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**IFAD**  
**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**  
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**REPORT OF THE PRESIDENT ON THE STATUS  
OF IMPLEMENTATION OF EVALUATION RECOMMENDATIONS**



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## I. INTRODUCTION

1. At its Seventy-Eighth Session in April 2003, the Executive Board approved the IFAD Evaluation Policy contained in document EB 2003/78/R.17/Rev.1. The evaluation policy stipulates that the President will give the Board an annual report on the status of adoption and implementation of evaluation recommendations and the Office of Evaluation (OE) will provide the Board with its independent comments on this report, including an inventory of recommendations not found feasible by the users, hence not implemented.

2. In line with the above requirements, this document is the President's first report to the Executive Board on the follow-up to the evaluation recommendations. It covers the implementation status of 14 evaluations, which were contained in OE's Annual Report on the Results and Impact of IFAD Operations – Operations Evaluated in 2002, document EC 2003/34/W.P.2. They are composed of two Corporate-Level Evaluations (CLEs), two Country Programme Evaluations (CPEs) and ten Project Evaluations (see box for definitions), as follows:

### **Two Corporate-Level Evaluations:**

- Technical Assistance Grants Programme for Agricultural Research
- IFAD's Capacity as a Promoter of Replicable Innovation in Cooperation with Other Partners

### **Two Country Programme Evaluations:**

- Sri Lanka
- United Republic of Tanzania

### **Ten Project Evaluations:**

- Bangladesh – Netrakona Integrated Agricultural Production and Water Management Project
- Chad – Ouadis of Kanem Agricultural Development Project
- Haiti – Small-Scale Irrigation Schemes Rehabilitation Project
- Mauritania – Oasis Development Project – Phase II
- Morocco – Livestock and Pasture Development Project in the Eastern Region
- Namibia – Northern Regions Livestock Development Project
- Peru – Management of Natural Resources in the Southern Highlands Project
- Philippines – Rural Microenterprise Finance Project
- United Republic of Tanzania – Agricultural and Environmental Management Project
- Yemen – Tihama Environment Protection Project

Of the ten Project Evaluations, nine were Interim Evaluations while one was a Completion Evaluation (for the Bangladesh project).

### Definition of Evaluations

*Corporate-level evaluations* are intended to assess the effectiveness and impact of IFAD policies, strategies and approaches to rural poverty reduction. Insights and recommendations then feed into the formulation of new and more effective policies and strategies.

*Country programme evaluations* (CPEs) provide an assessment of the performance and impact of IFAD-supported activities in a given country. CPEs provide concrete building blocks for reviewing and formulating Country Strategic Opportunities Papers (COSOPs) in individual countries. CPEs also contribute to IFAD's policy dialogue with other development agencies and government representatives concerning rural and agricultural development.

*Project evaluations* – two kinds of project evaluation are carried out at different stages of the project cycle and follow the Methodological Framework for Project Evaluation.

- **Interim Evaluations** are mandatory before starting a further project phase or launching a similar project in the same region. Findings and recommendations are used to assess the justification for a further phase in a given country and for improving the design and implementation of subsequent interventions.
- **Completion Evaluations** are normally conducted after the finalization of the Project Completion Report prepared by the borrower, in collaboration with the cooperating institution, generally up to 18 months after the project has ended.

*Source: Office of Evaluation, IFAD.*

3. Section II of the present report illustrates the main cross-cutting themes emerging from evaluations. Section III summarizes the main highlights in the implementation of the various evaluation recommendations. Annex I presents the comments of OE on this President's report. Annex II, containing tables in the format provided by OE, provides detailed information on the implementation status of the agreed recommendations of each evaluation.

## II. CROSS-CUTTING THEMES EMERGING FROM 2002 EVALUATIONS

4. Evaluations undertaken during 2002 included for the first time two main Corporate-Level Evaluations (CLEs). They proved very useful for the Programme Management Department (PMD) and IFAD at large and contributed valuable recommendations and insights into strategic and operational issues. They also contributed to the formulation of follow-up actions to enhance performance in the corresponding areas.

5. Two Country Programmes were evaluated during 2002: Sri Lanka and the United Republic of Tanzania. In addition to assessing the results and sustainability of IFAD's country programmes, CPEs assess the overall cooperation and compatibility between IFAD and its partners, and the strategic role of IFAD in relation to national strategies. CPEs provide insights and recommendations for the development of a new IFAD Country Strategic Opportunities Paper (COSOP).

6. The two CPEs produced in 2002 covered two very different countries. The United Republic of Tanzania has a gross domestic product (GDP) per capita of around USD 250, and ranks among the ten poorest countries in the world. Sri Lanka has impressive social indicators, a per capita income of USD 870, and is classified as a lower middle-income country. Despite these differences, both countries share two important characteristics: the concentration of poverty in rural areas and significant income disparities between regions and also between households. The recommendations of

both evaluations were duly incorporated in the subsequent COSOPs. In addition to the CPEs and the CLEs, ten projects were evaluated by OE in 2002, mostly in anticipation of the design of a second phase of the project. These ten Project Evaluations were the first group of evaluations that used the new Methodological Framework for Project Evaluation, which was introduced by OE in 2002 as a follow-up to a recommendation of the IFAD V: Plan of Action (2000-2002).

7. Overall, useful cross-cutting themes emerged from the evaluations and were well reflected in the recommendations and follow-up actions. The main themes revolved around successful innovations, sustainable local-level institutions, participatory processes, and devolving decision-making powers to local communities.

8. Evaluations revealed that successful projects and intervention approaches, while mostly innovative in their own context, are mainly based on implementation methods that had been tried and tested elsewhere or previously in the same region and are well adapted to local circumstances. Evaluations also emphasized that the creation and/or strengthening of sustainable local-level institutions focusing on the poor are key to meeting outreach and impact targets. In general, successful interventions benefited from in-country favourable policy and institutional environments, and/or contributed themselves to the establishment of these environments.

9. The less successful interventions tended to be those addressing challenging technological and community-level issues in difficult physical and socio-economic environments: for example the challenge of range management exacerbated by severe droughts, and/or the establishment of community-level participatory processes in a complex social, political, institutional and policy context.

10. Another important element interpreting success in these project evaluations was the support and full engagement of all partners concerned and, in the case of the two most successful projects, close resident's donor support and engagement including a form of field presence by IFAD.

11. Evaluations also highlighted the importance of full involvement of the poor as strategic partners in design and implementation. Findings common to a number of evaluations show that projects that achieved a higher level of sustainable impact on rural poverty were those with more effective participation of the poor in decision-making, particularly when specifying in detail with partners the participatory processes required and committing adequate resources. Effective participation has also made the sustainability of operation and maintenance (O&M) of infrastructure investments much more likely.

12. Successful participatory approaches were guided by realistic expectations of what specific institutions can and cannot do. The emphasis on decision-making proved a key aspect of these approaches. Only when the poor have some measure of control over what they do can they acquire a sense of ownership of the project and contribute more genuinely and sustainably to its activities. In the projects that were most successful in devolving decision-making powers to the communities, community organizations had full financial and managerial autonomy, and their share of responsibilities was formally negotiated and codified in a contract signed with the project authorities.

13. Finally, evaluations also demonstrated that the organization of the poor at the grass-roots level must run parallel to a strong government commitment to devolve part of its decision-making powers to the local level. Otherwise decentralization will not benefit the poor.

### III. IMPLEMENTATION HIGHLIGHTS

#### A. Corporate-Level Evaluations

14. **Technical Assistance Grants Programme for Agricultural Research.** The grants to agricultural research are part of IFAD's Technical Assistance Grant (TAG) Programme. These important thematic evaluations provided valuable insights into the operations of the Fund's research TAGs. Recommendations were structured around research strategy, grant-loan linkage, impact enhancement, resource availability and use, innovation, and internal processes and procedures. The follow-up to these recommendations was undertaken in the context of developing IFAD Policy for Grant Financing, which was approved by the Executive Board in December 2003 (document EB 2003/80/R.5/Rev.1). The grant policy paper was developed through a highly participatory process, and covers all the main points pertinent to the agricultural research grant programme as identified by the evaluations. The synergy between grant and loan projects has received particular attention to ensure a better impact of the TAG and lending programme. Currently, a framework for enhanced grant-loan linkage is being put in place, an effort that is being reinforced by the Innovation Mainstreaming Initiative (IMI). As an integral part of its objectives, the IMI will make available resources specifically for fostering better grant-loan linkages. Internal processes for the grant programme have been revisited in light of the new grant policy, and new operational guidelines are now in place.

15. **IFAD's Capacity as a Promoter of Replicable Innovation in Cooperation with Other Partners.** This thematic evaluation was undertaken during 2001, in response to a recommendation of the IFAD V: Plan of Action (2000-2002). In order to follow up the evaluation recommendations in a systematic manner, the Fund has conceived the IMI as an important instrument for promoting the mainstreaming of replicable innovations in partnership with other stakeholders. In May 2004, a workshop was held on the IMI. This, together with a PMD forum in April 2004 and an IFAD Policy Forum in May 2004, helped refine IFAD's facilitating and scouting role in innovation. A common understanding is emerging on the significance of innovation for IFAD. Currently, the innovation mainstreaming proposals are under development, and expected to be ready for the Executive Board session in December 2004. As an ongoing activity, innovation is treated as one of the core themes for the Fund's operations, embodied in the regional and country strategies, project and programme documentations as well as the project and portfolio review processes. The role of the Project Development Team (PDT) has been reinforced by PMD, and thematic groups are operational to deal with themes such as rural finance, natural resource management and gender. The new human resources policy has been prepared, and will address the human resource dimension of the evaluation recommendations.

#### B. Country Programme Evaluations

16. **Sri Lanka.** The CPE had three main recommendations: the establishment of an autonomous body for social mobilization and community participation; the carrying out of an advisory (or thematic) study on decentralized development; and the generation of ideas for a consistent framework for pro-poor project management. All the CPE recommendations have been followed up by the Fund in close collaboration with the Government and other in-country stakeholders, and contributed greatly to the development of a new COSOP for Sri Lanka, which was presented to the Executive Board in April 2003. It includes pro-poor design parameters as the basis for selection of future IFAD projects in Sri Lanka. Within the framework of the country programme (including loan and grant projects), pilot tests are being undertaken to create a self-governing non-profit body, whose design incorporates a holistic approach towards poverty reduction that combines the empowerment of the rural poor with the provision of microfinance and other community development interventions.

17. **United Republic of Tanzania.** The CPE grouped its recommendations under five headings: approaches to rural poverty alleviations and targeting; participation and sustainability; agricultural technology; monitoring and evaluation; and gender. As a follow-up to the CPE recommendations, the third COSOP for the United Republic of Tanzania was developed and adopted by the Executive Board in December 2003. The COSOP has successfully addressed key CPE issues such as the need for consistency with the Government's policy frame; target group definition; policy dialogue; subsidies and cost-sharing arrangements; support for agricultural technology and knowledge generation; monitoring and evaluation (M&E) as a management tool; and gender. The principles embodied in the CPE recommendations have also been incorporated within ongoing projects and processes, and are being applied in the design of new programmes. The United Republic of Tanzania is a Field Presence Pilot Programme country (document EB 2003/80/INF.7), and within that context an IFAD liaison officer was recruited in February 2004. This will ensure a more proactive IFAD participation in various strategy and policy working groups at the country level.

### C. Project Evaluations

18. **Bangladesh – Netrakona Integrated Agricultural Production and Water Management Project.** Following the evaluation recommendations and drawing from IFAD's new M&E guidelines, the M&E systems of the three ongoing projects have been overhauled. A desk study on beneficiary participation in ongoing IFAD projects was also carried out in early 2004, and the field validation is scheduled for October 2004. As a result of IFAD's policy dialogue with the Government, a decision was made in August 2003 by the Palli Karma-Sahayak Foundation (PKSF) Board to include marginal and small farmers as PKSF target groups, thereby creating an improved system of financial services for farmers. The two new projects since 2003 have adopted a group-based approach for delivery of microfinance services by non-governmental organizations (NGOs). This approach has proved to be highly effective and serves to address the sustainability issue raised by the evaluation.

19. **Chad – Ouadis of Kanem Agricultural Development Project.** All the Interim Evaluation (IE) recommendations were followed up and addressed in the process of designing the proposed Kanem Rural Development Project, which was formulated in April 2002 and appraised in August 2002. This new project was approved by the Executive Board in April 2003. During the design process, the Core Learning Partnership Team was actively engaged to ensure that all the IE issues and recommendations are addressed in an appropriate manner.

20. **Haiti – Small-Scale Irrigation Schemes Rehabilitation Project.** Based on the IE recommendations, the implementation period of the ongoing project was extended to consolidate project achievements. The second phase of the project has gone through the inception process.

21. **Mauritania – Oasis Development Project – Phase II.** The IE recommendations have been taken into account in the design of phase III of the project which, among other features, includes an eventual exit strategy. A global environment facility (GEF) component has been designed as part of the phase III project to deal with sustainable natural resource management issues (water and grazing); this component is subject to GEF approval. Finally, in order to ensure the smooth transition to the new phase, Food and Agriculture Organization of the United Nations (FAO) Technical Cooperation Programme (TCP) funding has been secured and an IFAD NGO/Extended Cooperation Programme (ECP) grant provided for continued service delivery to the Participatory Oasis Management Associations and the Oasis Investment and Credit Societies.

22. **Morocco – Livestock and Pasture Development Project in the Eastern Region.** The IE provided the basis for the design of the phase II project, which was approved by the Executive Board in September 2003. All the IE recommendations were taken into consideration in the phase II design. Because of the short transition period and budgetary constraints, most recommendations concerning the transition period were taken up in the design of the phase II project.

23. **Namibia – Northern Regions Livestock Development Project.** The IE was undertaken for the purpose of laying the foundations for a possible follow-up project to the Northern Regions Livestock Development Project (NOLIDEP). It aimed at defining the overall orientation and basic approach for interventions in the follow-up stage. Therefore most of the IE recommendations were of a longer-term nature, to be taken up during the design of the follow-up project rather than for the short span of the then remaining implementation period of NOLIDEP. The Government has been working to develop a project design document for the follow-up operation, with the intention of eventually soliciting funds from potential financiers (possibly including IFAD). The initial concept document for the new project prepared by the Government has been under revision with the assistance of consultants recruited by the Government. This process has not yet been completed. The initial concept document made available to IFAD reveals that the main IE recommendations have been taken into account in the design process, notably in the areas of participation, rural financial services, decentralization, land reform and community-based sustainable natural resource management (NRM).

24. **Peru – Management of Natural Resources in the Southern Highlands Project.** All the evaluation recommendations have been implemented. In particular, in order to promote knowledge-sharing, the project experience has been analysed and disseminated, and the relevant project approaches are being replicated in projects in Ecuador, Peru and other countries in the region.

25. **Philippines – Rural Microenterprise Finance Project.** During 2003 and 2004, IFAD and the Asian Development Bank (AsDB) designed follow-up projects to the Rural Microenterprise Finance Project (RMFP) aimed at mobilizing new resources for further expanding the microfinance outreach to the poor through sustainable Multilateral Financial Institutions (MFIs). The evaluation recommendations were taken into consideration to the extent possible during the design process of the IFAD and AsDB projects. These include, for example, support for transforming competent NGOs into viable MFIs, the training and exposure programmes, support to rural micro-entrepreneurs, improved reporting on impact, and enhanced stakeholder cooperation. Both IFAD and AsDB are awaiting the installation of the new Government before finalizing other follow-up actions, including the timing of appraisal and presentation to the various governing bodies for approval. The recommended policy dialogue on microfinance reform has temporarily stalled pending the outcome of the Land Bank of The Philippines' (LBP) review on the question of privatization of the People's Credit and Finance Corporation (PCFC). Once the LBP review is concluded, IFAD will resume policy dialogue on microfinance, in partnership with other stakeholders.

26. **United Republic of Tanzania – Agricultural and Environmental Management Project.** The IE made both short- and long-term recommendations on agricultural development, environmental management, health, roads and water services. They have been carefully examined, analysed and appropriately implemented to suit farmers' conditions. The Government has indicated that the implementation of these recommendations is already producing tangible results, both in terms of improving the livelihood of the poor and ensuring sustainability of project interventions. The IE recommendations have also been incorporated into the institutional framework of the project and of the local government.

