a norm rather than an exception in the PCRs. In a few countries the operation and sustainability of the credit component have been jeopardized by the provision of grants by other donors to finance credit activities.

IMPLEMENTATION PROGRESS OF DIRECTLY SUPERVISED PROJECTS

1. All 15 loans approved for direct supervision were effective by January 2001. One of these projects, approved in 1997 (the **North-West Agricultural Services Project in Armenia**) is already completed, having disbursed 100% of its loan proceeds. Nearly all directly supervised projects receive intensive supervisory input and backstopping support. Direct supervision missions have generally been fielded more frequently (about twice yearly) and with a greater mix of expertise than those fielded by CIs. Most of these missions have been led or joined by the respective CPMs. As much as possible, mission members are invited to join the supervision of the same project. This ensures continuity of supervision work, facilitates the accumulation of institutional memory and increases capacity for a better analysis of progress and performance.

Project Implementation Progress

2. The **Microfinance and Marketing Project in Benin** has expanded the outreach of financial service access for the rural poor and women and has increased rural capabilities for the management of various economic activities. The main problem noted in the project has been the lack of progress in the feeder road component. The MTR of the **Rural Finance and Community Initiatives Project in The Gambia** has reported excellent progress towards achievement of physical targets. As recommended by the MTR, close collaboration continues between the project and the Microfinance Department of the Central Bank of The Gambia in classifying Village Savings and Credit Associations, based on their financial health. The impact assessment carried out as an input to the MTR points, however, to modest improvements in the food security and incomes of the target groups. Financed under the Flexible Lending Mechanism, the first phase of the **Sahelian Areas Development Fund Programme in Mali** was successful in setting up institutional arrangements at the national level and in the programme regions although delays were encountered in the implementation of rural finance activities. With amendments to the loan agreement, the second phase of the programme was approved in mid-2003 and involves a comprehensive approach to gender issues.

3. Overall performance of the **District Development Support Programme in Uganda** has been satisfactory. The programme is successfully addressing many of the priority needs of women, principally safe water supply, health and functional adult literacy. While progress in the provision of physical infrastructure and social facilities/services continues to be generally impressive, there is concern that productive and economic activities remain largely weak and unfocused. Even with the strong community participation in programme activities, the issue of sustainability remains a challenge, as more efforts are required for the maintenance and upkeep of programme facilities. Prompted by a history of difficulties in project operations, the design of the **Smallholder Enterprise and Marketing Programme in Zambia** opted for the innovative approach of outsourcing large elements of project implementation to contracted organizations/service providers. Following a protracted start-up, concrete proposals have been made to sharpen the focus of the programme on its original intentions, reorganize the components and change management structure as required to improve performance. The overall politico-economic situation in **Zimbabwe**, including its arrears situation, has considerably reduced the pace of implementation of the **Smallholder Irrigation Support Programme (SISP)**. Because of loan suspension by IFAD, SISP is operating at a minimal level by relying on government support on a modest scale. In spite of the very unfavourable environment, SISP management has succeeded in addressing most of the recommendations of supervision missions.

4. Almost 90% of the beneficiaries of the **Agricultural Diversification and Intensification Project in Bangladesh** are women, and the project has led to a significant improvement in the strategic position of women and in food security. The major problem in the project has been the credit line through the Agrani Bank. As a result, an amendment in the loan agreement was necessary following the MTR, to reduce the role of the Agrani Bank. In addition to being directly supervised,

the **Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas in Indonesia** is financed under the Flexible Lending Mechanism. Progress so far has been very encouraging particularly in social mobilization. Self-help groups have mobilized large amounts of savings and other resources and have initiated self-development, independent of programme support. The **Jharkhand-Chattisgarh Tribal Development Programme in India** experienced considerable delay in becoming effective. This was due to the creation of the new state of Chattisgarh, which was part of the programme area, and the ensuing administrative procedures needed to finalize the loan document. With the Department for International Development (United Kingdom) and WFP as partners, the project will invest heavily in the establishment and empowerment of community-level institutions through the recently introduced decentralized framework.

5. Early start-up of the **Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East in Brazil** was hampered by institutional uncertainties concerning project implementation. In consultation with IFAD, a new project director was appointed in March 2003 and subsequently staff posts were filled. The project is now fully operational in the five states. The gender specialist associated with the project management unit has already launched many initiatives including internal training and a significant campaign for documenting the situation of rural women in the project area. Preparation of well conceived annual work plans has been instrumental in the implementation and loan disbursement of the **South Western Region Small Farmers Project – Phase II in the Dominican Republic**. The project is strongly supporting the decentralization policy of the Office of National Planning. The **Development of the Puno-Cusco Corridor Project in Peru** was approved in December 1997 and became effective in October 2000. Due to changes of successive government cabinets, the project initially experienced severe implementation constraints. Through close follow-up by the outposted CPM, the professional profiles, terms of reference and selection criteria for project staff were agreed upon and recruitment was completed in 2001.

6. The **North Kordofan Rural Development Project in The Sudan** continues to perform well in areas related to community mobilization, community organization, women's participation and skill-training activities. However, additional efforts on the part of the project and the Agricultural Bank of Sudan are required to ensure appropriate outreach of financial services to poor women and men, better loan repayment rates and adequate mobilization of savings. Moreover, recent changes in the financial and administrative structure of local government are limiting community participation in local governance. Such issues will be addressed in the MTR of the project scheduled for early 2004. In **Gaza and the West Bank**, the **Participatory Natural Resource Management Programme** became effective in February 2000. IFAD supported the launching of the programme through the preparation of a comprehensive implementation manual, execution of a start-up workshop and the development of accounting procedures and an M&E system. The CPM participated actively in finalizing the subsidiary loan agreement with the participating commercial bank and in establishing a trust fund agreement with UNDP for day-to-day technical backstopping in procurement and other execution services. Despite all such preparatory work it was not possible to proceed further due to the difficult political situation prevailing in Gaza and the West Bank.

SYNTHESIS OF THE RESULTS OF THE BASELINE SURVEY (GENDER PLAN OF ACTION)

A. Methodology

1. The baseline survey for IFAD's Plan of Action 2003-2006 for Mainstreaming a Gender Perspective in IFAD's Operations describes the pre-plan situation in relation to established indicators, taking the year 2002 as the point of reference. It is based on a review of more than 500 documents related to the 244 IFAD-financed projects specified in the project portfolio at year-end 2002 ([EB 2003/78/R.16](#): pp. 30-39), and also on projects approved during 2002.¹

2. Three categories (Yes/No/Partial) were used to measure response to the indicators. A value close to 100/100 should be interpreted to mean 'fully attained', a value of around 50 means 'partially attained' (or 'still some way to go'), and a value close to 0 means 'not attained' (or 'a long way to go to fulfil the criteria').

