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IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Eighty-Second Session
Rome, 8-9 September 2004

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

I. PROJECT/PROGRAMME PROPOSALS

1. The following project/programme proposals were approved by the Eighty-Second Session of the Executive Board. Two other project proposals were discussed in view of expected approval at the Eighty-Third Session of the Board.

Eastern and Southern Africa

Burundi: Transitional Programme of Post-Conflict Reconstruction
(EB 2004/82/R.12 + Add.1 + Sup.1) (now EB 2004/82/R.12/Rev.1)

2. The Executive Board approved a loan of SDR 11.30 million to finance Burundi's Transitional Programme of Post-Conflict Reconstruction (TPPCR). The Executive Board highly commended IFAD for undertaking a full conflict assessment study prior to formulation of the TPPCR, which allowed the Fund and the Transitional Government of Burundi (TGOB) to design a programme of a conflict-sensitive nature. The Board strongly supported the TPPCR's community development committee (CDC) approach and urged IFAD to continue its policy dialogue with the TGOB to ensure full integration of the CDCs in the foreseen decentralization strategy, as prescribed by the Arusha Peace Agreement. In particular, legal support to rural women that have been subjected to sexual and non-sexual violence is innovative and will greatly help restore women's dignity and their reintegration into society. The Board expressed concern that OPEC Fund cofinancing had not yet been confirmed and, while requesting IFAD to continue supporting TGOB, it hoped the problem would be resolved as soon as possible. The Board was informed of Belgium's intention to support TPPCR rural communities through the IFAD/Belgian Survival Fund Joint Programme (BSF.JP), on behalf of which IFAD will be fielding design missions to formulate the BSF component for integration into the TPPCR.

Rwanda: President's Memorandum: Revised Scope and Implementing Arrangements for the Umutara Community Resource and Infrastructure Development Project (Loan 537-RW) (EB 2004/82/R.13 + INF.4)

3. The Executive Board approved the proposal for the revised scope and implementation arrangements for the above project and, in so doing, expressed its satisfaction that the interphase evaluation exercise of this Flexible Lending Mechanism project had led to the reorientation of components and implementing arrangements. Comments were raised regarding the need for a territorial integrated approach in this new province and on the implementation of the recent national decentralization policy. Clarification was given on the land issue, which will be taken care of through the sub-component dealing with participatory land management. The seven new trigger indicators for transition from cycle II to III were endorsed, especially those relating to monitoring and evaluation. The challenge of cycle II will be the ability of decentralized government bodies and locally elected committees to take account of the development plans of the rural population and implement them effectively. The Board approved the recommendations in the President's Memorandum, as contained in document EB 2004/82/R.13, and the following amendments to loan 537-RW: (i) streamline the project from five components to three; (ii) extend the project area from the initial four districts to all eight districts of Umutara Province; (iii) revise loan categories and the percentage of expenditures eligible for IFAD financing under loan 537-RW to harmonize them with 573-RW loan categories and reallocate funds accordingly; and (iv) adjust the triggers for proceeding from cycle II to III to take account of recent implementation experience.

Asia and the Pacific

Sri Lanka: Dry Zone Livelihood Support and Partnership Programme (EB 2004/82/R.15 + Add.1 + Sup.1) (now EB 2004/82/R.15/Rev.1)

4. The Executive Board unanimously approved a loan of SDR 15.10 million and a grant of SDR 240 000 and, in so doing, expressed its full support for the programme.

Near East and North Africa

Azerbaijan: North-East Development Project (EB 2004/82/R.17 + Add.1 + Sup.1) (now EB 2004/82/R.17/Rev.1)

5. In approving a loan of SDR 8.60 million, the Executive Board said that every effort should be made to ensure that women participate actively so as to strengthen the project.

Yemen: Al-Dhala Community Resource Management Project (EB 2004/82/R.18 + Sup.1 + Corr.1) (now EB 2004/82/R.18/Rev.1)

6. The Executive Board approved a loan of SDR 9.80 million for the Al-Dhala Community Resource Management Project. Questions were raised regarding the institutional arrangements for project implementation, especially the rationale for setting up project coordination units instead of integrating project implementation within the structure of the Ministry of Agriculture and Irrigation (MAI). The Board requested further information regarding the role of the Ministry of Water and on the harmonization of project interventions with the decentralization process. It was explained that integration of the project management unit within MAI could only be done once the Ministry's restructuring plan had been drafted and endorsed. This is the approach pursued by the project. The Ministry of Water is a full member of the Executive Board of the Social Fund for Development, which will be entrusted with implementing the project's drinking water supply component. Irrigation responsibilities are still entrusted to MAI, which also has overall responsibility for project implementation and chairs the Steering Committee. With respect to the harmonization of project

activities, the organizational structure of the project ensures that representatives of the district council and the governorate councils participate in the district project coordination committees and in the steering committee at the governorate level. In this way the project's annual work plan and budget will be fully integrated into the district plan and subsequently into that of the governorate.

7. The Executive Board also discussed the following projects to expedite their approval at its Eighty-Third Session in December 2004.