27. **Yemen – Tihama Environment Protection Project.** The various evaluation recommendations were grouped under: (i) project design and supervision; (ii) physical achievement, beneficiary participation and sustainability; (iii) M&E and impact assessment; and (iv) provision of credit. While the first category of recommendations has been largely integrated into the new project in Al Dhala, limited progress has been made in implementing the recommendations under (ii) to (iv), largely because the expected second phase project was not processed. With respect to the project itself, the physical implementation was considered satisfactory. Given the fact that the participatory approach was introduced for the first time in a project in the country, the experience has been mixed. In some areas such as the establishment of water users' associations, some progress has been made. However, the empowerment of women did not meet expectations.

#### IV. CONCLUSIONS

28. As outlined in the preceding paragraphs and detailed in Annex I, the Fund and its country stakeholders have, in most instances, made considerable progress in follow-up to the evaluation recommendations. For project-specific evaluations, available feedback from the field confirms the relevance of most evaluation recommendations. Follow-up actions are starting to produce tangible results in one way or another. However, it is important to appreciate that the effects of implementing IE recommendations is often easier to track and demonstrate vis-à-vis other types of evaluations (particularly CPEs and thematic evaluations), as the aim of IEs is to lay the foundation for initiating a follow-up phase of the baseline project. Thus, the IE recommendations are usually very project-specific and of a short-term nature, for follow-up in the design process of the new phase of a project. CPEs deal with the country portfolio and the resulting recommendations are normally followed up through the COSOP process and at the country programme level. The implementation of CPEs and corporate-level thematic evaluation recommendations takes a longer time frame to bear fruit.



### COMMENTS OF THE OFFICE OF EVALUATION

1. The comments of the Office of Evaluation (OE) on the preceding 2004 President's report are provided as an attachment to the report in adherence to the stipulation of the 2003 IFAD Evaluation Policy (document EB 2003/78/R.17/Rev.1), Part Two, Section V, paragraph 49:

*“The President will be responsible for ensuring that evaluation recommendations found feasible by the users are adopted at the operational, strategic and policy levels (as appropriate) and their implementation adequately tracked. The President will provide the Board an annual report on the status of adoption and implementation of evaluation recommendations and OE will provide to the Board its independent comments on this report, including an inventory of recommendations not found feasible by the users, hence not implemented.”*

2. This is the first time in the history of IFAD that such a report has been compiled and it should therefore be considered a pilot endeavour with future prospects for improvement. OE would like to note the close cooperation with the PMD in designing the matrix format of reporting on individual evaluations (contained in Annex II of this report) and on deciding on the timing and process of report finalization.

3. OE would also like to commend the efforts of the PMD and its staff in diligently reporting on the status of implementation of evaluation recommendations. OE was provided with the draft President's report and conveyed its comments to the PMD. These were taken into consideration in the final version of the report. The attention of the Executive Board is directed to some important aspects and issues that should be taken into account in reviewing this 2004 report. These are provided in paragraphs 4 to 13 below.

4. The evaluations reviewed in this year's report were all undertaken in 2002, i.e. prior to the advent of the evaluation policy. The synthesis of their findings is contained in OE's Annual Report on the Results and Impact of IFAD Operations – Operations Evaluated in 2002, presented to the Executive Board in September 2003 (document EB 2003/79/R.5).

5. While the concept and practice of the evaluation's Agreement at Completion Point (ACP), which is the starting-point in compiling the matrices, existed in 2002 when the evaluations covered by this report were undertaken, the 2003 evaluation policy introduced a number of modifications to the ACP process that are therefore not yet reflected in this year's President's report. The evaluation policy defines the ACP and the process leading to it as follows:

*“45. ... The ACP illustrates the stakeholders' understanding of the evaluation, findings and recommendations, their proposal to implement them and their commitments to act upon them. OE will participate in this process to ensure a full understanding of its findings and recommendations.*

*46. The ACP will continue to be the outcome of the work of the CLP [Core Learning Partnership]. The two objectives of the ACP are to: (i) clarify and deepen the understanding of evaluation recommendations, document those that are found acceptable and feasible and those that are not, make the former more operational, and eventually generate a response by the stakeholders on how they intend to act upon them within the framework of an action plan that assigns responsibilities and deadlines; and (ii) flag evaluation insights and learning hypothesis for further future discussions and debate.” (Document EB 2003/78/R.17/Rev.1.)*

ANNEX I

6. The ACPs concluded that the 2002 evaluations were not based on the above-mentioned clear understanding that a distinction should be made between the recommendations found feasible and those considered unfeasible by the PMD and other main stakeholders. Hence, this year's President's report does not elaborate on this distinction.
7. Starting from late 2003 (post-evaluation policy), evaluations' ACPs and therefore the follow-up matrices will include an additional part citing recommendations that were not accepted by the main stakeholders, if any, and why. That will necessarily shed a better light on the relevance of recommendations and stakeholders' commitments.
8. The ACPs of the 2002 evaluations were not systematically committed to citing the date agreed upon for completion of the required actions, nor to mentioning explicitly the entities responsible for their implementation. Hence the many vacant entries under these headings in the attached matrices. This aspect will remain in the 2003 ACP evaluations, which were mostly conducted prior to the evaluation policy; but starting from 2004 all ACPs will adhere explicitly to defining agreed upon implementation dates and responsible entities. This practice will greatly facilitate tracking and reporting on the implementation of evaluation recommendations for the PMD, and commenting on the report by OE. It will also clarify accountability in the implementation of evaluation recommendations.
9. A number of lessons emerge from this first-time exercise. *First:* there is a need for evaluations to avoid arriving at too many recommendations that do not convey a clear sense of priority. Grouping and focus of evaluation recommendations in a few key areas with a sense of priority will facilitate their implementation and monitoring and enhance transparency and accountability.
10. *Second:* there is a need to ensure a common and better understanding of the evaluation findings and recommendations by all main stakeholders. OE observed this year that when this understanding was not fully ensured, the different perspectives created a gap between the manner in which the recommendations were implemented (or in some cases not implemented) and the original expectations of the evaluators.
11. *Third:* it is easier and clearer to implement and follow up the recommendations of Interim Evaluations (IEs) and Country Programme Evaluations (CPEs) than Completion Evaluations (CEs). The former provide strategic and operational inputs into well-defined future processes and products: the design of a second phase for IE and the COSOP for the CPEs. The CEs' recommendations feed into a general learning loop, which is more difficult to monitor.
12. *Fourth:* given the nature of the exercise, OE's comments on the President's report can only relate to the adoption of recommendations in the design of projects and the formulation of COSOPs and IFAD's corporate-level policies. OE's comments cannot refer to the actual implementation of these recommendations nor to the effectiveness of implementation processes.

## IMPLEMENTATION STATUS OF EVALUATION RECOMMENDATIONS

List of 14 evaluations covered:

### **A. Corporate-Level Evaluations**

1. Technical Assistance Grants Programme for Agricultural Research
2. IFAD's Capacity as a Promoter of Replicable Innovation in Cooperation with Other Partners

### **B. Country Programme Evaluations**

1. Sri Lanka
2. United Republic of Tanzania

### **C. Project Evaluations**

1. Bangladesh – Netrakona Integrated Agricultural Production and Water Management Project
2. Chad – Ouadis of Kanem Agricultural Development Project
3. Haiti – Small-Scale Irrigation Schemes Rehabilitation Project
4. Mauritania – Oasis Development Project – Phase II
5. Morocco – Livestock and Pasture Development Project in the Eastern Region
6. Namibia – Northern Regions Livestock Development Project
7. Peru – Management of Natural Resources in the Southern Highlands Project
8. Philippines – Rural Microenterprise Finance Project
9. United Republic of Tanzania – Agricultural and Environmental Management Project
10. Yemen – Tihama Environment Protection Project

## A. CORPORATE-LEVEL EVALUATIONS

### A1. Technical Assistance Grants Programme for Agricultural Research

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<p><b>Develop a Research Strategy for IFAD</b></p> <p>Strategy would cover: programme goal and general objectives; type of research eligible for IFAD financing (in terms of strategic, downstream and innovative nature); type and characteristics of Research Institutions that should benefit from IFAD grants; specific thematic priorities or technology gaps of the greatest importance during 2002 to 2006 (subject to periodic review); extent of linkage/direct or indirect contribution of research to IFAD loan programme.</p>	<p>Need for a more selective and priority-focused approach to guide IFAD's catalytic contribution, building upon IFAD's Strategic Framework, Regional Research Strategies and new policy on Technical Advisory Division (TAGs). PT would organize strategy preparation in close consultation with PMD, EAD, OE and partner international agricultural research centres (IARCs), and guided by IFAD Grants Policy prepared by Vice-President-chaired Task Force.</p>	<p>Final draft to be circulated in-house in October 2003.</p>	<p>PT in close consultation with PMD, EAD, OE and partner IARCs.</p>	<p>Policy paper approved December 2003 (EB 2003/80/R.5/Rev.1). This paper was developed through a highly participatory process and covers main research strategy points as identified.</p>
<p><b>Strengthening the Contribution of Grant-Financed Research to the IFAD Investment Programme</b></p>				
<p>Should identify upfront the potential linkages between longer-term or more strategic research in the context of individual TAGs and future loan portfolio (individual loan projects) and systematically follow up the same.</p>	<p>PMD to consider introducing joint loan-grant planning, from loan project inception stage, as basis for operational work programme. The above requires strengthened communication between IFAD (country programme managers (CPMs), TAG project coordinators and IFAD TAG managers.</p>	<p>Loans-grants joint planning system by mid-2004.</p>	<p>Regional divisions and PT. Also, IARCs are willing to work closely with IFAD to achieve better linkages.</p>	<p>Definition of substantive elements/criteria under an agreed framework is currently in progress. The IMI is also giving attention to using IMI funding to enhance grant-loan synergies and CPM-grant discussions.</p>

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
	Prepare/finalize IFAD regional division agricultural research strategies with clearly identified priorities, covering both loan- and grant-funded research (this also to feed into institutional strategy for TAG Programme).	Finalization by PI, PL and PF by September 2003. Revision of PA's 1999 strategy according to lessons learned from TAG implementation by end-2003.	PI, PL and PF and eventually PA with PT support.	Ongoing.
	Transform existing database of TAG Programme to a corporate-access database, not limited to closed and ongoing approved grants but also pipeline contributions, to ensure greater transparency and more information for planning.	Corporate-access database by May 2003.	PT in consultation with PMD.	Ready in PT but awaiting conclusion of Strategic Change Programme (SCP) process on information technology-shared Loans and Grants System database.
	Share more widely the information on technology outputs of TAG Programme through Technical Advisory Notes (TANs) on IFAD Web subsite and through other information dissemination networks.	50 TANs on IFAD Web subsite by June 2003.	PT.	Ongoing. New deadline: December 2004.
<b>Enhancing the Poverty and Institutional Impact of Programme</b>	Increase TAG duration up to five years to allow more time for better situational assessment (local socio-economic conditions) and post-research time for impact evaluation.	December 2003.	PT, in collaboration with Regional Economists and partner IARCs.	To be monitored separately.
	Pay greater attention to assessing national capacity and to building capacity for participatory research.			2003 PT review of IFAD-financed farmer participatory research with applicable lessons.
	Build in a system with earmarked funding to the design of all research TAGs to enhance M&E of impact during implementation and at completion. Should agree on indicators to measure utilization of grant outputs by IFAD projects.			Compliance by some TAGs.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>Reviewing Resources Available for the Programme within the New Policy Framework to Ensure Adequate Follow-up of Approved Grants</b>	Review implications of financial resource allocation situation; present utilization of human resources in grant processing and implementation management; assess potential efficiency gain from designating a full-time coordinator; effect of resource constraints on supervision intensity and quality; examine more efficient ways to finance supervisions, e.g. earmarking funds within each grant.	Mid-2004.	PT and PMD Front Office, guided by IFAD Grants Policy.	PT will discuss with Management, soon after new Policy Framework becomes operational.
<b>Enhancing Policy Dialogue and Advocacy to Reinforce IFAD's Global Innovation Role</b>	Building on advocacy experience, IFAD should continue to influence donors towards addressing new research areas or methodological gaps, if research impact on poverty could be enhanced. Adjust regional agricultural strategies accordingly. Examples: no-till farming; water harvesting; design of improved farm tools for women farmers, the elderly and children.	Continuing:	PT and regional divisions through IARCs and the Consultative Group on International Agricultural Research (CGIAR).	Ongoing, with IFAD playing a lead role in this area.
<b>Reassessing Institutional Spread of Programme Resources</b>				
Should seek out a better match between sectoral focus of institutions (CGIAR/non-CGIAR) receiving grants with that of IFAD lending programme.	In developing new Agricultural Research Programme strategy, IFAD should review existing institutional spread of grant resources; examine, in light of IFAD's evolving research needs, the case for channelling some of IFAD's support to non-conventional international institutions, e.g. international development NGOs with strong research focus; and rationale, with respect to farmer-participatory nature of research, for allocating larger portions from grant resources to the country level.	September 2003.	PT and regional divisions.	Ongoing (continuous).  New IFAD Grants Policy allows a wide range of recipients, including those with no previous relationship with IFAD.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>Improving Internal Processes and Procedures of the Programme</b>				
Ensure that information is equally shared among potential applicants; the most deserving research projects are financed; grant implementation proceeds smoothly; and technology and lessons generated can yield maximum impact.	IFAD should provide more practical guidance to grant applicants/recipients on application, reporting and impact assessment; further strengthen grant review and selection procedure, particularly at the “concept” stage, to eliminate personal factors and ensure fair competition; review impact of and improvement requirements for the screening procedures of 2000, following “trial” period; improve speed of application processing and responsiveness to IARC queries.	September 2003.	PT and regional divisions in consultation with partner IARCs.	Internal processes are being reviewed and the Guidelines and Procedures (in draft, version 7) stress these issues.

## A2. IFAD's Capacity as a Promoter of Replicable Innovation in Cooperation with Other Partners

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
IFAD's main innovation role should be as a "facilitator" in scouting for, identifying, promoting and disseminating pro-poor innovative approaches in cooperation with its partners.	IFAD should, by its technical assistance Grant Programme, support partial testing of innovative approaches for performance testing and validation. IFAD should enable the rural poor to replicate innovations through scaling up by larger partners and other IFAD projects.	Not specified.	PMD/EAD.	<ol style="list-style-type: none"> <li>1) New grant policy approved December 2003 by the Executive Board.</li> <li>2) Grant Procedures to be approved by Senior Management – July 2004.</li> <li>3) Facilitating and scouting role in innovation refined in CPM Forum – April 2004 and IMI Workshop – May 2004.</li> </ol>
Should create a common understanding of definition of innovation for IFAD.	IFAD already develops improved and cost-effective ways to address problems/opportunities faced by the rural poor through projects/programmes (institutional, technological, pro-poor policies and partnerships).	Not specified.	PMD/EAD.	<ol style="list-style-type: none"> <li>1) Definition in OE Evaluation (ACP) is being used in IFAD's programmes.</li> <li>2) Common understanding is being developed in forums and workshops of IMI (cited above). This was preceded by the Information Note to December 2003 Executive Board (EB 2003/80/INF.4) on IFAD/IMI, which expanded the agreed definition of IFAD's innovation to include the key features of innovation for further definition and discussion in the IMI preparatory phase (2004).</li> </ol>

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Should ascertain strategic commitment to innovations: in operationalizing its Strategic Framework, IFAD should pursue and systematically promote replicable innovations.	Should operationalize strategic commitment: <i>directly</i> through increased allocation of funds to innovation within grants and loans; and <i>indirectly</i> through human resources management, strategic partnerships and information and knowledge management systems on innovation.	Not specified.	PMD/EAD.	Design Team of IMI developing innovation Mainstreaming proposals for December 2004 Executive Board: this will indicate a programme for the IMI main phase (2005-2007). Eight special innovation initiatives, with replication potential being implemented under IMI preparatory phase.
	When developing regional strategies, PMD and regional divisions should identify specific key areas in respective regions that require innovative solutions over the medium term; emphasize such areas in COSOPs and Annual Work Programmes; and accordingly direct operations.	End of 2006.	PMD.	Ongoing in activities of all regional divisions with PT support.
	One of the key areas of project M&E should be IFAD's capacity to promote and encourage innovations.	Not specified.		Loan and grant M&E is an aspect to be covered in the IMI main phase proposal (December 2004).
PMD should improve its performance on knowledge management.	Better structured PDT work, reactivation of thematic groups (adjusting PMD staff time accordingly), development of knowledge tools (such as PT's learning and guidance notes). Should examine how project cycle is structured and resourced.	Not specified.	PMD.	PT is revisiting project review, quality assurance and quality control processes so as to improve their timeliness, their impact and "inclusiveness" of all management levels, with specific value added. The 2004 Plan of Action would reflect above changes. Thematic