B. Results²

3. In terms of "identifying gender-related constraints and opportunities", COSOPs scored well with 79/100. This is largely due to the fact that the latest revision of the COSOP format incorporated specific references to gender. The COSOP sections requiring improvement from a gender perspective are Sections III (Lessons Learned) and IV (Policy Dialogue).

4. Measured against the "Pre-Requisites for Gender-Sensitive Design", project design documents scored 52/100, with considerable differences between regions. In terms of each pre-requisite, project design documents scored relatively higher in terms of **gender analysis** than in identifying concrete **operational measures** to ensure gender equality and outreach to women. The weakest area was found to be **sex-disaggregation of indicators**, which is reflected further along the project cycle in the lack of sex-disaggregated project level data, a shortcoming frequently highlighted in supervision reports.

5. Some 23 lead adviser (LA) memos produced by the Technical Advisory Division (PT) in 2002 and the related Technical Review Committee (TRC) issues paper, were reviewed to assess the extent to which they addressed gender issues. In approximately 54% of the LA memos, gender is mentioned in the box on the front page. Overall, 69% of LA memos contained a special section on gender. In all cases bar one, the recommendations contained therein were then incorporated into the TRC issues paper. In 83% of the LA memos, gender equality/women's empowerment was mainstreamed into at least one other technical issues area, most commonly that of rural finance and institutions/partners; but also into the areas of M&E, agriculture, livestock, and health and nutrition. Similarly, the majority of the accompanying TRC issues papers (or 74% of total) mention gender. The ultimate goal is to ensure that gender issues are regularly addressed by all technical reviewers.

6. **Loan Agreements** score highly with regard to the use of the Additional Covenants in Loan Agreements (Schedule 3A) to describe gender-related measures (82/100). The extent to which they do so appears to be partly a function of how clearly gender-related measures are described in the project document, and partly to do with the sensitivities of the Legal Officer and the CPM. However, the Office of the General Counsel notes that the design document sets the limit for the loan agreement, and that therefore, covenants related to gender can only be as concrete and precise as they are in the design document. Although the sample was very limited, scores for gender mainstreaming in **start-up**

¹ Summary findings of the baseline survey are available on IFAD's gender website. The full version can be obtained from genderadvisory@ifad.org.

² See attachment for summary of results.

workshops (score 27/100) indicate that more efforts are needed to bring gender in right from project start-up.

7. **Annual Workplans and Budgets (AWP/Bs)** scored well (70/100) in allocating human and financial resources for gender mainstreaming. It was observed that when gender equality and women's empowerment are explicitly mentioned among the project objectives, specific gender-mainstreaming activities are budgeted accordingly in the AWP/B.

8. There is still considerable room for improvement in the way that project management units monitor gender mainstreaming as revealed by the assessment of **project status reports** (overall score 31/100). This score rose to 75/100 in 2003 when the revised PSR format was introduced. Even without the benefit of the revised format, some PSRs from 2002 did contain a gender focus, which is an indicator of commitment and sensitivity on the part of the CI and the CPM.

9. The overall score of gender-sensitivity of **supervision reports** (currently 43/100) indicates the need to work with cooperating institutions on these issues. Nevertheless, many of the reports reviewed contain valuable, descriptive and qualitative information beyond the quantitative indicators surveyed in the baseline survey, such as identifying measures for outreach to women, strategies for women's participation, etc.

C. Gender Knowledge Storing and Dissemination

10. Indicator 15 gauged the amount of information stored on the Gender and Household Food Security website in 2002 and the number of hits. **In 2002, the IFAD gender site had 53 megabytes of data and an average of 600 hits per month.** A 'heavier site' is not necessarily a better site. As a way of evaluating quality in tandem with quantity, the number of hits can be used as a guideline, as this gives a good indication of the perceived usefulness of the site. The most frequently visited sections of the site were tools and guidelines, followed by learning notes, thematic studies, policy and strategy (recently added), the approach page, and progress reports.

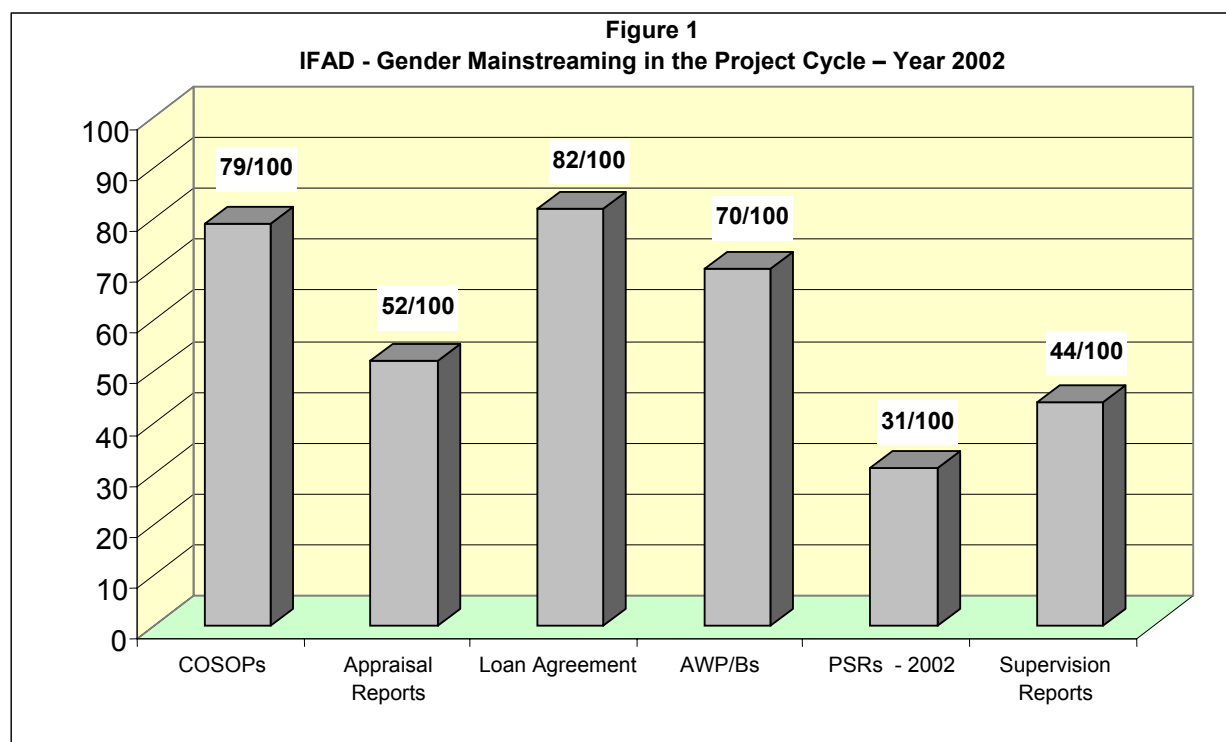
D. Financing of IFAD's Gender Work

11. The ratio between IFAD-funded and externally funded grants (including the programme development financing facility) specifically geared towards gender equality and women's empowerment is an important indicator of IFAD's commitment. In 2002, this ratio was USD 1 498 838 (IFAD) against USD 1 500 000 (external): IFAD therefore contributed approximately 50% of total grant financing for gender-related activities. Adding the administrative budget cost for the Gender Technical Adviser of USD 122 000 for 2002, IFAD's contribution rises to USD 1 620 838 (or 52% of the total). This figure may not be a full reflection of IFAD's financial commitment since many activities that are relevant to gender mainstreaming are 'hidden' in other activities and cannot/should not be costed separately. The figure does not include sums allocated in the loan portfolio, due to the difficulty of separating out gender-specific budget items.