**Nepal: Leasehold Forestry and Livestock Programme
(EB 2004/82/R.14)**

**Brazil: North-East Rural Family Enterprise Development Support Project
(EB 2004/82/R.16)**

8. In response to comments by the Executive Director for the United States on the project implementation structure (which involves the Ministry of Agrarian Development, the Brazilian Support Service for Small and Micro-Enterprises and two banks), clarification was provided on the various agreements required to constitute an operational alliance for the purpose of the project. In response to the expressed concern that establishment of such a structure would be time-consuming, the Board was informed that it would be suggested to the Brazilian authorities that arrangements should be made to start work immediately on preparing the required inter-institutional agreements.

II. GRANT PROPOSALS

9. The following grant proposals were approved by the Eighty-Second Session of the Executive Board:

Technical Assistance Grants under the Global/Regional Grants Window for Agricultural Research and Training by CGIAR-Supported International Centres (EB 2004/82/R.19)

10. The following three grants were approved under this category:

International Institute of Tropical Agriculture (IITA): Programme for Improving Livelihoods in Rural West and Central Africa through Productive and Competitive Yam Systems – Phase II

11. The Executive Board approved a grant of USD 1.5 million.

International Plant Genetic Resources Institute (IPGRI): Programme for Overcoming Poverty in Coconut-Growing Communities: Coconut Genetic Resources for Sustainable Livelihoods

12. The Executive Board approved this grant at a level of USD 1.0 million.

International Rice Research Institute (IRRI): Programme for Managing Rice Landscapes in the Marginal Uplands for Household Food Security and Environmental Sustainability

13. The Executive Board approved a grant of USD 1.19 million to IRRI. It was clarified that the uplands focus was in conformity with the regional lending strategy of the Asia and the Pacific Region. The focus was not on rice *per se*, but on rice-based farming systems with possibilities for crop diversification strategies – in some instances even moving out of rice where increased rice production proved unprofitable for poor smallholders. Promising technologies emerging from this research programme would be scaled up through the future loan portfolio in the region.

Technical Assistance Grants under the Global/Regional Grants Window for Agricultural Research and Training by Non-CGIAR-Supported International Centres (EB 2004/82/R.20)

14. The following two grants were approved under this category:

Consultative Group to Assist the Poor (CGAP): Programme for Building Strategic Coalitions and Promoting Innovation and Learning in Rural Finance

15. The Executive Board approved this grant at a level of USD 1.2 million.

International Development Research Centre (IDRC): Regional Water Demand Initiative

16. The Executive Board approved this grant at a level of USD 1.2 million.

Technical Assistance Grant to the International Land Coalition for the Programme to Strengthen the Secure Access of the Rural Poor to Land and Related Support Services (EB 2004/82/R.21)

17. The Executive Board approved a grant to the International Land Coalition at a level of USD 900 000 as a first phase of a two-year proposal of about USD 1.9 million in support of its operational, administrative and programme requirements.

Technical Assistance Grant through the United Nations Office for Project Services for the Regional Programme in Support of a Medicinal Plants Development Network in Argentina, Brazil, Paraguay and Uruguay (EB 2004/82/R.22)

18. The Executive Board approved this grant at a level of USD 1.0 million. In response to the comment made by the Executive Board Director for Kuwait it was stated that IFAD would certainly contemplate replicating such an initiative in Africa and the Near East and North Africa regions through regional cross-fertilization of experiences. In response to strong support from a number of Executive Board members, it was stressed that this was an emerging pioneering area for IFAD's programme, especially as medicinal and aromatic plants form a part of neglected and under-utilized crops which nevertheless have a high income-generation potential for smallholders. The role of the United Nations Office for Project Services as sole provider of administrative support to the recipient countries was clarified to Executive Board Directors. It was further pointed out that the Regional Coordination Unit will execute the programme while IFAD will supervise operations.

Technical Assistance Grant to Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama for the Regional Unit for Technical Assistance (RUTA) – Phase VI (EB 2004/82/R.23)

19. In approving the above grant in the amount of USD 1.23 million, the Board commented positively on IFAD's engagement in RUTA. The Executive Board Director for Switzerland pointed out that the programme's logframe would need to quantify the indicators and provide a more detailed programme of work, including more specific activities in relation to the Central America Free Trade Agreement (CAFTA). Clarification was sought regarding the high cost of the programme, particularly for category staff and long-term consultants. The Executive Director for The Netherlands, who had already provided comments in writing and received a written response, agreed with the issues raised by the Executive Director for Switzerland. In addition, he expressed the opinion that the programme should be more demand-driven.

20. The Board was informed that the above comments would be submitted to RUTA's Steering Committee, that a more detailed version of the programme of work (POW) already exists and that the logframe would be completed with quantitative indicators. As a priority activity for 2005, the POW

includes an analysis of the impact of CAFTA in the region. With regard to the programme's high costs, it was explained that an important part (almost 45%) of them concern staff from other agencies seconded to RUTA. IFAD funds will mainly cover long- and short-term consultancies and be used to cofinance, together with the Department for International Development (United Kingdom) and the World Bank, the post of programme director as a new institutional arrangement. As to whether RUTA's activities were of a demand-driven nature, the meeting was informed that RUTA's Steering Committee, as the decision-making organism, was composed of representatives of the ministries of agriculture of the governments participating in the programme and of the financing agencies.