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				groups actively involved in IMI preparatory phase. Specific mention should be made of PT's Learning Notes (initially designed to strengthen PDT and support Technical Review Committee (TRC) processes), designed during 2003 and launched in January 2004. These notes are intended to develop as a principal PMD learning mechanism during 2004/5.
Should specify the stages of the innovation process, which should be flexible and adaptable, and integrate them into current operations. The stages are: recognizing need/opportunity for innovation; scout for and select with potential users a promising innovative solution; test innovation performance (users' reactions) and impact; modify and improve, based on test results; draw and share lessons learned from innovations; promote innovation ("market" or disseminate); assist users to replicate/upscale innovations with support from various agencies.	For these stages to become part of project development and approval framework, IFAD should agree on a number of guiding principles. These are to emphasize, scout for and select innovation both at the early design stage and during implementation; select innovation design partners with requisite skills to ensure quality; undertake improved analysis of risks involved and assess partners' capacity to implement loan and grant projects; test innovative approaches; direct M&E and supervision teams to monitor innovative approaches; plan in advance the replication and scaling up of innovations as part of the project cycle;	Not specified.	PMD/SCP remaining business cases.	SCP decision to be taken in 2005. In 2004, IFAD began an IMI, its general goal being to enhance IFAD's capacity to promote innovations that will positively impact on rural poverty. Its three core objectives are: enhancing IFAD's innovation culture and capacity; improving quality and field impact of innovation; and improving learning on innovation, and sharing and application of the same. Six tasks were envisaged for 2004, all of which are being implemented: agreeing on a basic conceptual framework for IMI; establishing and implementing a process to

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	highlight lessons learned from independent evaluation and disseminate appropriately.			select and finance a limited number of IFAD innovation initiatives; establishing an IFAD Group of Innovation Leaders (LINK); identifying several alternative ways to link IMI and core resources; guiding and overseeing start-up of an innovation inventory; guiding and overseeing development of innovation support tools.
To operationalize above guiding principles, should align/reorient organization processes towards innovation promotion stages.	PMD would prioritize innovation as a main criterion in assessing grant and loan proposals; improve innovation focus of IFAD instruments, namely IFAD/NGO ECP grants and TA grants for agricultural research and training while strengthening links with other instruments (partnership and policy dialogue) and projects to form a continuous innovation pipeline; reconfigure partnerships to match innovation process requirements, including replication and scaling-up (partnering with NGOs/community-based organizations (CBOs), governments, IFIs, other donors); promote scaling-up of	Not specified.	PMD (PDT, TRC, portfolio reviews, grant review process etc.).	These moves are embodied in the redefinition of the Grants Programme and procedures, (which has innovation as a strategic objective and criteria for selection), the strengthening of the loan project cycle and the work to develop an IMI main phase. The latter will be based on strengthening existing IFAD instruments and programmes and will both improve their mutual support and strengthen their innovation role; establish an innovation database; highlight learning, sharing of knowledge, and capacity-building as integrated aspects of all activities; strengthen partnerships to focus on innovation. The

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	<p>innovations into IFAD's core business by developing marketing skills through training and recruitment; strengthen learning from IFAD innovation experience by maintaining a database of innovations promoted and associated lessons; and establish a small working group to examine the feasibility of introducing new innovation promotion instruments. Furthermore, OE would emphasize evaluation of innovative features as part of its work programme, drawing on and disseminating lessons learned.</p>			<p>Evaluation Committee is an active participant in strategies discussion and the Evaluation Committee discussion paper on Communication Directions for IFAD, 2004-2007 has been taken into consideration.</p>
<p>Strengthen staff/managers' capabilities and orient IFAD's culture for promoting innovations.</p>	<p>IFAD's Human Resources Management Policy should systematically seek and develop innovation-specific skills (for identifying, promoting and marketing innovation), recruiting and training staff accordingly.</p>	<p>Not specified.</p>	<p>Senior Management, FH and all unit heads.</p>	<p>New Human Resources Policy adopted in September 2004.</p> <p>One of the three objectives of IMI is to enhance IFAD's innovation culture and capacity. IMI work is based on three key assumptions:</p> <p>1) <i>IFAD requires an innovative organizational culture</i>: i.e. an organizational culture that values innovation and comprises other values that will encourage interest in,</p>

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				<p>and attention to innovation on an ongoing basis.</p> <p>2) <i>IFAD requires an organizational <b>capacity</b> for innovation:</i> i.e. IFAD staff, management – and consultants and partners – need the knowledge, skills and expertise to achieve innovation and carry out related tasks.</p> <p>3) <i>IFAD requires an organizational <b>competence</b> for innovation:</i> i.e. IFAD staff and consultants need to know how to use the existing organizational framework to promote innovation.</p>
	<p>FH would develop an IFAD-specific innovation competency model that identifies the new knowledge and skills needed, in cooperation with relevant departments/divisions. The model would guide criteria-setting for staff performance and for recruiting, rewarding and training them.</p>	<p>Not specified.</p>	<p>FH.</p>	<p>Human Resources Policy under review.</p>

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<p>IFAD should become an institution that encourages creativity and risk-taking and manages innovation as an integral part of its operation: it should grow beyond being a project factory and any project's ultimate aim would be scaling-up and replication of successful innovative approaches, beyond "direct impact".</p>	<p>Managers should empower staff to take initiatives, encourage and "sponsor" new ideas and "champions". Managers and staff would receive requisite training.</p>	<p>Not specified.</p>	<p>All IFAD managers.</p>	<p>Upon approval of new Human Resources Policy.</p> <p>Being planned under IMI, with several alternative strategies under consideration.</p>
	<p>By end-October 2003, PMD, FH and OE were to submit to Senior Management an action plan for implementing the above recommendations, specifying measures to be taken, respective responsibilities and indicators of achievement.</p>	<p>October 2003.</p>	<p>PMD/FH.</p>	<p>The September 2003 Executive Board discussion of IFAD and innovation led to the request for an information note for IFAD's mainstreaming of Innovation (for the December 2003 Executive Board). This led to the IMI work described in the previous boxes.</p>

## B. COUNTRY PROGRAMME EVALUATIONS

### B1. Sri Lanka

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<p><b>(A) Insight 1:</b> Establish, on a pilot basis in one province, a self-governing non-profit body – an honest broker – for undertaking social mobilization and promoting community participation and a holistic approach to poverty alleviation.</p>	<p>IFAD should support and facilitate this proposal within the framework of the Sri Lanka COSOP through the following inputs: (i) identify potential “champions” willing to support the establishment of the proposed organization based on good models in Sri Lanka or neighbouring countries; (ii) provide documentation and support exchange visits to demonstrate the value of such an organization to relevant decision-makers; (iii) mobilize support from decision-makers, civil society, donors, academia, etc; (iv) establish a non-partisan and credible structure, professional organization framework and operational policies for the body; and (iv) use suitable NGOs or consultants to support the process (refer to page ix of the CPE Report, dated January 2002).</p>	<p>None.</p>	<p>IFAD and the Government.</p>	<p>(a) In September 2002 IFAD organized a study tour for a group of senior staff of the Second Badulla Integrated Rural Development Project and the North Central Province Participatory Rural Development Project (NCPDRDP) to MYRADA and the Dhan Foundation in south India to learn about social mobilization techniques and become local champions. They were accompanied by the Executive Director of a local Sri Lanka NGO known as the Arthacharya Foundation.</p> <p>(b) The three-day stakeholder workshop (attended by the Government line departments, donors and, civil society organizations including CBOs and NGOs) and the one-day High-Level Meeting between IFAD and the Government, organized as part of the COSOP process in October 2002, permitted the identification of local champions at all levels.</p> <p>(c) At the end of 2003 IFAD approved a two-year (2004-2005) NGO/ECP Grant for the Badulla Integrated Community Organizations Strengthening Project which should provide, with the help of two local NGOs and 280 strengthened Integrated Community Organizations (ICOs), valuable inputs and prepare the ground for the body proposed. Its design incorporates the holistic approach towards poverty alleviation that combines the empowerment of the poor with provision of microfinance and other community development interventions.</p> <p>(d) Currently (mid-2004) a large country grant is being formulated under the new IFAD Grant Policy for providing support to the Anuradhapura District Participatory Development Foundation (ADPDF) created by the IFAD-financed NCPDRDP from the 2 528 small groups (SGs), 396 village organizations (VOs), and 15 Divisional Foundations the project helped establish. If approved, it will provide another, but more broad-based, experience in the Anuradhapura district to complement that of the already approved Badulla Integrated Community Organization Support Project that will intervene in the Badulla district.</p>

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
				(e) Provisions have been made under the proposed Dry Zone Livelihood Support and Partnership Programme (DZ-LiSPP) going to the Executive Board in September 2004 eventually to transform the processes and structures of the programme into a self-sustaining funding mechanism and institution for coordinating investments for the long-term development of the dry zones.
<b>(B) Insight 2:</b> Undertake an advisory (or thematic) study on decentralized development administration that is responsive to the poor.	IFAD and the Government will provide staff and financial resources to carry out, with the help of a group of consultants (national and international), the proposed study which will focus on three selected provinces where IFAD is involved, but also collect relevant information from other provinces, projects and neighbouring countries (see pages xii and xiii of the CPE Report, dated January 2002).	June 2003.	IFAD and the Government.	<p>(a) An institutional capabilities matrix analysis, comparing the linkages between, and the strengths and weaknesses of, central government ministries and decentralized regional and provincial public sector services was carried out by FAO/Investment Centre in November 2002 as part of the preparation of the COSOP and the DZ-LiSPP (refer to the key files of both documents).</p> <p>(b) Between February and May 2003, FAO/IC undertook a number of preparatory studies as part of the Formulation of DZ-LiSPP which included an action-oriented review/study of the status of the decentralized development administration set-up in the three provinces (North-Central, North-Western and Uva) to be covered by DZ-LiSPP. The findings of the review were consolidated during the Appraisal Mission in December 2003 and January 2004 and are incorporated in the programme's design.</p> <p>(c) The design of DZ-LiSPP includes provisions for more detailed studies and reviews by Project Year Five of an appropriate institutional set-up of the proposed decentralized autonomous body (or institution) to take over the activities of the programme in mobilizing resources for the dry zone.</p>
<b>(C) Insight 3:</b> Generate ideas for a consistent framework for pro-poor project management.	IFAD and the Government will jointly strengthen the pro-poor orientation of IFAD-funded projects, inter alia, by identifying: (i) investment opportunities that aim at creating assets for estate workers and other landless households; and (ii) suitable investment possibilities in the conflict and	By early stages of a future project.	IFAD and the Government.	<p>(a) The COSOP, finally approved by the Executive Board in April 2004, includes pro-poor design parameters as the basis for selection of future IFAD interventions in the country. However, one major conclusion of the COSOP consultative process was that IFAD does not yet have a comparative advantage in the conflict zones of the north and the east; therefore these areas were excluded from future projects, until a new review reveals the need and justification to revise that conclusion.</p> <p>(b) A major aim of the proposed DZ-LiSPP, to be considered by the Executive Board in September 2004, is to improve the access to land, technology and financial resources of the poor in the dry zones and</p>

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	upland settlements. In doing so, particular attention will be paid to building an internally consistent framework linking the three key pillars of the CPE's recommendations, namely better targeting of the poor, better design of pro-poor interventions, and monitoring the participation of, and the impact on, the poor. This should be reflected in the COSOP and initiated during the design of a future project.			<p>uplands of the country.</p> <p>(c) The newly approved Smallholder Out-Grower Estate Development Project (SOG-EDeP), will specifically aim at redistributing the land on some estates directly to estate workers and to poor families from the villages around the estates. The project is at the inception stage and will be made ready for the Executive Board during 2005/2006.</p> <p>(d) The design of both DZ-LiSPP and SOG-EDeP emphasize the three pillars of the CPE (targeting, pro-poor institution building, and monitoring of the participation of, and impact on, the poor).</p>

**B2. United Republic of Tanzania**

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>Approaches to Rural Poverty Alleviation and Targeting</b>				
<b>Issue 1: Consistency with the Government's policy framework</b>				
IFAD should further support the United Republic of Tanzania's rural poverty reduction policy framework.	All future IFAD assistance would be within the context of poverty reduction strategy papers (PRSPs), the Rural Development Programme (RDP) and the Agricultural Sector Development Programme (ASDP), to extract greater synergies, generate better developmental results and lower transaction cost of aid.			Using a participatory approach, the third COSOP addresses the need for consistency with the Government's policy framework. The new COSOP was adopted by the Executive Board in December 2003.
<b>Issue 2: Approaches to Rural Poverty Alleviation</b>				
Should formulate targeting mechanisms so as to include the poorest as beneficiaries while, at the same time, safeguarding the programme's overall sustainability.	During the programme development phase, a more detailed definition of targeting mechanisms is needed. Undertake periodic review during implementation to determine effectiveness of IFAD and other stakeholders in reaching identifiable groups of the poor.			Ongoing, being applied in the two programmes currently under design.
<b>Issue 3: Target Group Definition</b>				
Ameliorate targeting definitions and mechanism to ensure majority of benefits reach the poorest.	Design documents should distinguish between "poor" and "poorest" and specify detailed mechanism to reach each group. Perform the above in a participatory manner with the rural poor.			The third COSOP considered target group definition. Under the next phase of COSOP-supported programmes, efforts will continue towards further refinement of target group

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				definition including incorporation of instruments and modalities to ensure the rural poor become the real beneficiaries of programme support.
<b>Issue 4: Thematic/Subsectoral and Geographic Concentration</b>				
Further explore opportunities of combining thematic approach with geographic concentration. In areas with high poverty incidence, geographic concentration: can complement thematic concentration and potentially generate more pro-poor outcomes.	Continue, with added emphasis, harmonization of social activities (health, water supply and sanitation) with economic (productive) ones.			Ongoing, principles adopted by the two programmes under design.
<b>Issue 5: Policy Dialogue</b>				
While emphasizing capacity development of the poorest representatives, IFAD should simultaneously engage in comprehensive policy dialogue with government and other external development partners and further strengthen advocacy at national and local levels.	Greater IFAD representation at country level and its proactive participation in various strategy and policy working groups (PRSP, UNDAF, Food and Agriculture Sector Working Group [FASWOG], and the Agricultural Sector Development Strategy [ASDS]).			The third COSOP has referred to policy dialogue. IFAD Liaison Officer recruited and in office since February 2004. Active participation in various working groups.
<b>Issue 6: The New COSOP for the United Republic of Tanzania</b>				
COSOP should be undertaken as a joint exercise between IFAD and the Government as a participatory policy dialogue process with concerned stakeholders.	COSOP would articulate common IFAD-Government medium-term rural poverty alleviation strategy and identify options to support the country's national/sectoral strategies.			Completed.

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	Discuss new COSOP within framework of FASWOG and finalize by June 2003.			
<b>Participation and Sustainability</b>				
<b>Issue 1: Subsidies and Cost-sharing Arrangements</b>				
IFAD should promote cost-sharing in line with government policy (public and social sectors).	Determine operationalization of cost-sharing (whether in-kind or through financial contribution as well as level of beneficiary contribution) through participatory approach, i.e. with a high level of social mobilization backed up by training (following IFAD/Belgian Survival Fund Joint Programme (BSF.JP)).			The third COSOP has addressed subsidy and cost-sharing arrangements. IFAD is currently assisting the Government in developing a detailed policy and operational framework for, among others, establishing appropriate cost recovery for irrigation systems.
	IFAD to take the lead in dialogue with various donors and Government to develop a common framework for cost-sharing for rural poverty alleviation.			Discussions are ongoing.
<b>Issue 2: Participation</b>				
IFAD should develop a common understanding at the outset among key stakeholders of the concept of participation so as to be aware of their specific roles and responsibilities.	Should promote participation as a process of empowerment to allow rural people to become decision-makers and owners of development activities: from mere participants to active agents of change (not an instrument to achieve physical and financial targets).			Participation fully supported within the framework of ongoing projects: Kagera Agricultural and Environmental Management Project (KAEMP), Participatory Irrigation Development Programme, Rural Financial Services Programme and Agricultural Marketing Systems

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				Development Programme (AMSDP). Communities prepare and use village log-frames for participatory planning and implementation.
	Participation should help foster an equal and transparent partnership among different actors.			
	For building participation, should limit creating new structures and instead work through established/traditional institutions.			System incorporated within the ongoing decentralization process and local government reform.
	If necessary, encourage staff training to promote participation.			Ongoing.
	Establish specific indicators to develop quality of participation, empowerment, skills enhancement/capacity-building.			Started, and process ongoing.
<b>Issue 3: Project/Programme Design</b>				
Should rationalize project/programme objectives to ensure both enhanced efficiency in delivery and developmental results as well as complementarity with other relevant projects of Government and other development partners.				Fewer new programmes designed within the Agriculture Sector Development Strategy and Programme.
<b>Issue 4: Project Management and Implementation</b>				
Should further improve project management and implementation arrangements to ensure programme's efficiency.	Operate within government policies and involve a cross-section of institutions according to comparative advantage (public sector, private sector, civil society organizations and NGOs).			Adhered to and where required any parallel systems are incorporated in government (decentralized) mechanisms.