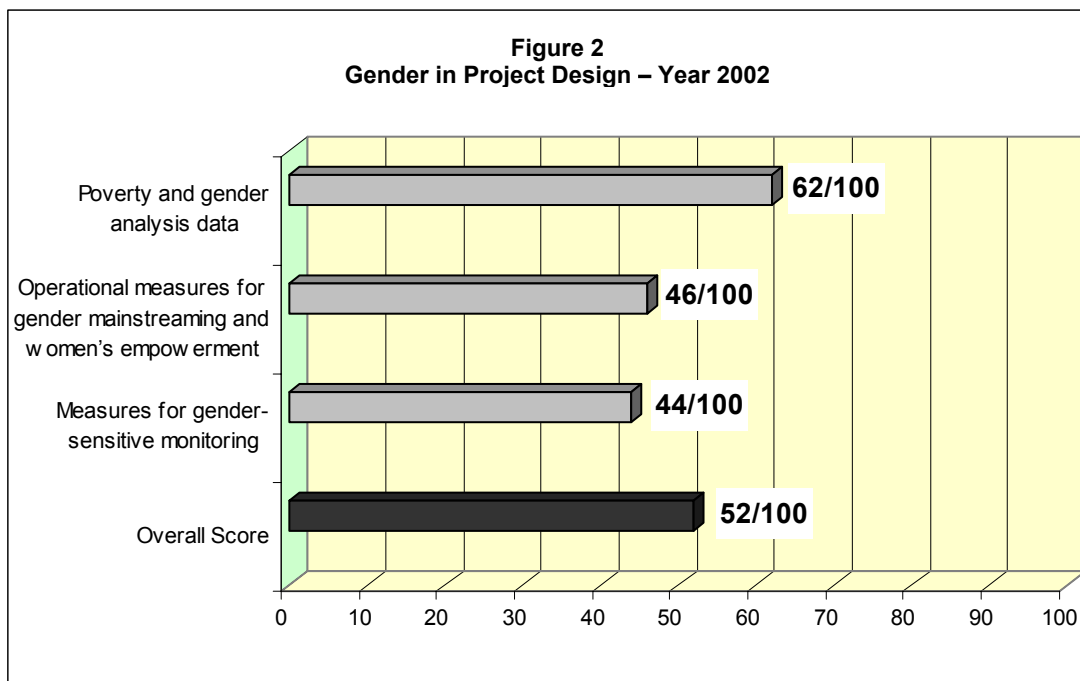
12. The majority of **TAGs** lack any reference to gender equality and/or women's empowerment. The total amount of gender-specific TAG spending for 2002 was USD 453 000, or roughly 2.6% of the total TAG portfolio for that year. Among the **NGO/ECP grants** approved in 2002, eleven (or 35%) were used to improve impact on gender equality and women's empowerment, corresponding to 31% (or USD 770 000) of the total value of grants disbursed in the same year (i.e. USD 2 469 000).

Attachment: Baseline Survey Report: Summary of Results

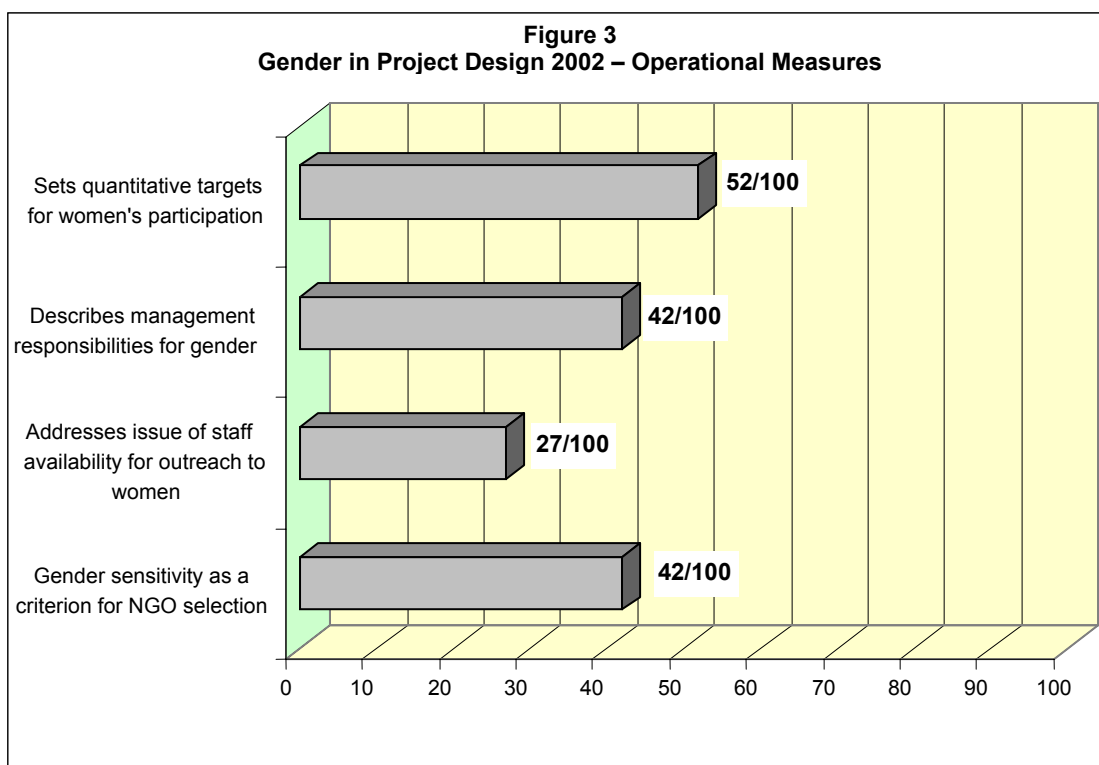
Indicators	Benchmark (2002)	Target (2006)
Indicator 1.2 - COSOPs identifying gender-related constraints and opportunities	79/100	100/100
Indicator 2 - Appraisals, project design complies with the pre-requisites of gender-sensitive design	52/100	80/100
Indicator 4 - Schedule 3A, Additional Covenants of the Loan Agreement are fully utilized to describe actions for gender mainstreaming	82/100	100/100
Indicator 5 - Start-up workshops discuss the gender strategy and ensure women's participation	27/100	100/100
Indicator 6 - Annual Workplans and Budgets (AWP/Bs) address gender as a cross-cutting concern	70/100	90/100
Indicator 7 - Project Management Unit monitors gender mainstreaming	31/100	100/100
Indicator 11 - Supervision provides information on gender-differentiated participation in and benefits from the project	43/100	70/100
Indicator 12.1 - Grant Funding is used to improve impact on gender equality and women's empowerment	USD 1 620 838	Will increase by 50% in real terms
Indicator 12.2 - Financing of gender-related work under the Programme Development Financing Facility (PDFF)	USD 275 838	Will have doubled in real terms
Indicator 15.1 - Gender knowledge storing and dissemination systems, IFAD Gender website (MB)	53MB of data	<i>to be determined</i>
Indicator 15.2 - Gender knowledge storing and dissemination systems, IFAD Gender website (Hits)	600 hits/month	<i>to be determined</i>