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	Eliminate need for specialized IFAD-specific regional project coordination units, their function to be taken up by Government Facilitation Team in the Office of the Regional Administrative Secretary and a Facilitation Unit within the District Executive Office.			New programmes will be set within government structures.
	Apply the Mara Region Farmers' Initiative Project experience in promoting decentralized project coordination/management, ensuring capacity-building of local authorities and grass-roots institutions. If existing, phase out Project Coordination Units (PCUs) before end of project.			Ongoing and PCU roles in implementation transferred to District and Regional government offices.
<b>Agriculture Technology</b>				
<b>Issue: Low Farm Productivity</b>				
Knowledge generation should institutionalize client-oriented research and improve research-extension linkages.	Involve poorest farmers, civil-society organizations and the private sector in assessing appropriateness of current and new technologies.			The third COSOP has considered support for agricultural technology and knowledge generation.
	Establish a sustainable funding mechanism for technology: a Zonal Research Fund and Endowment Fund constituted from the contributions of rural poor, local governments and international development partners.			Being addressed under the new Agricultural Support Services Programme (ASSP).

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Knowledge dissemination should promote dissemination of low-cost sustainable and environmentally friendly technologies manageable by the rural poor, such as Mara bunds for small-scale irrigation.	Build information/communication systems (radio/television, email, Internet) and upscale integrated pest management (IPM)/farmers' field school approaches. Should identify and promote traditional knowledge and farmers' innovations (Indigenous Knowledge Systems).			Follow-up given under ASSP and AMSDP.
Capacity-building should empower participatory groups and cooperatives.	Train farmers' groups in PRA and logical framework planning. Simplify and tailor logical framework for use by them. Reintroduce agricultural training in primary/secondary schools.			Implementation ongoing under existing and new programmes.
<b>Monitoring and Evaluation</b>				
<b>Issue: M&amp;E as a Management Tool</b>				
Promote mind-set change among stakeholders with respect to M&E as being demand-driven and not supply-driven.	Train communities towards involvement in M&E and in assuming ownership of the M&E process as well as in the principles contained in the new IFAD M&E guide. Mainstream participation in projects.			The third COSOP has referred to M&E. A number of attempts have been made to improve the M&E system through incorporation of log-frame and impact analysis.
	Periodic external evaluations, as a learning and confidence-building tool for stakeholders, to be preceded by beneficiary self-assessments.			Ongoing, also linking to the district and planning system (DDP and DADP).
Implementation authorities should enhance transparency in M&E data collection, analysis and reporting.	Involve and periodically inform rural poor and their institutions.			Feed-back mechanisms are evoked on.

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<b>Gender</b>				
<b>Issue: Women's Involvement in the Development Process</b>				
Define mechanisms to enhance women's involvement fruitfully in general and women-headed households in particular, with a view to building a harmonized approach to gender mainstreaming in IFAD projects in the United Republic of Tanzania.	Should include gender analysis and gender-focused targeting in all programme design and M& E.			The third COSOP has taken into consideration gender issues. IFAD, as a matter of policy, has introduced specific legal and operational modalities to ensure women's participation and empowerment.
	Should specifically refer to gender impact when reporting to stakeholders by way of applying, when performing M&E, gender monitoring indicators contained in PRSPs.			Ongoing, including introduction of RIMS indicators.
	When promoting women's development, should assess changing social relations and introduce necessary offset measures, e.g. training for men.			To be included, based on internal impact evaluation by projects.
	Convene women-specific PRA and Logical Framework Analysis (LFA) training.			Women fully integrated in PRA and LFA training.

## C. PROJECT EVALUATIONS

### C1. Bangladesh – Netrakona Integrated Agricultural Production and Water Management Project

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
				ACP was discussed at a workshop on 18 January 2003 in Dhaka.
<b>Project Preparation, Design and Management</b>				
Should review all ongoing IFAD projects to examine baseline survey and existence/quality of M&E system.	A review and improvement of M&E systems within the framework of the new M&E guide.	Not referenced in ACP.	PI.	Four M&E implementation support missions for the Bangladesh portfolio were carried out in 2003 and 2004. Drawing from IFAD's new M&E guide, M&E systems of three ongoing projects have been overhauled.
The Government should examine ways to ensure greater flexibility in revising project proposals (PPs). In designing future projects IFAD will pursue the precise definition of project components.	It was agreed to record the recommendation to the Government on PP flexibility. IFAD will commit to detailed preparation in future projects.	Not referenced in ACP.	Government/IFAD.	An AsDB/Government project is currently under implementation with the specific objective of streamlining the PP process. Both new IFAD projects underwent detailed preparation, as referenced by two complementary TRC reviews.
Designated Project Directors will be involved in project planning.	The Government will commit that in future projects designated Project Directors are involved from the project planning stage.	Not referenced in AC.P	Government.	The Project Manager for the Microfinance and Technical Support Project was actively involved at the design stage. Similarly, the managing director of PKSf (proposed new project manager) has been actively involved in the design of the new Microfinance for Marginal and Small Farmers Project.
The Government recommends IFAD increase the number of direct supervisions and ensure some form of field representation to facilitate follow-up.	IFAD increase the number of direct supervisions and ensure some form of field representation to facilitate follow-up.	Not referenced in ACP.	IFAD.	There is no possibility of increasing the number of directly supervised projects until such decision is approved at a corporate level. An IFAD liaison consultant has been recruited and is based in Dhaka.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>Participation</b> IFAD/PI should review use of the term <i>participation</i> in ongoing IFAD projects, first on the basis of project documentation and subsequently with regard to field reality.	IFAD/PI will undertake a desk study of participation, and a subsequent comparison with the field situation. If warranted an action plan would be prepared.	Not referenced in ACP.	IFAD/PI.	A desk study on participation in Bangladesh projects was undertaken in February 2004. Field validation is programmed for October 2004.
On Land Donations for infrastructure projects, IFAD should consider adopting the World Bank standard (OP4.12), i.e. compensation for involuntary resettlement.	IFAD/OE commits to consult Senior Management to ensure that IFAD is aligned with other donors.	Not referenced in ACP.	IFAD/OE.	IFAD does not support land acquisition through loans. PI has avoided small infrastructure components in recent Bangladesh projects. Should such components be supported in the future, PI will follow Senior Management guidelines on the matter once made available by OE.
IFAD and partners should consider options for allowing democratic representatives of the beneficiaries an active role in design and implementation.	IFAD/PI to discuss with authorities to review options for allowing local elected bodies a larger role in decisions on relevant issues to strengthen the voice of the rural poor.	Not referenced in ACP.	IFAD/PI.	The preparation of any future IFAD project that will involve the local government division as an executing agency will involve a review and discussion on possible options.
<b>Support to Rural Credit: Income-generating Activity versus Agricultural Credit</b>				
Urgently pursue a solution to the Revolving Loan Fund (RLF), with PKSF or the Sonali Bank.	IFAD to review on a continuous basis options for an agricultural credit system. IFAD will undertake discussions with PKSF and the Sonali Bank about taking over respective parts of the RLF.	Not referenced in ACP.	IFAD.	Policy dialogue between IFAD and the Government led to a decision in August 2003 by the PKSF Board to include marginal and small farmers as PKSF target groups. This represents the creation of an improved system of financial services for farmers. Detailed proposals on the RLF were made by the February 2004 supervision mission of the Agricultural Diversification and Intensification Project. Should the Sonali Bank Board decide against taking on the RLF, NGOs will pay back their funds to the Government.

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<b>Sustainability Issues</b>				
Relevance of discussion on group sustainability depends on whether project groups are expected to continue after the project or not.	IFAD/PI to guarantee, in collaboration with Government, allocation of sufficient resources to ensure expected performance and results of the groups formed.	Not referenced in ACP.	IFAD/PI.	Since January 2003, both new IFAD projects have included a group-based approach for delivery of microfinance services by NGOs. This approach in Bangladesh has proved to be highly effective, with individual membership maintained beyond project closure, according to individual needs and NGO performance.
For physical maintenance, more circumspection is recommended in undertaking rehabilitation for which maintenance funds are required, and alternatives to public funding should be sought. The Government recommended that modalities for maintenance funding should be developed no later than appraisal.	For physical maintenance, IFAD will review the situation in other projects, with a view to identifying problems and solutions in cooperation with the authorities.	Not referenced in ACP.	IFAD/PI.	Neither of the new IFAD projects in Bangladesh include infrastructure components. This issue will be addressed in future, should IFAD projects include infrastructure rehabilitation components.
<b>Agricultural Research</b>				
Improve present system of participatory planning (FINA) to ensure more proper needs assessment. More coordination among various field organizations of their respective needs assessments.	IFAD/PI to review options for further assisting the quality of needs assessments work in ongoing projects.	Not referenced in ACP.	IFAD/PI.	Recommendations to improve FINA and to improve coordination and partnership-building between NGOs and government agencies were addressed by recent project supervision missions. Furthermore, portfolio/project implementation workshops have focused on coordination and partnership issues.

<b>Agreed Upon Recommendations</b>	<b>Agreed Upon Action Required</b>	<b>Agreed Upon Date of Completion</b>	<b>Responsible Units</b>	<b>Status of Implementation</b>
The evaluation team calls for application of better expertise in Farm-based Research (FBR) while IFAD/PI recommends small-scale pilot schemes within projects, channelling more serious research to research institutions.	IFAD/PI to discuss options with the authorities with a view to improving the focus on FBR and extension messages.	Not referenced in ACP.	IFAD/PI.	Both the new IFAD projects provide funds for contracting national agricultural research systems, NGOs and the private sector to undertake research and extension as opposed to relying exclusively on line agencies such as the Department of Agricultural Extension. Research topics in new projects will be selected based on farmers' identified priorities during implementation. Future IFAD agricultural research grants will also focus on FBR.

## C2. Chad – Ouadis of Kanem Agricultural Development Project

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Need for a new rural development project in Kanem for presentation to the Executive Board in April 2003.	Field a Formulation Mission in April 2002 and Appraisal Mission in August 2002.	See the IE report and/or memo sent to Hermi on this issue.	PA.	To ensure proper follow-up of Interim Evaluation recommendations, a Formulation Mission was fielded in April 2002. The Core Learning Partnership team was frequently consulted during the preparation process. The Appraisal Mission was fielded in August 2002. New project was approved by the April 2003 Executive Board.
Need to reinforce private suppliers of water-lifting equipment and maintenance. Still require partial investment subsidies for the poorest to access these innovations.		Same as above.	PMU/Government.	
The <i>Office national de développement rural</i> (ONDR)'s refocused function of providing agricultural and rural advisory services should be accompanied by capacity for research and innovation.		Same as above.	Government.	
<b>Short-term Recommendations</b>				
<b>Programme of Social and Health component</b>				
Should prioritize health subcomponent activities within the Programme of Work and Budget (completion of centres under construction, training of traditional birth attendants and health promoters).	Project Management Unit (PMU) and IFAD to verify quickly the availability of funds with the United Nations Office for Project Services (UNOPS) .	Same as above.	PMU/PA.	UNOPS was contacted and funds were available; and hence health centres were constructed and health staff trained.

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Secure funds needed for “literacy” and “nutritional education” subcomponents.		Same as above.	PMU/PA.	<b>Funds were secured and literacy and nutritional training was undertaken.</b>
<b>Programme of Support for Self-administered Local Credit Unions</b>				
Collections from credits outstanding and in arrears should be returned to the 4 existing <i>Caisses locales auto-gérées</i> (CLAs) after providing them with necessary training and tools for proper management of funds.	Procedure for returning these funds to be defined before loan closure.	Same as above.	PMU/Government.	<b>SECADEV has been collecting credits outstanding for the four existing CLAs.</b>
	CLA offices, with the support of the Catholic Relief Development Association (SECADEV), to collect credits outstanding and in arrears from member GIE of the four existing CLAs. These funds will remain the property of the CLAs.	Same as above.	SECADEV NGO.	
Those Economic Interest Groups (GIEs) that are not members of the four existing CLAs should receive support for collection of credits outstanding and in arrears from the Kanem ONDR district. Recovered amounts should be credited to the “Groups Development Fund (GDF) Interest” accounts on behalf of GIEs, and to be subsequently returned as equity capital once GIEs form CLAs.	Directorate-General of Agriculture quickly to put in place the ONDR staff needed to cover the entire district. Kanem ONDR District and SECADEV to collaborate to ensure the smooth transition process towards forming new CLAs.	Same as above.	Government.	
Should ensure continued presence of operator to support local credit unions between 30 June 2002 and start of new	Not possible to arrange funding under “IFAD grants to NGOs” category for the second half of	Same as above.	PA/Government.	SECADEV was recruited to ensure support to CLAs until December 2002, on funding

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project in 2004.	2002, but will be examined for 2003. As for the second half of 2002, the Government and IFAD to examine application of "PSANG 2" project loan funds for intervention in Kanem under a new agreement with SECADEV. SECADEV and PMU to prepare the outline of a draft agreement that commits these two parties during the second half of 2002, for presentation to PSANG 2 start-up seminar. Government to make up any funding shortfall from "GDF Capital" account.			from Government. To ensure such support in 2003, SECADEV received an NGO grant.
PMU should advance necessary funds to start operator's activities pending arrival of direct payment from UNOPS to SECADEV.		Same as above.	PMU.	<b>Advance funds were provided.</b>
<b>Recommendations for New Project</b>				
Should review design of cereal banks, as regards conditions for profitability and sustainability of services.		Same as above.	PA	Study was postponed to take place in the first year of the new project implementation.
Should simplify and adapt overall design and institutional arrangement for new project to difficult conditions.	Limit and clarify specific objectives. Responsibilities should be focused and very clearly allocated. Shorten and simplify operational procedures (for planning, approval and execution) and formalize project design and implementation in a procedures manual.	Same as above.	PA Formulation Mission.	<b>The design of the new project has an institutional arrangement that has taken into account lessons learned from the first project.</b>
Should select sectors for concentration		Same as above	PA Formulation Mission.	<b>Areas of concentration have</b>

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
based on real potential for improvement and local dynamics.				<b>been selected on real potential for improvement and local dynamics.</b>
Should broaden vision of concept of participation.	Involve target populations and GIEs from the time of the original design.	Same as above.	PA Formulation Mission.	
Should orient existing small GIEs towards more professionalism and market integration.		Same as above.	PMU.	
Should diversify income sources, especially for women, with local artisans and merchants playing a role in developing local economy (support for agricultural production should not be the sole vehicle for Kanem's development).		Same as above	PMU.	
Starting from the existing CLAs, should establish a network of local financial services that is autonomous and financially viable. Local organizations and the private sector (not project or public operators) should provide inputs, transport, supply and maintenance of infrastructure and equipment.	Local artisans and merchants should help develop local economy.	Same as above.	PA Formulation Mission/PMU.	
Should set up a separate subproject, autonomous within the new project (not just a component) to establish a self-administered, institutionally viable rural finance arrangement through a Chadian NGO over a period of at least seven to eight years.	SECADEV should position itself towards establishing rural finance set-up. Government and IFAD should acknowledge SECADEV as a full partner in new project's design and implementation (not just a service provider). Provide international technical	Same as above.	PA Formulation Mission/ Government.	SECADEV has been chosen as the operator for providing assistance for the establishment of rural finance institutions, in particular self-administered credit unions.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
	assistance to reinforce NGO's capacities.			
Secure official recognition for existing CLAs.	Re-examine (together with their managers) by-laws and internal regulations of existing CLAs to ensure completeness and consistency, with a view to their harmonizing them with current regulations.	Same as above.	PMU/Government.	
Should plan for a financially viable/sustainable system of credit through CLAs.	Membership in CLAs should not be limited to GIEs but should remain open to individuals. Therefore specific guarantee modalities should be examined.	Same as above.	PA Formulation Mission/PMU/Government.	<b>The new project has been designed with the development of financial services through CLAs as the entry-point.</b>
	Make available loan funds or equity capital to CLAs under the control of supporting NGO (and not rely solely on collection of deposits from project beneficiaries).	Same as above.	PA Formulation Mission.	
	Should initially avoid financing investments in ouadi exploitation, especially water-lifting with associated high risk.	Same as above.	PA Formulation Mission.	<b>The new project has taken up this recommendation.</b>
	CLAs should not be involved in medium-term financing in project's initial years. Should seek to identify other medium-term financing options.	Same as above.	PA Formulation Mission.	The new project has incorporated this recommendation.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Should seek economies of scale and consolidate project achievements in most villages.	Should study, as soon as possible, creation of new CLAs, guided by local economic potential, population density and dynamism of local inhabitants. Should design a self-sustainable future umbrella structure, its foundation to be set through organization of meetings among managers of existing CLAs.	Same as above.	PA Formulation Mission/PMU.	<b>Provision has been made in the new project.</b>
For investments with deferred profitability and for innovations involving substantial risk to producers (e.g. water-lifting systems in ouadis with deep water tables), should provide subsidies (matching grants).	Should create a partial subsidy fund (local development fund) completely separate and independent from CLA savings and loan system.	Same as above.	PA Formulation Mission/PMU.	<b>Provision has been made in the new project.</b>
Should assign implementation of future project to a more autonomous PMU.	Recruit personnel through competitive bidding from the private sector.	Same as above.	PA Formulation Mission.	<b>Provision has been made in the new project.</b>
Prevent significant delays in approval of the annual workplans and budget (AWP/Bs).	Replace regional and national supervisory bodies by a single steering committee, chaired by appropriate ministry.	Same as above.	PMU.	<b>Provision has been made in the new project.</b>
Should pay special attention to financial management.	Seek support from an accounting firm.	Same as above.	PMU.	
Should provide greater autonomy to specialized operators to which certain activities/public services are subcontracted.	Agreements should cover two to three years. Operational autonomy over vehicles and personnel.	Same as above.	PA Formulation Mission.	<b>Provision has been made in the new project.</b>
Project should establish a simple M&E system, its results possibly being a condition for approval of AWP/Bs.	Support to be provided in establishing and monitoring the M&E system over the first three years.	Same as above.	PMU.	