Source: Baseline Survey Report, 2002 data



Source: Baseline Survey Report, 2002 data



Source: Baseline Survey Report, 2002 data

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
Africa I							
488-BJ	Benin	Income-Generating Activities Project	06/12/1995	8.05	6.59	82%	31/12/2004
1028-BJ	Benin	Microfinance and Marketing Project	22/04/1998	9.15	4.43	48%	31/12/2004
1127-BJ	Benin	Roots and Tubers Development Programme	03/05/2000	9.75	1.86	19%	30/09/2008
1211-BJ	Benin	Participatory Artisanal Fisheries Development Support Programme	06/12/2001	7.85	0.34	4%	31/03/2011
512-BF	Burkina Faso	South West Rural Development Project	11/09/1996	10.15	3.69	36%	31/12/2004
1103-BF	Burkina Faso	Rural Microenterprise Support Project	28/04/1999	6.95	1.51	22%	30/09/2007
1132-BF	Burkina Faso	Community-Based Rural Development Project	04/05/2000	8.55	1.53	18%	30/06/2007
1220-BF	Burkina Faso	Community Investment Programme for Agricultural Fertility	11/09/2003	8.80	0.00	0%	
1126-CM	Cameroon	National Microfinance Programme Support Project	09/12/1999	8.05	0.87	11%	30/06/2007
1136-CM	Cameroon	Community Development Support Project	23/04/2002	9.50	0.67	7%	30/06/2010
1238-CM	Cameroon	Roots and Tubers Market-Driven Development Programme	10/04/2003	9.60	0.00	0%	
1015-CV	Cape Verde	Rural Poverty Alleviation Programme	08/09/1999	6.95	1.94	28%	30/09/2009
1144-TD	Chad	Food Security Project in the Northern Guéra Region – Phase II	03/05/2000	8.25	1.07	13%	31/12/2009
1259-TD	Chad	Kanem Rural Development Project	10/04/2003	9.50	0.00	0%	
513-CI	Côte d'Ivoire	Marketing and Local Initiatives Support Project	11/09/1996	7.25	2.77	38%	31/03/2004
1081-CI	Côte d'Ivoire	Rural Development Project in the Zanzan Region	10/09/1998	8.30	2.27	27%	30/09/2005
1133-CI	Côte d'Ivoire	Small Horticultural Producer Support Project	04/05/2000	8.30	0.55	7%	30/09/2009
428-GM	Gambia, The	Lowlands Agricultural Development Programme	12/04/1995	3.40	2.34	69%	31/12/2003
1100-GM	Gambia, The	Rural Finance and Community Initiatives Project	02/12/1998	6.60	3.65	55%	30/06/2005
477-GH	Ghana	Upper West Agricultural Development Project	14/09/1995	6.75	6.08	90%	31/12/2003
1002-GH	Ghana	Village Infrastructure Programme	04/12/1996	6.95	4.14	60%	30/06/2004
1053-GH	Ghana	Root and Tuber Improvement Programme	04/12/1997	6.55	5.73	87%	30/06/2004
1124-GH	Ghana	Upper-East Region Land Conservation and Smallholder Rehabilitation Project – Phase II	29/04/1999	8.30	4.63	56%	31/03/2005
1134-GH	Ghana	Rural Financial Services Project	03/05/2000	8.20	1.30	16%	31/03/2008
1183-GH	Ghana	Northern Region Poverty-Reduction Programme	06/12/2001	9.75	0.00	0%	
1187-GH	Ghana	Rural Enterprises Project – Phase II	05/09/2002	8.50	0.58	7%	30/06/2011
1003-GN	Guinea	Fouta Djallon Local Development and Agricultural Rehabilitation Programme	04/12/1996	6.95	4.24	61%	31/12/2004
1117-GN	Guinea	Village Communities Support Project	02/12/1998	5.00	3.67	73%	31/12/2003
1135-GN	Guinea	Programme for Participatory Rural Development in Haute-Guinée	09/12/1999	10.20	0.88	9%	31/03/2011

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
1206-GN	Guinea	Sustainable Agriculture Development Project in the Forest Region	05/09/2002	9.40	0.00	0%	
1282-GN	Guinea	Support to Rural Development in North Lower Guinea Project	18/12/2003	9.95	0.00	0%	
367-ML	Mali	Income Diversification Programme in the Mali Sud Area	05/12/1994	10.10	7.26	72%	30/09/2003
497-ML	Mali	Zone Lacustre Development Project - Phase II	17/04/1996	8.65	4.16	48%	31/12/2003
1089-ML	Mali	Sahelian Areas Development Fund Programme	02/12/1998	15.65	3.98	25%	31/03/2009
1179-MR	Mauritania	Poverty Reduction Project in Aftout South and Karakoro	12/09/2001	8.80	0.45	5%	31/12/2009
1180-MR	Mauritania	Maghama Improved Flood Recession Farming Project – Phase II	05/09/2002	7.60	0.00	0%	30/09/2009
1255-MR	Mauritania	Oasis Sustainable Development Programme	17/12/2003	7.90	0.00	0%	
434-NE	Niger	Special Country Programme - Phase II	13/09/1995	9.55	7.33	77%	30/06/2004
1139-NE	Niger	Rural Financial Services Development Programme	03/05/2000	8.80	1.10	13%	30/06/2011
1221-NE	Niger	Project for the Promotion of Local Initiative for Development in Aguié	11/12/2002	7.60	0.00	0%	
1016-NG	Nigeria	Roots and Tubers Expansion Programme	09/12/1999	16.70	2.37	14%	30/09/2009
1196-NG	Nigeria	Community-Based Agricultural and Rural Development Programme	12/09/2001	23.80	1.32	6%	31/03/2010
1260-NG	Nigeria	Community-Based Natural Resource Management Programme – Niger Delta	11/12/2002	11.35	0.00	0%	
1027-ST	Sao Tome and Principe	Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme	26/04/2001	7.95	0.28	4%	31/03/2015
491-SN	Senegal	Rural Micro-enterprises Project	06/12/1995	5.00	3.89	78%	30/09/2004
1019-SN	Senegal	Village Management and Development Project	04/12/1997	6.90	1.95	28%	31/12/2006
1102-SN	Senegal	Agroforestry Project to Combat Desertification	02/12/1998	5.85	2.54	43%	30/06/2005
1130-SN	Senegal	National Rural Infrastructure Project	09/12/1999	5.40	1.47	27%	31/03/2005
1156-SN	Senegal	Village Organization and Management Project – Phase II	07/12/2000	10.70	1.79	17%	30/09/2008
1219-SN	Senegal	Agricultural Development Project in Matam – Phase II	10/04/2003	9.15	0.00	0%	31/12/2011
1054-SL	Sierra Leone	Rehabilitation and Community-Based Poverty Reduction Project	18/12/2003	5.90	0.00	0%	
Total: Africa I		51 Projects		444.80	107.18	24%	

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
Africa II							
492-AO	Angola	Northern Region Foodcrops Development Project	07/12/1995	9.00	5.29	59%	31/12/2005
1023-AO	Angola	Northern Fishing Communities Development Programme	04/12/1997	5.30	1.69	32%	31/12/2005
229-BI	Burundi	Bututsi Agro-Pastoral Development Project	29/11/1988	6.70	2.49	37%	31/12/2004
1105-BI	Burundi	Rural Recovery and Development Programme	28/04/1999	14.75	5.57	38%	30/09/2006
470-KM	Comoros	Support to Economic Grass Roots Initiatives Project	06/09/1994	2.45	1.93	79%	30/06/2004
365-ER	Eritrea	Eastern Lowlands Wadi Development Project	05/12/1994	8.55	7.80	91%	31/12/2004
1097-ER	Eritrea	Gash Barka Livestock and Agricultural Development Project	23/04/2002	8.10	0.74	9%	31/03/2009
342-ET	Ethiopia	Southern Region Cooperatives Development and Credit Project	02/12/1993	12.60	8.36	66%	06/07/2004
1011-ET	Ethiopia	Special Country Programme - Phase II	05/12/1996	15.65	9.03	58%	30/06/2005
1082-ET	Ethiopia	Agricultural Research and Training Project	10/09/1998	13.65	2.70	20%	30/09/2004
1173-ET	Ethiopia	Rural Financial Intermediation Programme	06/12/2001	20.15	3.62	18%	31/03/2010
1237-ET	Ethiopia	Pastoral Community Development Project	11/09/2003	14.40	0.00	0%	
467-KE	Kenya	Eastern Province Horticulture and Traditional Food Crops Project	02/12/1993	7.90	2.05	26%	31/12/2005
1114-KE	Kenya	Central Kenya Dry Area Smallholder and Community Services Development Project	07/12/2000	8.45	1.43	17%	30/09/2008
1234-KE	Kenya	Mount Kenya East Pilot Project for Natural Resource Management	11/12/2002	12.70	0.00	0%	
1243-KE	Kenya	Southern Nyanza Community Development Project	18/12/2003	10.90	0.00	0%	
1022-LS	Lesotho	Sustainable Agricultural Development Programme for the Mountain Areas	10/09/1998	6.35	2.33	37%	31/03/2004
499-MG	Madagascar	North-East Agricultural Improvement and Development Project	17/04/1996	8.05	5.83	72%	31/12/2004
1167-MG	Madagascar	Upper Mandrare Basin Development Project – Phase II	07/12/2000	9.85	2.49	25%	30/09/2008
1239-MG	Madagascar	Rural Income Promotion Programme	18/12/2003	10.15	0.00	0%	
1047-MW	Malawi	Smallholder Flood Plains Development Programme	23/04/1998	9.25	6.75	73%	30/06/2005
1164-MW	Malawi	Rural Livelihoods Support Programme	12/09/2001	10.70	0.00	0%	
1093-MU	Mauritius	Rural Diversification Programme	29/04/1999	8.20	1.99	24%	30/06/2006

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
359-MZ	Mozambique	Niassa Agricultural Development Project	20/04/1994	8.80	7.53	86%	31/12/2005
1005-MZ	Mozambique	Family Sector Livestock Development Programme	04/12/1996	13.45	10.01	74%	30/06/2004
1109-MZ	Mozambique	PAMA Support Project	08/12/1999	16.55	2.87	17%	30/09/2007
1184-MZ	Mozambique	Sofala Bank Artisanal Fisheries Project	12/09/2001	14.00	1.25	9%	30/09/2008
1267-MZ	Mozambique	Rural Finance Support Programme	17/12/2003	6.65	0.00	0%	
362-NA	Namibia	Northern Regions Livestock Development Project	06/09/1994	4.20	3.67	87%	31/03/2004
500-RW	Rwanda	Rural Small and Micro-enterprise Promotion Project	17/04/1996	3.75	3.34	89%	30/06/2004
1149-RW	Rwanda	Umutara Community Resource and Infrastructure Development Project	04/05/2000	11.85	3.29	28%	31/12/2010
1222-RW	Rwanda	Umutara Community Resource and Infrastructure Development Twin Project	06/12/2001	9.40	0.59	6%	31/12/2007
1232-RW	Rwanda	Smallholder Cash and Export Crops Development Project	11/12/2002	12.30	0.35	3%	30/09/2010
1276-RW	Rwanda	Rural Small and Microenterprise Promotion Project – Phase II	11/09/2003	10.65	0.00	0%	
1159-SZ	Swaziland	Lower Usuthu Smallholder Irrigation Project – Phase I	06/12/2001	11.90	0.00	0%	
1006-TZ	Tanzania	Agricultural and Environmental Management Project	04/12/1996	10.30	9.77	95%	30/06/2004
1086-TZ	Tanzania	Participatory Irrigation Development Programme	08/09/1999	12.55	6.87	55%	31/03/2006
1151-TZ	Tanzania	Rural Financial Services Programme	07/12/2000	12.80	2.04	16%	31/12/2010
1166-TZ	Tanzania	Agricultural Marketing Systems Development Programme	06/12/2001	12.95	1.39	11%	31/12/2009
1021-UG	Uganda	Vegetable Oil Development Project	29/04/1997	14.35	2.35	16%	31/12/2005
1060-UG	Uganda	District Development Support Programme	10/09/1998	9.50	6.35	67%	31/12/2004
1122-UG	Uganda	Area-Based Agricultural Modernization Programme	08/12/1999	9.60	1.42	15%	30/06/2008
1158-UG	Uganda	National Agricultural Advisory Services Programme	07/12/2000	13.70	0.26	2%	31/12/2008
1197-UG	Uganda	Rural Financial Services Programme	05/09/2002	13.90	0.00	0%	
1039-ZM	Zambia	Forest Resource Management Project	09/12/1999	9.15	1.79	20%	30/06/2008
1108-ZM	Zambia	Smallholder Enterprise and Marketing Programme	09/12/1999	11.55	3.71	32%	31/12/2007
341-ZW	Zimbabwe	Smallholder Dry Areas Resource Management Project	02/12/1993	10.00	5.01	50%	31/12/2004
435-ZW	Zimbabwe	South Eastern Dry Areas Project	13/09/1995	7.15	2.91	41%	30/06/2003
1051-ZW	Zimbabwe	Smallholder Irrigation Support Programme	02/12/1998	8.65	0.89	10%	31/12/2007
Total: Africa II			49 projects	513.45	149.77	29%	