### C3. Haiti – Small-Scale Irrigation Schemes Rehabilitation Project

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Need not only for a second phase but also an extended implementation period for ongoing project.				Inception of project's second phase based on Interim Evaluation's findings and recommendations has been launched.
Should use extension period to complete work under way and channel residual funds for small-scale rapid interventions (further strengthening of WUAs and boosting agricultural value of irrigation schemes).	Complete work under way; strengthen WUAs; boost agricultural value of irrigation systems.			Emphasis was placed on completing works on remaining two irrigation schemes while using residual funds for additional light interventions in infrastructure rehabilitation.
Based on findings on participation and training, should maintain support to WUAs (1 October 2002 – 31 December 2003).	Clarify mandates and working procedures for management structures of WUAs and prepare workplans. Finalize and/or adopt legal documents of WUAs. Complete steps to obtain their official recognition. Adjust fees to a level corresponding to need. Define possible linkages with project to support social management of water.			Support to WUAs has been maintained and their management capacity increased.
Should focus development support activities in the short term on plot irrigation techniques.	Emphasize practical training and mobilize trained farmers from other regions. Sound farm water management so as to increase effectiveness of fertilizers.			

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Should broaden women-specific interventions so as to make a true contribution to increasing their incomes.	A serious study, employing economic analysis tools, on actions specifically targeting women to identify profitable investment opportunities for activities performed by women farmers, e.g. processing of agricultural produce. Formulate projects accordingly.			Gender-related activities are ongoing, and will be further strengthened by promoting economic investment opportunities for women's associations.
Intensify process of innovation in hydro-agricultural development.	Promote soil conservation and restoration in catchment basins supplying project schemes.			
	Improve disease-control techniques for banana trees.			
	Promote artisanal seed production.			
	Support marketing and processing of agricultural products and input stores			A significant follow-up was undertaken in the area of support services and input supply (disseminating new cropping technologies and establishing an autonomous local structure for input supply).
Facilitate access to financial services/ credit.				
Provide training for government employees.				

#### C4. Mauritania – Oasis Development Project – Phase II

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Must provide sustained and better targeted support to the oases already assisted.	Phase III design fully takes this into account, including an eventual exit strategy.	Phase III.	CPM/Design team.	Done. Explicitly taken into account during formulation of phase III.
Access to support services by the most vulnerable groups requires special attention.	Monitoring of access of different vulnerable groups to be included in phase III project design.	Phase III.	CPM/Design team.	Done. Explicitly taken into account during formulation of phase III.
Human and financial resources permitting, replicate the model to other oases.	Upscaling envisaged under phase III.	Phase III.	CPM/Government.	Envisaged during phase III implementation.
A holistic approach to oasis problems through sound management of natural resources (water and grazing).	A GEF component to be included in the design of phase III.	Phase III.	CPM/Design team.	GEF component designed, not yet approved.
Improve legislative and regulatory framework governing responsibilities of oasis development personnel.	Process to be incorporated during implementation of phase III.	Phase III.	CPM/Government.	In progress.
Make Participatory Oasis Management Associations (AGPOs) responsible for managing infrastructure.	Set in place a clear exit strategy.	Phase III.	CPM/Design team.	Exit strategy has been included in project design, to be implemented in phase III.
Provide necessary support to AGPOs to mobilize financial resources and to beneficiary communities so as to ensure sustainability of their activities in the context of project phase-out.	Formulation Mission to examine appropriate ways and means.	TRC meeting date.	CPM/Formulation Mission.	Subcomponent 1.1 (Capacity Development) of new project provides for support to AGPOs in resource mobilization.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Specify role of AGPOs and their relations with local/decentralized agencies concerning the management of natural resources, especially water, backed up by regulations.	Government invited to: (i) draft and adopt regulations; and (ii) disseminate legislation as widely as possible through an advocacy and training programme.	During first three years of implementation.	PMU.	<b>Done.</b> Subcomponent 1-2 Institutional and Legal Framework provides for support on legislation.
Provide assistance in accordance with needs to emerging umbrella organizations that would support AGPOs.	Formulation Mission, in concert with AGPOs and existing unions, to examine nature of support needed.	Before TRC meeting.	CPM/Formulation Mission.	<b>Done.</b> Subcomponent 1.1 Capacity Development provides for support to AGPOs and MICO unions on the basis of service delivery to their members.
Oasis Investment and Credit Societies (MICOs) should strengthen their statutes so as to improve their financial management and credit control. Management and functions of AGPOs and MICOs should be separate.	Managers of AGPOs and MICOs to take necessary steps to ensure separation of the two organizations, compliance with basic rules and resolution of issue of volunteer management.	During implementation.	PMU.	Component III of the new project provides for support to MICOs and their unions on the basis of good governance and the separation of responsibilities from AGPOs, aiming toward sustainability.
Establish a common service responsible for staffing, training, inspection, verification, accounts preparation and monitoring of MICOs.	Formulation Mission to define, in consultation with MICOs and BCM (Mauritanian Central Bank), modalities and institutional framework for establishing common service.	Before TRC.	CPM/Formulation Mission.	<b>Done.</b> Component III entrusts MICO unions with these functions.
MICOs should increase their own capitalization and mobilize external refinancing.	Strengthen MICOs' capacity to mobilize capital.	During implementation.	PMU.	Component III establishes resource mobilization and refinancing arrangements with the banking sector.

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Should increase the number of water works (weirs, dams) to be constructed in oases, where the population is interested in participating in their construction.	Formulation Mission to underline the importance of water works in future programme.	Before TRC.	CPM/Formulation Mission.	<b>Done.</b> Component IV provides for funding of basic infrastructure and subcomponent 1.3, Community Investment Fund, provides cofunding for community-based infrastructure, with reference to water economy and oasis ecosystem protection.
Support AGPOs' capacity as contracting authority/contractor.	Formulation Mission to include training on contract management for AGPOs.	Before TRC.	CPM/Formulation Mission.	<b>Done.</b> Subcomponent 1.1 provides for AGPO training in "maîtrise d'ouvrage".
Should fully review approach to reforestation and dune stabilization.	Formulation Mission to consider reforestation and dune stabilization in the context of sound management of natural resources and National Environmental Protection Programme.	Before TRC.	CPM/Formulation Mission.	<b>Done.</b> Subcomponent 1.1 is based on assessment of AGPOs' training needs.
Should facilitate beneficiary populations' access to technical training as per their request by way of a global financial allocation.	AGPOs to update their training needs and Formulation and Appraisal Missions to analyse requests and make proposals.			Subcomponent 1.1 is based on assessment of AGPOs' training needs.
Should give priority to training of managers of AGPOs and MICOs in the organization and administrative and financial management.	OASIS II project to continue its training programme as well as efforts to mobilize additional financial resources.	Before TRC.	CPM/Formulation Mission.	<b>Done.</b> Subcomponent 1.1 has prescribed as key topics: organizational skills; administrative and financial management.

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Should apply lessons from project experience in subcontracting to NGOs in staffing, monitoring and training.	Formulation Mission to adjust implementation modalities of new project accordingly.	Before TRC.	CPM/Formulation Mission.	<b>Done.</b> Institutional arrangements provide for contractual implementation with NGOs and other service providers and for collaboration with public services for R&D.
Should continue implementation of gender approach to promote role of women in oasis development.	Formulation Mission to draft a gender mainstreaming strategy.	Before TRC.	CPM/Formulation Mission.	
Transition to new project.	Government and IFAD to identify necessary actions, including financial modalities, to facilitate transition from OASIS II to next project.			<b>Done.</b> An FAO TCP has been secured and an NGO-ECP grant obtained to ensure continued service delivery to AGPOs and MICOs and to perform organizational and financial audits.
Formulation of new project should include: a farm management approach to ensure rationalization of use of natural resources, especially water; Research and Development (R&D) concerning oasis agricultural system; processing, storage and marketing of agricultural products; development of renewable energy sources for community infrastructure; a functional literacy programme; an endogenous (inter-Maghreb) process of exchange and transfer of expertise.	Formulation Mission to prepare draft proposals.	TRC meeting.	CPM/Formulation Mission.	<b>Done.</b> A community investment fund has been established to provide incentives and funding for improved community water-lifting and distribution systems, for improved natural resource management (NRM). Provisions were made for R&D for literacy and farmer exchange programmes.

**C5. Morocco – Livestock and Pasture Development Project in the Eastern Region**

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Need for a second phase in order to consolidate achievements of the first phase.				Executive Board approved phase II in September 2003.
The main priority of phase II should be to combat impoverishment of the rural population and eradicate poverty in the zone, targeting both small herders stricken by climatic disasters as well as rural women (the IFAD target group).	Prior analysis of small herders' adaptation strategies in coping with drought, and identification of their specific needs. Decide on project components accordingly.			First component <i>Consolidation of Institutional Achievements and Know-how</i> includes a subcomponent on capitalization of experience in the management of natural and pastoral resources.
Draw up a rational pastoral resource use blueprint as well as limits on livestock numbers to be supported by rangeland.				Considered in design of phase II.
Institution-building and training services for cooperatives, particularly those experiencing financial difficulties.				Considered in design of phase II.
During transition period, consolidate and boost gains of the first period so as to ensure benefits of implemented activities are sustained and investments are optimized.	Draw up an appropriate budgetary plan to ensure at least completion of priority support activities and provide assurances of availability of human and material resources.	Before start-up of the Livestock and Rangelands Development Project in the Eastern Region – Phase II (PDPEO – II).	PDAs , the Budget Directorate of the Ministry of Finance and the Livestock Directorate (DE) of the Ministry of Agricultural and Rural Development (MADR) to draw up budget in accordance with annual workplans.	Given that the transition period is short and because of budgetary constraints, most recommendations for the transitional period were taken up in the design of PDPEO-II.

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<p>Utilize transition period to perform basic studies to obtain better knowledge of human and natural environment as well as reflect more fully on most appropriate development strategies for the zone.</p> <p>Initiatives concerned with Preliminary Measures (PM) should clarify the responsibilities of various stakeholders and partners, and should be implemented in the short term, prior to the start of phase II.</p>				
<p><b>PM1</b> Consolidate and possibly create new “rested” range areas, and clarify conditions for access and use (applying also to existing plantations).</p>	<p>Negotiate and agree on conditions and modalities for creation of and access to “rested” range areas with those cooperatives having rights of use (e.g. admissible livestock-carrying capacity, criteria and procedures for opening and closing “rested” areas). Also provide cooperatives with juridical authority, ensuring surveillance and penalization for grazing infringements on “rested” areas/plantations or for tillage and construction infringements on rangeland.</p>		<p>Livestock Directorate, Figuig and Oujda PDAs, cooperatives, local authorities.</p>	<p>Given that the transition period is short and because of budgetary constraints, most recommendations for the transitional period were taken up in the design of PDPEO-II.</p>
<p><b>PM2</b> Regularize the situation of cooperatives where there are disagreements and introduce transparency in accounting procedures.</p>	<p>Carry out a fresh survey of all cooperatives, analysing their strengths and weaknesses, drawing up case-by-case</p>		<p>Figuig and Oujda PDAs, Agency for Cooperative Development, local authorities, cooperatives.</p>	<p>Given that the transition period is short and because of budgetary constraints, most recommendations for the</p>

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Clarify status of unions of cooperatives in relation to grass-roots cooperatives.	rehabilitation plans.			transitional period were taken up in the design of PDPEO-II.
<b>PM3</b> Clarify conditions for effective assumption of responsibility for sound management of unused trucks and premises, and for the management and upkeep of watering-points.	Carry out a precise survey of present state of trucks, cooperatives and watering-points as well as conditions for their use and prospects for their devolution.		Figui and Oujda PDAs, Agricultural Extension Centres, cooperatives, local authorities.	Measures on the sound management of trucks have been taken.
<b>PM4</b> Ease certain legislative measures governing internal operation of pastoral cooperatives.	Proposals for amending the constitution and internal regulations of cooperatives.		Agency for Cooperative Development, Figui and Oujda PDAs, cooperatives, local authorities.	Given that the transition period is short and because of budgetary constraints, most recommendations for the transitional period were taken up in the design of PDPEO-II.
<b>PM5</b> Perform studies on sociodemographic dynamics of the region; most appropriate technical packages; legal and regulatory context; and current level and modalities of use of different areas.	Conceptualize implementation of these studies, in collaboration with specialized public institutions.		Figui and Oujda PDAs, Moroccan <i>Société centrale pour l'équipement du territoire (Bureau d'étude)</i> , <i>Institut agronomique et vétérinaire Hassan II (IAVHII)</i> , <i>École nationale d'agriculture de Meknès</i> , National Agricultural Research Institute.	Given that the transition period is short and because of budgetary constraints, most recommendations for the transitional period were taken up in the design of PDPEO-II.

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<b>Medium-Term Measures in the context of phase II</b>				
<b>Economic and social dimension and poverty eradication (employment, income-generating activities and microenterprises)</b>				
In-depth study of poverty in project zone (income inequalities; small herders' vulnerability during drought years; food security; illiteracy; health; rural exodus) through surveys and PRA methods. Plan a baseline survey with a control group, with periodic follow-up.	Integrate a survey system into the activities and budget of phase II.	First year of phase II.	Livestock Directorate, IFAD, PMU, Figuig and Oujda PDAs.	Baseline PRA study carried out before formulation of phase II.
Promote establishment of a local economic fabric based on a zone's particular potential, backed up by creation of craft and other small trade microenterprises (within the framework of NGO partnership).	Establish a multipurpose unit for receiving and guiding project beneficiaries (women and unemployed youth).	During the first year of PDPEO-II for the microcredit NGOs and during the first three years for credit banks.	PMU, Figuig and Oujda PDAs, IFAD, local agricultural credit banks, NGOs specializing in microcredit.	Start-up anticipated with the start of PDEO-II, expected during the second half of 2004
Formulate specific strategy targeting rural women that promotes income-generating activities through a partial subsidy (sharing of start-up costs) and indicates specific activities: wool, leather and esparto work; aromatic and medicinal plants (rosemary, artemisia); livestock rearing.	Strengthen human resources of women's animation units of Figuig and Oujda PDAs. Exploratory survey of microcredit opportunities through banks and specialized NGOs.	By completion of PDPEO II (2009).	PMU, Figuig and Oujda PDAs, local agricultural credit banks, IFAD, specialized NGOs.	Start-up with the start of PDPEO-II, expected during the second half of 2004.
Within regional development plan context, structure initiatives towards improving access to social	Improve basic social infrastructure at the local level.	By completion of PDPEO-II (2009)	PMU, Figuig and Oujda PDAs, local government, other ministerial	Start-up with the start of PDPEO-II expected during the second half of 2004.