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
Asia and the Pacific							
1029-BD	Bangladesh	Agricultural Diversification and Intensification Project	29/04/1997	13.65	11.23	82%	30/06/2004
1062-BD	Bangladesh	Third Rural Infrastructure Development Project	04/12/1997	8.50	6.32	74%	31/12/2004
1074-BD	Bangladesh	Aquaculture Development Project	23/04/1998	15.00	7.26	48%	30/06/2005
1076-BD	Bangladesh	Smallholder Agricultural Improvement Project	29/04/1999	13.65	6.75	49%	31/03/2006
1165-BD	Bangladesh	Sunamganj Community-Based Resource Management Project	12/09/2001	17.55	0.77	4%	31/03/2014
1235-BD	Bangladesh	Microfinance and Technical Support Project	10/04/2003	11.90	0.00	0%	31/12/2010
1094-BT	Bhutan	Second Eastern Zone Agricultural Programme	08/09/1999	6.95	4.78	69%	30/06/2008
517-KH	Cambodia	Agriculture Productivity Improvement Project	11/09/1996	3.30	2.40	73%	31/12/2003
1106-KH	Cambodia	Agricultural Development Support Project to <i>Seila</i>	08/09/1999	6.35	5.20	82%	31/03/2006
1175-KH	Cambodia	Community-Based Rural Development Project in Kampong Thom and Kampot	07/12/2000	7.85	3.09	39%	31/03/2008
1261-KH	Cambodia	Rural Poverty Reduction Project in Prey Veng and Svay Rieng	18/12/2003	10.85	0.00	0%	
1083-CN	China	Wulin Mountains Minority-Areas Development Project	10/09/1998	21.10	5.78	27%	30/06/2004
1123-CN	China	Qinling Mountain Area Poverty-Alleviation Project	08/12/1999	21.00	3.43	16%	30/09/2007
1153-CN	China	West Guangxi Poverty-Alleviation Project	07/12/2000	23.80	5.04	21%	31/03/2008
1223-CN	China	Environment Conservation and Poverty-Reduction Programme in Ningxia and Shanxi	11/12/2002	21.95	0.00	0%	
432-IN	India	Mewat Area Development Project	12/04/1995	9.65	7.94	82%	31/12/2004
1012-IN	India	Rural Women's Development and Empowerment Project	05/12/1996	13.30	3.98	30%	30/06/2004
1040-IN	India	North Eastern Region Community Resource Management Project for Upland Areas	29/04/1997	16.55	2.34	14%	31/03/2004
1063-IN	India	Jharkhand-Chattisgarh Tribal Development Programme	29/04/1999	16.95	1.01	6%	30/06/2009
1121-IN	India	National Microfinance Support Programme	04/05/2000	16.35	1.96	12%	30/06/2009
1210-IN	India	Livelihood Security Project for Earthquake-Affected Rural Households in Gujarat	12/09/2001	11.65	0.78	7%	31/12/2009

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
1155-IN	India	Orissa Tribal Empowerment and Livelihoods Programme	23/04/2002	16.05	0.68	4%	31/03/2013
1226-IN	India	Livelihoods Improvement Project in the Himalayas	18/12/2003	27.90	0.00	0%	
1024-ID	Indonesia	P4K - Phase III	04/12/1997	18.25	14.19	78%	31/03/2005
1112-ID	Indonesia	Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas	04/05/2000	17.50	4.93	28%	31/03/2009
1191-ID	Indonesia	East Kalimantan Local Communities Empowerment Programme	11/12/2002	15.10	0.00	0%	
1154-KP	D.P.R. Korea	Uplands Food Security Project	07/12/2000	19.15	8.62	45%	30/06/2006
1065-KG	Kyrgyzstan	Agricultural Support Services Project	23/04/1998	5.90	3.40	58%	30/06/2005
1041-LA	Laos	Northern Sayabouri Rural Development Project	04/12/1997	5.30	4.88	92%	30/06/2004
1099-LA	Laos	Xieng Khouang Agricultural Development Project - Phase II	03/12/1998	4.95	4.61	93%	30/06/2005
1207-LA	Laos	Oudomxai Community Initiatives Support Project	23/04/2002	10.80	1.64	15%	31/03/2010
1205-MN	Mongolia	Rural Poverty-Reduction Programme	05/09/2002	11.20	0.73	6%	30/09/2010
1030-NP	Nepal	Poverty Alleviation Project in Western Terai	11/09/1997	6.55	4.23	65%	15/07/2004
1119-NP	Nepal	Western Uplands Poverty-Alleviation Project	06/12/2001	15.60	0.36	2%	31/03/2014
524-PK	Pakistan	Dir Area Support Project	11/09/1996	11.35	4.86	43%	30/06/2006
1042-PK	Pakistan	Northern Areas Development Project	11/09/1997	10.75	3.96	37%	30/06/2005
1077-PK	Pakistan	Barani Village Development Project	03/12/1998	11.15	3.88	35%	30/06/2005
1078-PK	Pakistan	Southern Federally Administered Tribal Areas Development Project	07/12/2000	13.40	1.13	8%	30/09/2008
1182-PK	Pakistan	North-West Frontier Province Barani Area Development Project	26/04/2001	11.15	0.00	0%	30/06/2009
1245-PK	Pakistan	Community Development Programme	18/12/2003	15.25	0.00	0%	
486-PH	Philippines	Cordillera Highland Agricultural Resource Management Project	06/12/1995	6.15	3.44	56%	31/12/2004
1066-PH	Philippines	Western Mindanao Community Initiatives Project	23/04/1998	11.00	3.71	34%	31/12/2004
1137-PH	Philippines	Northern Mindanao Community Initiatives and Resource Management Project	06/12/2001	11.60	1.07	9%	30/06/2009
1113-LK	Sri Lanka	Matale Regional Economic Advancement Project	03/12/1998	8.35	3.24	39%	30/06/2005
1091-VN	Viet Nam	Ha Tinh Rural Development Project	29/04/1999	11.40	7.83	69%	30/09/2005
1202-VN	Viet Nam	Rural Income Diversification Project in Tuyen Quang Province	06/12/2001	16.40	1.36	8%	30/09/2008
Total: Asia and the Pacific		46 projects		600.05	162.82	27%	