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infrastructure (animation and training centres); and living conditions of the local population.			departments, local development associations, NGOs.	
Encourage small herders to develop other income-generating activities within the poverty eradication framework.	Identify all opportunities with comparative advantages, incentive measures, implementation mechanisms and training needs.	2006 for identification of opportunities, and PDPEO-II completion for training.	PMU, Figuig and Oujda PDAs, Agency for Cooperative Development (ODCO).	Start-up with the start of PDPEO-II, expected during the second half of 2004.  Taken into consideration under the Promotion of Income-Generating Activities subcomponent within the component Generating Returns from Production in the Oriental Zone, which explores economic sectors and activities of possible interest to the target group and which could be financed by the bank concerned.
Reinforce training teams so as to put previous recommendations into operation.	Assign more staff in Figuig and Oujda PDAs and provide necessary training for all project-associated staff.	With the start-up of PDPEO-II.	Ministry of Agriculture and Rural Development.	Assigning more staff is in the progress.
<b>Protection of pastoral resources and environment (defining sustainable development strategic framework for the whole Eastern Region Steppe Zone, including strict allocation of each area to particular uses based on natural suitability)</b>				
Draw up a master plan with detailed maps for the rational use of pastoral resources in the entire high plateaus	Draft preliminary document on existing situation and define Terms of Reference for basic	First year of PDPEO-II.	Livestock Directorate; Directorate for Water and Forests (at present Haut	Long-term equilibrium between available resources and grazing requirements of

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region (e.g. pastoral, agricultural, environmental protection), using participatory approach. Identify measures against unauthorized extension of tilled areas and associated threats to biodiversity, soil, water.	study; a development research programme on technical packages/plant species for rehabilitating degraded land; and monitoring of resources.		commissariat aux eaux et forêts et à la Lutte contre la desertification [HCEFLCD]; <i>Centre régional de recherche agronomique de l'oriental</i> (CRRA); PMU; Figuig and Oujda PDAs.	animals considered in design of phase II. Socio-territorial mapping conducted prior to the design of PDPEO-II.
Harmonize national sectoral programmes (livestock protection, genetic improvement, creating watering-points, subsidies for tillage equipment) with rational natural resources management principles.	Ensure sectoral programmes meet certain conditions guaranteeing sustainability of natural resources.		Livestock Directorate, PMU, Figuig and Oujda PDAs, cooperatives, local authorities.	
Need for reforms towards clarifying: relations between common lands and alfa grasslands, preventing expansion of tilled areas and rehabilitating previously tilled areas through perennial pasture species; and administrative boundaries between rural communes without compromising exchange of grazing under existing agreements/contracts or customs. Contracts should specify range areas to be "rested" in future, policing system and beneficiaries of grazing fines.	Preliminary note on current problem and possible pointers for solutions.	By completion of PDPEO-II (2009).	Directorate for Rural Affairs, Directorate for Water and Forests (at present HCEFLCD), cooperatives, CRRA, nouabs, local authorities, PMU, Figuig and Oujda PDAs.	Delineating alfa grasslands, which are part of the public domain, is in its final stages. A tri-partite accord between the MADR, the Ministry of Interior (where Directorate for Rural Affairs is located) and HCEFLCD.
<b>Livestock production development and optimization of products (clarifying responsibilities of state and private sector and incentive measures/subsidies)</b>				
Integrate better the pastoral economy into the market economy by promoting the meat sector, and identify alternative	Study of meat sector and capacity of local economic fabric; search for external	Third year of PDPEO-II.	PMU, Figuig and Oujda PDAs, IFAD, unions of cooperatives, Directorate for	Start-up with the start of PDPEO-II, which is expected during the second half of 2004.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
economic sectors to ease pressure on natural resources (ecotourism, hunting, leather, wool-working).	outlets; assess financial and economic feasibility of investment options.		Water and Forests, <i>Association nationale ovine et caprine</i> .	
Clarify state's role in health care and define herders' participation in the cost of veterinary and preventive care, so as to strengthen cooperatives.	Facilitate information exchange between veterinary service, laboratory technicians and other actors in epidemiological surveillance. Boost regional veterinary analysis and research laboratories to diagnose better main livestock diseases. Promote private veterinarians.	By completion of PDPEO - II (2009)	Livestock Directorate, Oujda Veterinary Laboratory, PMU, Figuig and Oujda PDAs, cooperatives.	Elements taken into consideration in the design of PDPEO-II.
<b>Institutional aspects and pastoral cooperative organizations (revised role of decentralized government services and grass-roots organizations (cooperatives))</b>				
Update interpretation of many laws and regulations governing the use of pastoral resources in the Eastern Region so as to clarify rights and responsibilities.	Draft a report on present juridical texts governing use of pastoral resources in the Eastern Region.	First year of PDPEO-II (Operationalization of National Rangeland Development Strategy).	Directorate for Rural Affairs, Directorate for Water and Forests (HCEFLCD), Livestock Directorate, IFAD, PMU.	Considered in design of PDPEO-II.  Start-up with the start of PDPEO-II, expected during the second half of 2004.
Implement measures to guarantee ownership rights of ethnic communities and user rights of herders organized as pastoral cooperatives.	Develop models for concession contracts between ethnic communities and pastoral cooperatives for managing "rested" range areas. Define conditions for use and procedures for technical intervention.	Tripartite Accord before start up of PDPEO-II. Its implementation during the entire phase II.	Directorate for Rural Affairs, Directorate for Water and Forests (HCEFLCD), Livestock Directorate, cooperatives, rural communes, local authorities, PMU, Figuig and Oujda PDAs.	Considered in design of PDPEO-II. Start-up with the start of PDPEO-II expected during the second half of 2004.
Study cooperatives' role as bridging institutions and possibilities for diversifying resources and services	Develop a model for performance contracts for negotiating with cooperatives.	Model contracts and workshops during first two years of PDPEO-II.	Livestock Directorate, Agency for Cooperative Development, cooperatives,	Considered in design of PDPEO-II. Start-up with the start of PDPEO-II, expected

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
they provide. Officially entrust cooperatives with certain tasks, based on performance contracts. Encourage cooperatives to contract as a group for services of common interest (bookkeeper, private veterinarian, livestock feed supplier). Channel proceeds from levy on veterinary care to cooperatives.		Participatory Cooperative Development Plans (PCDs) to be established during the first three years of PDPEO-II.	rural communes, local authorities, Figuig and Oujda PDAs.	during the second half of 2004.
Analyse role of rural communes in support measures to improve living conditions (drinking water supply, market facilities, abattoir) and human resources support to pastoral cooperatives.	Develop a model for performance contracts for negotiating with rural communes, emphasizing partnership with cooperatives and defining rights and obligations.	Model contracts and workshops during the first two years of PDPEO-II.	Livestock Directorate, cooperatives, rural communes, local authorities, PMU, Figuig and Oujda PDAs.	Considered in design of PDPEO-II. Start-up with the start of PDPEO-II, expected during the second half of 2004.
Create an umbrella body for developing pastoral zones of the Eastern Region, coordinating actions among all stakeholders.	Establish a commission to formulate proposals for concerned authorities.		Livestock Directorate, Directorate for Water and Forests, Directorate for Rural Affairs, PMU, Figuig and Oujda PDAs, IAVHII, CRRA, and other institutions.	Commission established by a decision from the Wali of the Eastern Region.
Formulate an appropriate state policy to combat effects of drought, including a forecast and early warning system and state aid during extreme emergency.	Establish a programme to monitor drought and its effects. Examine modalities for establishing a regional solidarity fund for lesser disasters. During drought/fodder shortage, target livestock protection initiatives within partnership framework between public authorities and herders.	Completion of PDPEO-II.	Livestock Directorate, local authorities, PMU, Figuig and Oujda PDAs, National Drought Observatory, CRRA.	Taken into consideration in design of PDPEO-II under “establishment of early drought warning and monitoring” within the “partnership building” component.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Draw up a contract between accountants' and auditors' cooperative (charged with keeping accounts and having them certified) and cooperatives/cooperatives' union.	Negotiate with accountants' and auditors' cooperative to establish terms of contract.	Third year of PDPEO-II.	PMU, Figuig and Oujda PDAs, Agency for Cooperative Development, Taxation Department.	Taken into consideration in design of PDPEO-II under "Certification of cooperative accounting documents" within the strengthening of local capacities of the "consolidation of institutions and know-how" component.
Promulgate a law specifically for pastoral cooperatives to overcome constraints in their social environment (composition of Board of Directors, rules for general assemblies, bookkeeping and auditing).	Formulate a draft text for examination by various partners.	Study during first year of PDPEO-II	PMU, Figuig and Oujda PDAs, Agency for Cooperative Development, National Federation of Cooperatives, cooperatives, unions of cooperatives, local authorities, Livestock Directorate, Directorate for Small Enterprises of Ministry of Agriculture and Rural Development, HCEFLCD.	Taken into consideration in design of PDPEO-II under "legal and institutional framework" study for the Operationalization of Development Strategy for the Eastern Region within the "consolidation of institutions and know-how" component.
Re-examine and define criteria for establishing new pastoral cooperatives.	Constitute a committee for reflection.	Duration of PDPEO-II in order to maintain the necessary flexibility for adaptation.	PMU, Figuig and Oujda PDAs, Agricultural Extension Centres, concerned cooperatives, unions of cooperatives, local authorities.	Could be implemented, when needed, within the "strengthening of local capacities" subcomponent of the "consolidation of institutions and know-how" component.
Clarify authority of unions vis-à-vis member cooperatives.	Amend internal regulations and statutes of unions.	Duration of PDPEO-II in order to maintain the necessary flexibility for adaptation.	PMU, Figuig and Oujda PDAs, Agricultural Extension Centres, unions of cooperatives.	Could be implemented, when needed, within the "strengthening of local capacities" subcomponent of the "consolidation of institutions and know-how" component.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Define framework of authority over pastoral cooperatives, manner of exercising this authority, responsibility of each public actor.	Organize coordination meetings of concerned administrative offices.	Completion of PDPEO-II.	Local authorities, PMU, Figuig and Oujda PDAs, Taxation Department.	Could be implemented, when needed, within the “strengthening of local capacities” subcomponent of the “consolidation of institutions and know-how” component.
Define spheres of authority and frequency of meetings for coordination institutions and regional-level management (interprovincial coordination committee, steering committee) to infuse dynamism.	Submit details to Governors of concerned provinces and General Secretary of Ministry of Agriculture, Rural Development, Water and Forests.	Completion of PDPEO-II.	PMU, Figuig and Oujda PDAs, Livestock Directorate.	Taken into consideration in design of PDPEO-II.
Define role of Agricultural Extension Centres in project operations, provide them with resource and conclude performance contracts in order to dynamize them.	Prepare elements of performance contracts.	Contracts during first year of PDPEO-II. Dynamization throughout the duration of PDPEO-II.	PMU, Figuig and Oujda PDAs, Agricultural Extension Centres (CTs), Livestock Directorate, Directorate of Training, Research and Development (DERD).	Taken into consideration in design of PDPEO-II under strengthening of MADR structures within the “consolidation of institutions and know-how” component and under establishment of partnership mechanisms within the “mobilizing activities” component.
<b>M&amp;E system and supervision (providing information on impact of project activities to concerned administrative offices, staff, beneficiaries and donors; enabling participation of beneficiaries in selecting indicators)</b>				
Entrust M&E system to a clearly specified section of project management to ensure staff time and	Reflect on shortcomings of present M&E system; develop a new structure and	First year for establishing a reference situation and improving the M&E system.	Livestock Directorate, PMU, Figuig and Oujda PDAs, IFAD.	Taken into consideration in design of PDPEO-II under “M&E activities” within the

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
capacity and guarantee objectivity of results. Use a control group for quantitative indicators clearly to distinguish project effects from extraneous factors. Use anthropometric indicators for monitoring food status. Convene periodic sessions to inform audio visually cooperative members of M&E results.	implementation modalities and integrate into phase II of the project.	Throughout the PDPEO-II for M&E and impact studies.		project coordination and management subcomponent of the “consolidation of institutions and know-how” component.
Improve methods for supervision and monitoring by donor and cooperating institution in terms of frequency of missions and their composition. Supervision missions should monitor project results better and not limit their scope to financial aspects/disbursement.	Integrate part of the technical supervision cost into project cost.		Livestock Directorate, PMU, Figuig and Oujda PDAs, IFAD, cooperating institution.	More operational cooperating institution has been appointed for phase II and the RIMS M&E will be introduced at start-up.