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
Latin America and the Caribbean							
506-AR	Argentina	Rural Development Project for the Northeastern Provinces	18/04/1996	11.35	3.26	29%	31/12/2006
1098-AR	Argentina	North Western Rural Development Project (PRODERNOA)	08/09/1999	12.80	0.57	4%	31/03/2008
1067-BZ	Belize	Community-Initiated Agriculture and Resource Management Project	23/04/1998	1.75	0.64	37%	31/12/2005
373-BO	Bolivia	Sustainable Development Project by Beni Indigenous People	06/12/1994	4.30	2.78	65%	30/06/2004
1031-BO	Bolivia	Small Farmers Technical Assistance Services Project (PROSAT)	29/04/1997	5.85	2.90	50%	31/12/2003
1145-BO	Bolivia	Management of Natural Resources in the Chaco and High Valley Regions Project	13/09/2000	9.25	0.54	6%	30/09/2008
493-BR	Brazil	Community Development Project for the Rio Gaviao Region	07/12/1995	13.50	10.89	81%	31/12/2003
1101-BR	Brazil	Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East	03/12/1998	17.80	2.56	14%	31/12/2004
520-CO	Colombia	Rural Micro-enterprise Development Programme	11/09/1996	11.00	4.54	41%	31/12/2004
371-CR	Costa Rica	Agricultural Development Project for the Peninsula of Nicoya	05/12/1994	3.40	2.26	66%	31/12/2004
503-DM	Dominica	Rural Enterprise Project	17/04/1996	1.80	1.60	89%	30/03/2004
1068-DO	Dominican Republic	South Western Region Small Farmers Project – Phase II	03/12/1998	8.75	5.19	59%	30/06/2005
1249-DO	Dominican Republic	Social and Economic Development Programme for Vulnerable Populations in the Border Provinces	11/12/2002	10.60	0.00	0%	
1069-SV	El Salvador	Rural Development Project for the North-Eastern Region	04/12/1997	13.05	9.46	72%	31/12/2004
1115-SV	El Salvador	Rural Development Project for the Central Region (PRODAP-II)	29/04/1999	9.55	3.50	37%	30/06/2007
1215-SV	El Salvador	Reconstruction and Rural Modernization Programme	06/12/2001	15.65	0.64	4%	31/12/2008
1181-GD	Grenada	Rural Enterprise Project	26/04/2001	3.25	0.25	8%	31/12/2008
1008-GT	Guatemala	Programme for Rural Development and Reconstruction in the Quiché Department (PRODERQUI)	04/12/1996	10.45	3.16	30%	31/12/2006
1085-GT	Guatemala	Rural Development Programme for Las Verapaces	08/12/1999	10.85	1.41	13%	30/09/2011
1274-GT	Guatemala	National Rural Development Programme – Phase I: The Western Region	11/09/2003	21.55	0.00	0%	

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
1009-GY	Guyana	Poor Rural Communities Support Services Project	04/12/1996	7.30	2.35	32%	30/06/2006
1070-HT	Haiti	Food Crops Intensification Project - Phase II	03/12/1998	10.95	1.10	10%	30/09/2009
1171-HT	Haiti	Productive Initiatives Support Programme in Rural Areas	23/04/2002	17.40	0.44	3%	31/12/2012
1087-HN	Honduras	Rural Development Project in the South-Western Region (PROSOC)	03/12/1998	13.75	11.15	81%	30/06/2005
1128-HN	Honduras	National Fund for Sustainable Rural Development Project (FONADERS)	08/12/1999	12.00	8.13	68%	30/09/2006
1198-HN	Honduras	National Programme for Local Development (PRONADEL)	26/04/2001	15.50	3.17	20%	31/12/2007
494-MX	Mexico	Rural Development Project of the Mayan Communities in the Yucatan Peninsula	07/12/1995	6.95	4.66	67%	31/12/2004
1141-MX	Mexico	Rural Development Project for Rubber-Producing Regions of Mexico	03/05/2000	18.60	1.88	10%	31/12/2009
1268-MX	Mexico	Strengthening Project for the National Micro-Watershed Programme	17/12/2003	10.50	0.00	0%	
1120-NI	Nicaragua	Technical Assistance Fund Programme for the Departments of León, Chinandega and Managua	09/12/1999	10.15	0.58	6%	30/06/2013
1256-NI	Nicaragua	Programme for the Economic Development of the Dry Region in Nicaragua	10/04/2003	10.25	0.00	0%	
474-PA	Panama	Sustainable Agricultural Development and Environmental Protection Project for the Darien	14/09/1995	5.35	4.34	81%	31/03/2004
1049-PA	Panama	Sustainable Rural Development Project in the Provinces of Coclé, Colón and Panama	04/12/1997	8.90	2.75	31%	30/06/2004
1199-PA	Panama	Sustainable Rural Development Project for the Ngöbe-Buglé Territory and Adjoining Districts	06/12/2001	19.40	0.51	3%	30/09/2011
496-PY	Paraguay	Peasant Development Fund Credit Project - Eastern Region of Paraguay	07/12/1995	6.65	5.20	78%	31/12/2004
1044-PE	Peru	Development of the Puno-Cusco Corridor Project	04/12/1997	13.90	3.84	28%	31/12/2006
1240-PE	Peru	Market Strengthening and Livelihood Diversification in the Southern Highlands Project	11/12/2002	12.10	0.00	0%	
1161-UY	Uruguay	National Smallholder Support Programme – Phase II (PRONAPPA II)	07/12/2000	10.80	2.07	19%	30/09/2007
279-VE	Venezuela	Support Project for Small Producers in the Semi-arid Zones of	04/04/1991	11.35	9.38	83%	30/06/2004

Falcon and Lara States							
Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
521-VE	Venezuela	Economic Development of Poor Rural Communities Project	11/09/1996	8.25	3.25	39%	30/06/2004
1186-VE	Venezuela	Agro-Productive-Chains Development Project in the Barlovento Region	13/09/2000	9.75	0.00	0%	30/09/2009
1252-VE	Venezuela	Sustainable Rural Development Project for the Semi-Arid Zones of	18/12/2003	10.40	0.00	0%	
Falcon and Lara States (PROSALFA II)							
Total: Latin America and the Caribbean			42 projects	446.70	120.96	27%	

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
Near East and North Africa							
1129-AL	Albania	Mountain Areas Development Programme	09/12/1999	9.60	5.20	54%	30/09/2007
1176-DZ	Algeria	Pilot Project for the Development of Mountain Agriculture in the Watershed Basin of Oued Saf Saf	06/12/2001	9.70	0.70	7%	31/03/2010
1257-DZ	Algeria	Rural Development Project for the Mountain Zones in the North of the Wilaya of M'Sila	17/12/2003	12.15	0.00	0%	
1177-AM	Armenia	Agricultural Services Project	26/04/2001	12.35	9.02	73%	30/09/2005
1148-AZ	Azerbaijan	Rural Development Programme for Mountainous and Highland Areas	13/09/2000	6.90	0.95	14%	30/09/2008
1157-BA	Bosnia and Herzegovina	Livestock and Rural Finance Development Project	26/04/2001	9.55	1.28	13%	30/06/2008
1236-DJ	Djibouti	Microfinance and Microenterprise Development Project	12/12/2002	2.75	0.00	0%	
355-EG	Egypt	Agricultural Production Intensification Project	20/04/1994	14.45	12.62	87%	30/06/2004
1014-EG	Egypt	East Delta Newlands Agricultural Services Project	05/12/1996	17.30	4.95	29%	31/03/2005
1050-EG	Egypt	Sohag Rural Development Project	10/09/1998	18.85	2.29	12%	30/06/2007
1204-EG	Egypt	West Noubaria Rural Development Project	23/04/2002	14.60	0.93	6%	30/06/2010
1225-EG	Egypt	Second Matruh Resource Management Project	12/12/2002	9.60	0.00	0%	
1262	Gaza and the West Bank	Rehabilitation and Development Project in Gaza and the West Bank	05/09/2002	3.00 ^a	0.75	25%	04/10/2006
1079-PS	Gaza and the West Bank	Participatory Natural Resource Management Programme	23/04/1998	5.80	0.38	7%	31/03/2005
1035-GE	Georgia	Agricultural Development Project	30/04/1997	4.70	3.32	71%	31/12/2004
1147-GE	Georgia	Rural Development Programme for Mountainous and Highland Areas	13/09/2000	6.10	0.93	15%	30/09/2008
1071-JO	Jordan	National Programme for Rangeland Rehabilitation and Development - Phase I	04/12/1997	2.90	1.01	35%	31/12/2004

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
1092-JO	Jordan	Yarmouk Agricultural Resources Development Project	29/04/1999	7.45	1.34	18%	30/06/2006
370-LB	Lebanon	Irrigation Rehabilitation and Modernization Project	05/12/1994	6.70	3.77	56%	30/06/2004
1036-LB	Lebanon	Agriculture Infrastructure Development Project	30/04/1997	8.70	1.92	22%	31/12/2004
1188-LB	Lebanon	Cooperative Rural Finance Programme	12/09/2001	10.25	0.00	0%	
522-MK	Macedonia	Southern and Eastern Regions Rural Rehabilitation Project	11/09/1996	5.65	3.95	70%	30/06/2005
1162-MK	Macedonia	Agricultural Financial Services Project	14/09/2000	6.20	0.60	10%	30/06/2007
1110-MD	Moldova	Rural Finance and Small Enterprise Development Project	09/12/1999	5.80	3.68	63%	31/12/2005
1265-MD	Moldova	Agricultural Revitalization Project	17/12/2003	10.30	0.00	0%	
1010-MA	Morocco	Rural Development Project for Taourirt - Taforalt	04/12/1996	13.50	4.24	31%	31/12/2006
1178-MA	Morocco	Rural Development Project in the Mountain Zones of Al-Haouz Province	07/12/2000	14.10	0.76	5%	31/03/2008
1230-MA	Morocco	Livestock and Rangelands Development Project in the Eastern Region – Phase II	11/09/2003	4.55	0.00	0%	
1052-RO	Romania	Apuseni Development Project	10/09/1998	12.40	3.02	24%	31/12/2005
1045-SD	Sudan	North Kordofan Rural Development Project	28/04/1999	7.75	3.80	49%	30/06/2007
1140-SD	Sudan	South Kordofan Rural Development Programme	14/09/2000	13.30	4.70	35%	31/03/2011
1263-SD	Sudan	Gash Sustainable Livelihoods Regeneration Project	18/12/2003	17.45	0.00	0%	
363-SY	Syria	Jebel al Hoss Agricultural Development Project	06/09/1994	8.25	3.90	47%	31/03/2004
482-SY	Syria	Coastal/Midlands Agricultural Development Project	06/12/1995	13.65	6.98	51%	30/06/2005
1073-SY	Syria	Badia Rangelands Development Project	23/04/1998	14.95	1.68	11%	30/06/2006
1233-SY	Syria	Idleb Rural Development Project	11/12/2002	13.30	0.00	0%	31/12/2010
348-TN	Tunisia	Integrated Agricultural Development Project in the Governorate of Kairouan	02/12/1993	9.00	8.67	96%	31/12/2003
483-TN	Tunisia	Integrated Agricultural Development Project in the Governorate of Siliana	06/12/1995	7.55	6.82	90%	31/12/2004
1104-TN	Tunisia	Integrated Agricultural Development Project in the Governorate of Zaghuan	03/12/1998	11.40	2.70	24%	30/06/2005

PROJECT PORTFOLIO AT YEAR-END 2003

Project ID	Country	Project/Programme Name	Board Approval Date	IFAD Loan (SDR million)	Amount Disbursed (SDR million)	Percentage Disbursed (31/12/2003)	Project Completion Date
1213-TN	Tunisia	Agropastoral Development and Local Initiatives Promotion Programme for the South-East	05/09/2002	14.10	1.37	10%	30/06/2010
476-TR	Turkey	Ordu-Giresun Rural Development Project	14/09/1995	13.40	6.49	48%	31/12/2005
1189-TR	Turkey	Sivas-Erzincan Development Project	11/09/2003	9.25	0.00	0%	
1061-YE	Yemen	Southern Governorates Rural Development Project	11/09/1997	8.15	5.58	68%	31/12/2003
1075-YE	Yemen	Raymah Area Development Project	04/12/1997	8.75	4.53	52%	31/12/2005
1095-YE	Yemen	Al-Mahara Rural Development Project	09/12/1999	8.90	2.12	24%	30/09/2007
1195-YE	Yemen	Dhamar Participatory Rural Development Project	05/09/2002	10.90	0.00	0%	
Total: Near East and North Africa		45 projects		452.95	126.95	28%	
Total		233 projects		2 457.95	667.67	27%	

^a IFAD grant in USD. Amount not included in totals.