### C6. Namibia – Northern Regions Livestock Development Project

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Should place people and sustainable use of resources at centre of development approach rather than delivery of predetermined investment options.	Should consider the conflict between disbursement pressure from IFAD and participating communities' readiness to take the lead in their own development process.		MAWRD/ Government.	NOLIDEP has come a long way in promoting participatory approach and community involvement. The recommendation was intended to take forward the progress made to date.
Should introduce sustainable resource management systems.	Help secure rural poor's access to natural resources (land, vegetation, water). Should specially consider "illegal fencing" in communal areas that could further marginalize the poor.		MAWRD/ Government.	The recommendation is a long-term one and was intended for the possible follow-up project to NOLIDEP. This is still being developed by the Government and it is not certain whether it will be financed by IFAD or not.
Should create an environment conducive to poverty alleviation, economic growth, equitable asset distribution.	Support local-level representative organizations.		MAWRD/ Government.	This is again a very long-term and overall recommendation to the Government's approach to rural poverty reduction.
Reduce proportion of population reliant on primary agricultural production to lower number of people living in poverty.	Stimulate diversification of economic opportunities.		Government.	As above. Under NOLIDEP, some off-farm income-generating activities were supported.
Address the higher prevalence of poverty among the large number of de facto or de jure rural female-headed households.	Mainstream gender concerns in all activities through a special focus on women.		MAWRD.	Under NOLIDEP, some activities mainly benefiting women (Small Stock Seed Capital Fund, income-generating activities, etc.) were supported. However, gender mainstreaming could be strengthened under the possible follow-up project to NOLIDEP.
Maintain economic growth creation opportunity in rural areas.	Safeguard human capital by specific actions/investments to mitigate effects of HIV/AIDS.		Government.	This was a recommendation intended for the follow-up project to NOLIDEP.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Accommodate needs for a fully participatory economic development and sustainable management of common property resources in an extremely fragile environment.	Adopt a longer-term programmatic approach to planning and financing.		Government.	As above.
<b>Civil society and popular participation in development process</b>				
Should establish common understanding among MAWRD and development partners of operational implications of participatory approach: ongoing partnership towards empowering rural communities and not merely a consultation process.	Learn from and build up on previous project examples (Forum for Integrated Resource Management (FIRM), Sustainable Animal and Range Development Programme (SARDEP)) where implementation allowed time to build trust between villagers and development agents, enabling people to voice their genuine fears, concerns and ambitions, and themselves determine and implement a course of action, with the necessary support and guidance.		MAWRD/ Government.	Government's draft "concept document" for new project clearly emphasizes participation and empowerment of communities/beneficiaries and civil-society organizations. Meanwhile, current project established an enhanced mechanism for communities to be closely involved in certifying the infrastructure development work by local contractors, hence promoting the sense of ownership. Second, the current project has improved its support to empowering Water-point Committees to put in place community-based operation and management of water points.
	Service providers, e.g. MAWRD and their partners in donor community, should make operational adjustments to enable wider adoption of more intensive interaction with villagers over longer periods. Explore innovative approaches to managing public funds closer to point of need to support communities' priority initiatives rather than pre-established categories of technical skills and programme options available in MAWRD directorates. Donor community should avoid predetermining		MAWRD/ Government.	The above applies.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
	interventions by setting targets regarding types and quantities of assets to be introduced.			
	Implementing agencies should employ indicators reflecting changing skill levels to measure build-up of human assets and effectiveness of a people-oriented support programme.		MAWRD/ Government.	As above.
	Refocus/redesign training towards empowering communities to take a proactive role in organizing themselves.		MAWRD/ Government.	As above.
Should adopt a more replicable and more sustainable implementation approach whereby MAWRD plays a catalytic role in linking communities with other development stakeholders (e.g. AGRIBANK, equipment/input suppliers, agroprocessors, farmers' organizations) the latter taking on specific implementation functions.	Provide considerable capacity-building in both technical and organizational fields to enable it to perform appropriately a very important role in sustainable development.		MAWRD/ Government.	Government's draft "concept document" for new project clearly emphasizes the involvement of various stakeholders and service providers through enhanced "coordination" and "facilitation" rather than having government executing agency/organization implement numerous activities.
<b>Development of rural financial services and a legislative/regulatory framework conducive to stimulation of entrepreneurship and sustainable economic growth</b>			Government.	This was an area of recommendations for a long-term period and intended for the possible follow-up project to NOLIDEP. The Government's draft concept document for the new project seeks to address the issue.
Reduce proportion and number of households directly reliant on primary agricultural production as a means of livelihood.	Increasingly urgent need to diversify economy by way of businesses that add value to agricultural products and expand the service sector, the latter in turn prompting remaining crop producers to invest more for greater farming efficiency and to become more market-oriented.		Government.	As above.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
	Farmers and potential business owners should have access to financial services (savings and borrowing); the Government should help expansion of existing financing institutions serving the Northern Communal Area (NCA) while, through a well-regulated framework, facilitating establishment of microfinance institutions. There is also a need for a commercial environment conducive to establishing small- and medium- scale value-adding enterprises.		Government	As above.
IFAD, the Government and stakeholders in the Rural Microfinance (RMF) Programme should identify what additional support is needed to develop the finance sector in NCA (e.g. IFAD's technical input concerning pro-poor organizational arrangements and capacity-building of RMF institutions).			Government.	As above.
<b>Decentralization of services and resources and restructuring of Ministry of Agriculture, Water and Rural Development</b>				
Should consider strengthening regulatory and administrative functions of regional authorities in support of local development.	Set up discretionary funds at regional level (e.g. MAWRD's regional administrative structure) for allocation by regions to suitable development initiatives under specified procedures.		Government/ MRLGH.	The Government's draft "concept document" for the new project clearly emphasizes need to be in line with and supportive of ongoing decentralization process.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
MAWRD should reconsider its role, in favour of facilitation, monitoring and regulation, and expand involvement of other potential development partners at point of interaction with communities (experience already gained under NOLIDEP).	Future training should emphasize strengthening analytical skills to assess development requirements/opportunities; and catalytically linking rural communities with service providers.		MAWRD.	Government's draft "concept document" for the new project clearly emphasizes the involvement of various stakeholders and service providers through enhanced "coordination" and "facilitation" rather than having government executing agency/organization implement numerous activities.
<b>Communal land reform</b>				
Address increasing threat to traditional systems of resource allocation and use from population expansion, various forms of encroachment and non-traditional use.	Accelerate land reform: introduce legal instruments to safeguard rural poor's rights and interests concerning continued access to common property resources.		MLRR/MAWRD.	After the evaluation exercise, the Communal Land Reform Act was promulgated. The Act aims to improve the system of communal land tenure in a decentralized manner by creating Communal Land Boards. It provides a framework for communal land (mainly rangeland) management activities. Proposed follow-up project activities should support operationalizing the Act, with due attention to the disadvantaged.
IFAD's future investment should focus on security in land tenure; resource access and use; and the poor's empowerment through democratic organizations.			MLRR/MAWRD.	IFAD's future investment in Namibia is not yet determined. If it is decided that IFAD will not fund the follow-up project to NOLIDEP, IFAD will still explore the possibility of supporting the land reform process, focusing on the communal areas with an emphasis on the rural poor through other mechanisms.
IFAD should strengthen networking of interested stakeholders in civil society to ensure reflection of rural poor's concerns in land debate.				As above.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
IFAD should, in collaboration with the International Land Coalition, implement a local-level mechanism to secure and protect disadvantaged farmers' land rights in communal areas.				As above.
<b>Community-based sustainable natural resources management</b>				
Address growing problem of environmental degradation of common property resources that threatens the basis for economic activity.	Enable communities to acquire requisite means for maintaining/improving productivity of resources.		MAWRD/MET/MLRR.	This is a general and long-term recommendation. The issue of sustainable natural resource management should be more rigorously addressed, not only by design but in implementation, under the new project.
Pay greater attention to building widespread awareness of problems and potential and of "knock on" adverse impact of inappropriate practices on future sustainability of rural livelihoods. Government's technical agencies should be made aware of the need to tackle jointly wider environmental and economic concerns.	Link awareness generation activities to other partners in rural development and to developments in legislation (conservancy legislation and communal land reform).		MAWRD/MET/MLRR.	
Markedly increase rural communities' incentive to regulate grazing and improve efficiency of vegetation use.	Should investigate modification of conservancy legislation to include vegetation resources in communal rangeland and rangeland management. Use Communal Land Bill, awaiting official promulgation, as the major vehicle.		MAWRD/MET/MLRR.	After the evaluation exercise, the Communal Land Reform Act was promulgated. The Act aims to improve system of communal land tenure in a decentralized manner by creating Communal Land Boards. It provides a framework for communal land (mainly rangeland) management activities. Proposed follow-up project activities should support operationalizing the Act, with due attention for the disadvantaged.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
Assist communities to optimize potential benefits.	MAWRD and other development partners should help build strong, representative community structures.		Government.	The Government's draft "concept document" for the new project clearly emphasizes participation and empowerment of communities/beneficiaries and civil-society organizations. Under NOLIDEP, the main form of such organizations included those to manage water points developed under the project, but not so much in terms of managing communal natural resources in a sustainable manner. This should be more rigorously pursued in the follow-up project.
Need for closer collaboration between public services and NGOs/civil-society organizations whereby public institutions at national level engage in policy and advocacy for rural poor's concerns while NGOs provide training and community mobilization skills at field level.	Provide support for capacity-building of civil-society organizations under the forum of the Namibia Association of Community-based Natural Resource Management Support Organizations (NACSO).		MAWRD, MET, MLRR.	The Government's draft "concept document" for the new project clearly emphasizes the involvement of various stakeholders and service providers through enhanced "coordination" and "facilitation" rather than having government executing agency/organization implement numerous activities.
				The Government's preparation process for a new follow-up project to NOLIDEP has explicitly or implicitly indicated intention to address all the above points.

MAWRD: Ministry of Agriculture, Water and Rural Development  
MET: Ministry of Environment and Tourism  
MLRR: Ministry of Lands, Resettlement and Rehabilitation  
MRLGH: Ministry of Regional and Local Government and Housing

**C7. Peru – Management of Natural Resources in the Southern Highlands Project**

<b>Agreed Upon Recommendations</b>	<b>Agreed Upon Action Required</b>	<b>Agreed Upon Date of Completion</b>	<b>Responsible Units</b>	<b>Status of Implementation</b>
Analyse and systematise project experience.	Gather, process and disseminate information.	31 December 2004.	Project Implementation Unit.	A number of papers and a CD-ROM have been published. A number of workshops have also been organized.
Initiate policy dialogue and translate the approach into policy options.	Articulate policy issues and discuss them with government authorities, other projects and donors.	31 December 2005.	Country programme manager (CPM) and PL.	Project approaches are now being introduced in projects in Ecuador and other Latin American countries as well as in the IFAD-funded Development of the Puno Cusco Corridor and Sierra Sur projects in Peru.
Support project with additional resources in the microcredit field	Mobilize additional government resources.	31 December 2004.	CPM/Government of Peru.	Allocations were effected in fiscal year 2004.
Reallocation of resources among categories	Assign non-allotted funds and revise funds allocated for M&E.	2003.	CPM/Project Implementation Unit (PIU)/Ministry of Agriculture/Andean Development Corporation (CAF) and the cooperating institution.	Action completed.

### C8. Philippines – Rural Microenterprise Finance Project (RMFP)

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>(A) Insight 1: Expansion of outreach through sustainable financial institutions</b>				
<b>Recommendation A/1:</b> expand microfinance Outreach to the poor and poorest through sustainable financial institutions.	Provision of equity, or quasi-equity, investment loans and institutional loans for institutional expansion.	None.	PCFC, IFAD and other donor partners plus selected MFIs.	<p>(a) IFAD, AsDB and PCFC continued providing investment and institutional loans under RMFP until its final closure in 2003 so as to attain increased outreach through sustainable MFIs.</p> <p>(b) During 2003 and 2004 both IFAD and AsDB designed follow-up projects to RMFP aimed at mobilizing new resources for expanding the microfinance outreach to the poor still further through sustainable MFIs. IFAD's Rural Microenterprise Promotion Programme (RuMEPP) and the AsDB's Microfinance Project for Rural Development Project (MFRDP) were both fully formulated by the end of 2003 and now await the new Government to be in place to decide follow-up actions, including appraisal and presentation to the various governing bodies for approval.</p>
<b>Recommendation A/2:</b> encourage financially viable NGOs.	Establishment of a consultative group to oversee the transformation of NGOs currently providing credit services illegally into rural or thrift banks.	Three years after initiating support to each concerned NGO.	PCFC, Microcredit Council of The Philippines (MCCP), Rural Bankers Association of The Philippines, (RBAP) and Centre for Agriculture and Rural Development (CARD) Rural Bank.	<p>(a) No action taken as yet since the Land Bank of The Philippines (LBP) has initiated, since mid-2003, reviewing whether: (i) to go ahead with the planned privatization of PCFC; and (ii) it has overexposed itself to PCFC as its single biggest borrower.</p> <p>(b) Provisions are expected to be made under AsDB's MFPRD for supporting competent NGOs to transform themselves into viable MFIs or strengthen their ongoing MFI windows or activities.</p>

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>Recommendation A/3:</b> Capacity-building for implementing financial institutions.	Establishment of training, exposure and consulting services in selected participating institutions, and the establishment of a donor coordinating group.	None.	PCFC, RBAP, Academy for Banking in the Countryside (ABC), training institutions, IFAD and other donor partners.	(a) The design of both RuMEPP and MFRDP foresees supporting training and exposure programmes as recommended; but (b) No action has been taken to establish formally the donor coordinating group as discussions concerning RuMEPP and MFRDP await clearer direction from the new Government, and the fate of PCFC is finally decided by the new Government to be established following the May 2004 parliamentary and presidential elections.
<b>(B) Insight 2: Support to rural microentrepreneurs</b>				
<b>Recommendation B1:</b> Empowerment and capacity-building in groups and centres.	Establishment of a capacity-building programme for Grameen Bank Approach Centre staff.	None.	PCFC with a suitable agency to be identified.	Action awaits the implementation start-up of both RuMEPP and MFRDP supported by IFAD and AsDB respectively, since the RMFP has since closed.
<b>Recommendation B2:</b> Provision of services for scaling up of mature microenterprises.	Identify and train agents and organizations with experience in counselling microenterprises and explore opportunity for introducing cost recovery for services given to microenterprises by MFIs.	None.	IFAD, other donors and potential business development service providers.	The proposal is incorporated fully into the design of RuMEPP supported by IFAD and is expected to be so in MFRDP supported by AsDB.
<b>Recommendation B3:</b> identification of appropriate financial services.	Establishment of a research programme and annual workshops.	None.	PCFC with the Rural Bankers Research and Development Foundation.	(a) No action has been taken yet since RMFP closed mid-2003, only a year after the recommendations. (b) recommendations are expected to be followed up under the proposed AsDB-proposed MFRDP, once it becomes effective, as well as under the IFAD-initiated RuMEPP.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>(C) Microfinance policy reform</b>				
<b>Recommendation C1:</b> participation in the microfinance policy dialogue.	Steps will be taken to institutionalize the participation of concerned partners in the microfinance policy dialogue and the implementation of such policies once approved.	None.	PCFC, National Credit Council (NCC), Department of Finance (DoF), LBP, selected participating institutions and donors.	(a) All microfinance related-policy dialogue has temporarily stalled since mid-2003 after the LBP launched the study and review of whether or not to proceed with the privatization of PCFC. (b) When that is concluded, new policy dialogues will be carried out by IFAD, AsDB, the Government and others, under the proposed RuMEPP and MFPRD, as well as under other donor-supported operations in the country, hopefully during 2005 and beyond.
<b>Recommendation C2:</b> commitment to implement the reform covenants contained in the loan agreement for RMFP.	Establish a system of monitoring compliance with loan covenants, and specifying actions to be taken in case of non-compliance.	None	IFAD, other donor partners, DoF, NCC and Central Bank of The Philippines (BSP).	(a) LBP has initiated action on all the pending covenants (including the privatization of PCFC, phasing out of directed credit programmes and interest rate subsidies, etc.), but these are yet to be completed even though the RMFP has since closed. (b) Further follow-up actions will be needed under RuMEPP and MFPRD.
<b>(D) Improved reporting on the rural microenterprise finance project's progress and impact</b>				
<b>Recommendation D1:</b> avoid onerous, inaccurate and distorting reporting systems.	Simplify the reporting system to put it in line with the standards of the BSP	None.	PCFC (in consultation with BSP and RBAP), IFAD, other donors and MFIs.	(a) New reporting procedures have been adopted under the RMFP before its closure in mid-2003. (b) The same will be adopted under the proposed RuMEPP and MFRDP respectively supported by IFAD and AsDB.
<b>Recommendation D2:</b> Fostering more systematic and affordable impact assessment both at the level of MFIs and at the aggregate project level.	Train MFIs in conducting simple assessments of poor clients' satisfaction, and fund a limited number of more in-depth surveys (baseline and follow-up).	None.	IFAD, other donors, PCFC and progressive MFIs.	The design of both RuMEPP and MFPRD responds well to these recommendations, whereby funding has been provided for carrying out impact assessments at regular intervals during the lives of both projects if they are eventually approved.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>(E) Improving cooperation between the rural microenterprise finance project's partners</b>				
<i>Recommendation E1:</i> cooperation between donor partners.	Donors should formulate an agreement on improved cooperation.	None.	IFAD and other donors.	During the last year (2002/2003) of implementation of RMFP, collaboration between IFAD and AsDB improved markedly: IFAD was informed of the planning and conclusions of all supervision missions to the project AsDB and IFAD are now planning a close collaboration between the future RuMEPP and MFRDP supported by the two donors respectively.
<i>Recommendation E2:</i> cooperation between PCFC and participating financial institutions.	RMFP should allocate funds for holding annual stakeholder workshops and professional training of project staff.	Before loan closure.	IFAD, other donors and PCFC.	(a) Some stakeholder workshops were held during the last year of RMFP. (b) No serious professional training of staff could take place in the limited time available for RMFP. (c) However, both RuMEPP and MFRDP foresee similar training packages that will be pursued once they are approved for implementation.
<b>(F) Further studies and dissemination of approaches to sustainable banking with the poor</b>				
<i>Recommendation F1:</i> carrying out of special studies.	Funds should be allocated for special studies related to microfinance, and informal agreements should be worked out with universities for carrying out some of these studies.	None.	PCFC, IFAD, other donors and the Rural Bankers Research and Development Foundation.	(a) No action was taken before IFAD- and AsDB-supported RMFP closed in mid-2003. (b) Both RuMEPP and MFRDP earmarked funding for these types of activities, which were appropriate and mutually beneficial.

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>Recommendations F2:</b> dissemination of successful approaches.	Funds should be allocated for packaging and disseminating the experience of successful MFIs.	None.	IFAD, other donor partners, PCFC, the Rural Bankers Research and Development Foundation.	(a) No systematic action could be initiated before the closure of the RMFP in mid-2003, but institutional support to some MFIs has enabled brochures and other pamphlets to be prepared about the experiences and the lessons learned while implementing the RMFP.  (b) However, provisions have been made under RuMEPP and MFRDP for these purposes.

**C9. United Republic of Tanzania – Agricultural and Environmental Management Project**

Agreed Upon Recommendations	Agreed Upon Action Required	Agreed Upon Date of Completion	Responsible Units	Status of Implementation
<b>Theme 1: Consolidation, further support and sustainability</b>				
<p>Should further enhance the viability and capability of the following: IPM/integrated pest nutrition, environmental, farmers’ and women’s groups; Seed Growers’ Associations (SGAs); health, water and road committees of village, ward and district; and relevant district service departments.</p>	<p>By way of a practical programme of knowledge endowment, capacity-building and management support. Specific content of group learning by sector relates to Agriculture: investment planning and use of credit; farm record keeping; practical marketing; promotion of group members’ services as consultants/resource persons; environment: conservation and principles of community-based natural resources management; nursery and forest enterprise management; health: for selected Village Health Committees, training in pilot application of cost-sharing/cost recovery system. For village health workers and traditional birth attendants, additional training in disease prevention, child nutrition and community mobilization; Water supply and roads: for user groups and committees, intensive technical orientation in operation and maintenance and in drafting of by-laws for upkeep and financing; project facilitation: for district</p>			

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	staff and village government officials, in participatory planning, M&E, use of logical framework, gender mainstreaming, and collaboration with CBO/NGO and the private sector.			
Consolidation phase should consist of one further year of limited and targeted assistance.	Focus, among others, on administration, accounting and financial management of organizations.			
<b>Theme 2: improved project design and policy implications</b>				
Simple and cost-effective techniques and systems of operation of intervention should be properly documented and publicized among development planning and policy drafting agencies for application regionally and nationally in other projects.				
<b>Agricultural development (short term):</b> project and/or district departments, through Seed Growers' Associations (SGAs), commercial growers, NGOs, research institutions, should arrange local availability of improved seeds and planting materials. Should widen and formalize application of farmer cadre/group extension approach.	Increase availability of cassava mosaic disease (CMD)-resistant planting materials. Make available loans for inputs to all groups/SGAs.		Project and/or district departments.	Farmers under the SGAs are contracting specialized members to multiply cassava varieties resistant to CMD, which are now being sold to farmers, with concomitant increased availability of disease-resistant cassava varieties. Based on agreement reached with two commercial banks, loans are now being extended to all groups, including SGAs, in the three districts of Bukoba, Muleba and Karagwe. Loan beneficiaries are

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				undertaking crop cultivation, dairy keeping and input retailing, including seeds cultivated by SGAs. To provide financial assistance to local stockists to purchase agricultural inputs and small farm equipment for resale to farmers, the project has established the Input Supply Revolving Fund.
Should facilitate direct practical farmer/group action to improve marketing of their agricultural produce.				The project has provided training to 94 SGA leaders on various aspects of marketing, which enhanced their understanding of marketing environment, development of marketing strategy, preparation of marketing plans, cost-effectiveness and profitability. Marketing plans, including quality control aspects, for their respective products have been developed. SGA members, as a group, are at present marketing their seeds in order to achieve economy of scale.
Encourage alternative crops where banana experiences a marketing problem.				Alternative crops such as rice, wheat and vanilla have been introduced in areas where banana is faced with marketing problems.
<b>Agricultural development (long-term):</b> promote commercialized and profitable smallholder agriculture. Emphasize marketing research to determine implications of increased farm productivity.				Based on the experience of KAEMP beneficiaries, agricultural production and profitability have been enhanced. Complementing the above are efforts to improve SGAs' viability, strengthening of farmer/trader linkages, group

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				leader training in farm accounting and record-keeping, which has now been institutionalized.
<b>Environmental management</b> (short term): arrange for supply of tree seeds at reasonable prices.				Nursery keepers are now operating as a private sector and selling their seeds based on market prices. Increased supply of seeds is being achieved through collection of indigenous seeds.
Support seedling producers and tree planters.				Community-based groups specialized as nursery keepers are contracted to train beginners in nursery establishment. These groups are now acting as seed agents and channels for marketing larger quantities of tree seedlings to larger institutions.
Hand over responsibility and resources for water hyacinth control to Lake Victoria Environmental Management Program (LVEMP).				Collaboration has already started with LVEMP, which is at present operating weevil rearing units in Bukoba rural district (Kyakailabwa Station).
<b>Environmental Management (long term)</b> : Improve and expand training on environment and conservation in schools and other learning institutions.				Environmental management aspects have already been incorporated in the curriculum of primary and secondary schools.
Should promote community-based natural resource management schemes including agroforestry, soil conservation and land management, with district, village, NGO and private sector cooperation.				Individuals have started practising agroforestry at their farmsteads for soil enrichment and erosion control. Villages near designated natural reserve forests have participated in designing

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				community-based natural resource management plans and the sharing of benefits that accrue from harvesting forest produce.
Assist sustainable commercialization of timber, fuelwood and cheap local materials for nurseries.				This has been done. The geographical information system laboratory is enhancing the inventorizing of available forest resources. Project-established woodlots are now providing considerable cash income to the beneficiaries, and are expected to be gradually commercialized based on experience gained in the field.
<b>Health (short term):</b> should decentralize the mosquito net revolving fund to all districts. Should undertake a full inventory and classification of project-supplied equipment and should arrange repair and redistribution to Bukoba and hospitals.				Decentralization has already been undertaken, and the districts are now responsible for procurement and distribution of mosquito nets. Full inventory, classification, repair and redistribution of medical equipment have been completed.
<b>Health (long term):</b> intensify capacity-building in management, finance, bookkeeping, child nutrition and disease prevention for village health committees, village health workers and traditional birth attendants.				All village health committees have been trained in management, finance and bookkeeping. Capacity-building for village health workers and traditional birth attendants on child nutrition and disease prevention has been intensified.
<b>Water supply (short term):</b> should complete schemes currently under construction. Construction of new schemes should be contingent on				All pending civil works on water schemes have been completed and four new schemes have also been constructed after critical

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approval, by a competent professional advisor, of technical, organizational and financial feasibility. Should plan for replacement of pumps for deepest bore wells and should facilitate spare parts availability for other pumps. Carry out detailed comparative costing (unit costs) of project-assisted schemes and compare efficiency of different modes of implementation.				assessment of their viability.
Implement without delay comprehensive protection/disinfection measures (water quality and safety) for existing schemes.				This has been fulfilled.
Revisit a decision to install water quality laboratories in all districts.				This was done. Quality monitoring laboratories have been installed in Muleba and Biharamulo. Water samples are collected, tested and analysed to maintain quality standards. The technical committees of Water Users' Associations (WUAs) have been trained in water sampling and treatment.
Water supply (long term): enhance capacity-building of village water users' groups responsible for project schemes.				This has been fulfilled.

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Put in place necessary by-laws to enforce proper organization of water schemes and contribution by beneficiaries of the water schemes.				Local governments have enacted by-laws to enhance issuance of water rights and modalities for collecting beneficiaries' contribution and for protecting water schemes.
Facilitate availability, at district level, of a small revolving stock of wearing parts of hand pumps, and replace those borehole hand pumps that are unsuitable for the present depth.				This has been done.
<b>Roads (short term):</b> Should strengthen liaison between KAEMP and the United Nations Capital Development Fund (UNCDF) Mwanza project. Should avoid subdivision of subprojects into minor contracts. Should put in place credit facilities for contractors to strengthen local private sector capacity-building.				To improve operation and maintenance of roads, necessary collaboration with UNCDF project in training and information sharing is under way.
Should deliver tool sets and handbooks on road maintenance. Should supply organization and management guidelines to all village roads committees.				This has been fulfilled.
Where technical standards cannot be obtained through labour operations alone, should combine labour-based technology with minimum use of machinery.				This has been recognized.
<b>Project Facilitation and Management:</b> Should simplify and streamline M&E approach, systems, data formats, in line with local	Should train district staff and village leaders in Participatory Planning, M&E, and use of logical framework.			M&E approach, systems, data formats and procedures have been simplified.

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capacity/resources so as to enhance stakeholders/beneficiary participation. Should incorporate qualitative impact assessment within M&E system.				<p>Training has been administered to district staff and village leaders in participatory planning, M&amp;E and the use of the logical framework.</p> <p>Stakeholders/beneficiaries are currently participating more effectively in M&amp;E.</p>
Should analyse gender-disaggregated data in regional, district and community plans, and should incorporate gender- sensitive indicators in M&E system.	Further consolidate knowledge and skills in gender analysis so as to ensure its institutionalization and mainstreaming within local government (e.g. district departments, wards) and community plans by: formalizing gender focal points within district administrations, strengthening of women’s groups, women-only training.			<p>Gender-sensitive indicators have been incorporated into the M&amp;E system.</p> <p>Knowledge and skills in gender analysis have been consolidated: a training manual on gender sensitization and mainstreaming has been prepared and distributed to all districts and other stakeholders.</p>
Should allocate adequate funds for project supervision and properly define the requisite technical inputs to validate design. Should highlight implementation problems of health and water supply components. Should optimize impact and render more efficient supervision, monitoring and management.	Should tailor complexity of design to capacity for implementation and to scope for linkage and potential synergies between components. Another key aim of future project design should be a better balance between thematic/sectoral focus and area coverage.			
<b>Community development:</b> should incorporate community mobilization and organization as a discrete component in future projects.	Should adopt “zero year” concept, i.e. allow a period before formal commencement of project (start-up time) to strengthen capabilities of district departments, committees and groups by way of			

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	<p>sensitizing, mobilizing and organizing. Also use this time to: perform preliminary baseline/diagnostic studies to identify clearly and select target groups; advance staff recruitment, office establishment and procurement; provide training in PRA and logical framework approach; and build into project design purposeful measures to prepare district agencies and groups to take over project activities and thus enhance sustainability.</p> <p>Make best use of existing local organizations and capacities. Should select and establish groups and committees carefully and empower them. Should facilitate realistic village/community plans and provide a wider, community-backed basis for natural resource use and management to overcome past constraints to participation.</p>			
Should document and transmit insights and lessons from the Kagera project to a wider audience.			IFAD-BSF.JP, UNOPS, Regional Administrative Secretary (RAS)/District Administrative Secretary (DAS) through President's Office – Regional Administration and local government (PO-RALG).	

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Accordingly modify current project operations.			Project Facilitation and Monitoring Unit (PFMU) and relevant district department officers.	
				The recommendations have been appropriately incorporated within the institutional framework of the project and local government. Implementation of recommendations is already producing tangible impacts in terms of improving the poor's livelihood and is ensuring sustainability in the areas of agricultural production, environmental management and health services.

### C10. Yemen – Tihama Environment Protection Project

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<b>Insight 1: Project design and supervision</b>				
Future project design documents should include details of participatory process to be followed, including village-level arrangements as to who will undertake work; detailed analysis capacity of organization to carry out work; review of Government procurement procedures to ensure compatibility with IFAD's procurement guidelines; and inclusion of draft subsidiary agreements as part of design and their discussion prior to loan negotiations.	<ul style="list-style-type: none"> <li>• New projects have clear participatory procedures involving NGOs.</li> <li>• Subsidiary agreements and contractual arrangements with clear procurement/procedures.</li> </ul>	Completed within new project.	PN.	Al Dhala projects have included the following: <ul style="list-style-type: none"> <li>• Participatory plan</li> <li>• Subsidiary agreements</li> <li>• Control programme</li> <li>• Clear processes</li> </ul>
Project design documents should specify project costs by component and by expenditure category to enable monitoring by management during implementation; audit requirements (also in the Loan Agreement); and cost recovery/sharing arrangements for project-financed services, to be discussed at Project Start-up Workshop.	This is a standard feature if COSTAB is used. COSTAB will be used in all future IFAD projects in Yemen.	In all future projects.	PN/IFAD.	Has already been implemented in Al Dhala project.
If a large technical assistance team is proposed, a technical assistance team leader should be included to introduce modern management techniques, e.g. planning, budgeting, accounting and monitoring.	New project accounting software will be utilized (PROFIS).	During start-up workshop.	PN.	Immediately after the approval and effectiveness of the Executive Board.

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In challenging socio-economic situations, should provide increased resources to cooperating institution for required implementation support and for two full supervision missions a year.	The World Bank will be considered as the cooperating institution for interim projects.			After effectiveness.
IFAD should take prompt action in respect of non-compliance with loan agreement so as not to hamper project implementation.				Close follow-up will be exercised in compliance with loan agreement during last year of project implementation.
<b>Insight 2: Physical achievement, beneficiary participation and sustainability</b>				Not applicable. Project closed one year after OE completion evaluation.
Should develop, support and test management capacity of existing environmental protection and development associations, and establish them according to need.				
Arrive at a realistic estimate of financial viability of operating wells and of maintaining sand dune stabilization belts.	Project should establish actual costs of operating each of the wells and maintaining sand dune stabilization belts.			
Assess possible role of Governor of Hodeidah, Agricultural Cooperative Union, newly elected local councils and local NGOs in village-level community mobilization to maintain and finance sand dune stabilization belts.	Dialogue with these organizations.			
Any future sand dune stabilization activities should await project's development of a model for community participation that	Pending development of community participation model, the Tihama Development Authority (TDA) should:			

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demonstrates either that the stabilization belts are sustainable following project closure or that sand dune stabilization requires financing as a public good.	produce a planned sand dune stabilization manual; repair localized gaps in sand dune stabilization belts; examine closely the regional sand movements to determine where additional sand dune stabilization belts are needed; develop an approach for coastal areas, as being the source of a sand problem; investigate a number of fast-growing and productive exotics that have been successful in Wadi Tuban.			
TDA should further support rural women's activities.	Provide female extension staff with additional vehicles on a full-time basis; introduce gender equity in respect of staff incentive allowances; provide refresher training of female extension staff; recruit qualified women staff to provide required leadership.			
Ensure effective use of extension staff trained in adult literacy, nutrition and family health.	Follow up commendable dialogue initiated with Ministries of Education and Health.			
Develop long-term arrangement for deploying project-trained midwives.	Provide basic equipment and supplies required by midwives at village level and introduce cost-recovery at village level to ensure sustainability of their service provision.			

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Ensure sustainability of adult literacy and primary education for girls.	Project should identify teachers at village level and help them develop a sustainable model through introduction of school fees.			
<b>Insight 3: M&amp;E and impact assessment</b>				
M&E should be an integral part of the department responsible for project implementation and not the responsibility of a separate donor-financed M&E unit; it should be allocated adequate resources.				
The Project Completion Report should assess project impact, based on a clear socio-economic profile of the beneficiaries.	Project should enhance identification of key indicators for issues such as environment, employment, food security, water management and family well-being. For the M&E unit to establish and analyse the socio-economic profile of the beneficiaries, data should be collected using a standardized format.			
	Cooperative and Agricultural Credit Bank should computerize and analyse data on the land holding and livestock ownership pattern of each borrower.			
Should perform a cost-benefit analysis of project interventions by component.	Future projects must record project expenditure by component as well as by expenditure category.			

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<b>Insight 4: Provision of credit</b>				
Credit should benefit poorest rural groups and women.	Should reform the system of collateral-based lending.			
Lending should be financially viable and credit operations sustainable in the long term.	Attach greater attention to collection of loan repayments.			
Should ensure an uninterrupted credit supply until end of project period.	Tihama Development Authority and Cooperative and Agriculture Credit Bank should jointly assess what action to take to provide additional funds if future project lending cannot be met from repayment of existing project loans.			
Should improve loan disbursements for water conservation and for rural women.	Bank should review its loan eligibility and increase ceiling for collateral-free loans. Should use informal intermediaries such as savings and credit associations and self-help groups and should employ female credit officers.			
Improve low repayment rates for project loans.	Bank branches should engage in concerted efforts through follow-up visits and loan recovery campaigns.			
Should ensure recoveries of past loans to farmers outside project area are re-lent to project area villages.	Bank should set up a single consolidated Revolving Fund and maintain an up-to-date record of recoveries of project loans and their deployment for relending. Bank should withdraw instructions to project area branches (including Bajil,			

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	Beit-el-Faki and Hays) to maintain a separate branch-level Revolving Fund.			
Bank should become a sustainable financial institution.	Early implementation of the entire restructuring initiative, which IFAD is supporting.			
When scope for and allocation of credit are significantly increased during implementation, should widen availability of credit to target group.	Supervision missions should examine loan eligibility and collateral criteria.			
Design of credit programmes for rural poor, especially women, should address their increased access to credit.	Design should include specific interventions such as: training and capacity-building and community participation.			
Safeguard against delays and serious implementation problems.	Project design should consider means of coordination between implementation agencies at both top management and field levels.			
Future IFAD assistance in Tihama for sand dune stabilization is conditional on clear evidence of project activities being sustainable and economically viable.				

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				The Government of Yemen submitted a request for a second phase of the Tihama Environment Protection project. However, in view of the mixed outcome of the evaluation (participatory aspects and prospects for sustainability did not match physical achievements), IFAD was against its continuation.

Note: EAD = External Affairs Department  
 FH = Office of Human Resources  
 PA = Western and Central Africa Division  
 PI = Asia and the Pacific Division  
 PL = Latin America and the Caribbean Division  
 PN = Near East and North Africa Division  
 PT = Technical Advisory Division