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**IFAD**

**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**

**Executive Board – Eighty-Third Session**

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**REPORT AND RECOMMENDATION OF THE PRESIDENT**

TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO

**BURKINA FASO**

FOR THE

**SUSTAINABLE RURAL DEVELOPMENT PROGRAMME**



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**CURRENCY EQUIVALENTS**

Currency unit	=	CFA francs (XOF)
USD 1.00	=	XOF 538
XOF 1.00	=	USD 0.00186

**WEIGHTS AND MEASURES**

1 kilogram (kg)	=	2.204 pounds (lb)
1 000 kg	=	1 metric tonne (t)
1 kilometre (km)	=	0.62 miles (mi)
1 metre (m)	=	1.09 yards (yd)
1 square metre (m <sup>2</sup> )	=	10.76 square feet (ft <sup>2</sup> )
1 acre (ac)	=	0.405 hectare (ha)
1 ha	=	2.47 ac

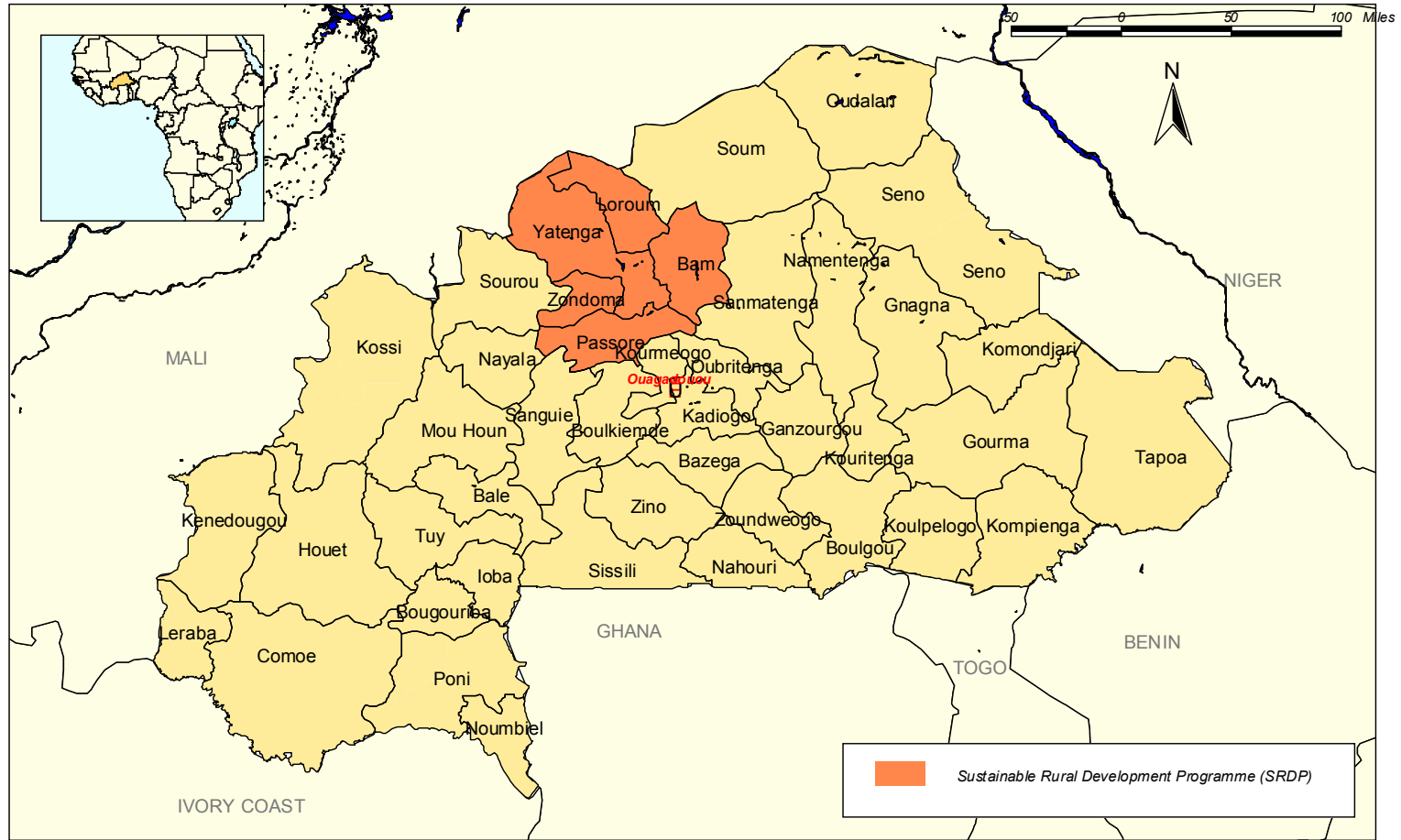
**ABBREVIATIONS AND ACRONYMS**

BOAD	West African Development Bank
CIVGT	<i>Comités inter villageois de gestion de terroirs</i> (Inter-Village Committee for Land Resource Management)
COSOP	Country Strategic Opportunities Paper
CVGT	<i>Comité villageois de gestion des terroirs</i> (Village Committee for Land Resource Management)
GDP	Gross Domestic Product
GEF	Global Environment Facility
OPEC Fund	Organization of the Petroleum Exporting Countries Fund for International Development
PMU	Programme Management Unit
PRSP	Poverty Reduction Strategy Paper
SRDP	Sustainable Rural Development Programme

**GOVERNMENT OF BURKINA FASO****Fiscal Year**

1 January – 31 December

# MAP OF THE PROGRAMME AREA



Source: IFAD

The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

## BURKINA FASO

### SUSTAINABLE RURAL DEVELOPMENT PROGRAMME

#### LOAN SUMMARY

<b>INITIATING INSTITUTION:</b>	IFAD
<b>BORROWER:</b>	Burkina Faso
<b>EXECUTING AGENCY:</b>	Ministry of Agriculture, Water and Fisheries Resources
<b>TOTAL PROGRAMME COST:</b>	USD 38.3 million
<b>AMOUNT OF IFAD LOAN:</b>	SDR 10.7 million (equivalent to approximately USD 16.0 million)
<b>TERMS OF IFAD LOAN:</b>	40 years, including a grace period of ten years, with a service charge of three fourths of one per cent (0.75%) per annum
<b>COFINANCIERS:</b>	(1) West African Development Bank (BOAD) (2) Global Environment Facility (GEF) (3) Organization of the Petroleum Exporting Countries Fund for International Development (OPEC Fund)
<b>AMOUNT OF COFINANCING:</b>	BOAD: USD 3.8 million GEF: USD 6.1 million OPEC: USD 2.9 million
<b>TERMS OF COFINANCING:</b>	BOAD: Highly Concessional Loan GEF: Grant OPEC: Highly Concessional Loan
<b>CONTRIBUTION OF BORROWER:</b>	USD 6.4 million (USD 3.3 million direct and USD 3.1 million taxes)
<b>CONTRIBUTION OF BENEFICIARIES:</b>	USD 3.0 million
<b>APPRAISING INSTITUTION:</b>	IFAD
<b>COOPERATING INSTITUTION:</b>	BOAD

**PROGRAMME BRIEF**

**Who are the beneficiaries?** The programme target group consists of the poor in village communities in the five provinces of Bam, Loroum, Passoré, Yatenga and Zondoma in the central/northern region of Burkina Faso. The target group is composed of approximately 440 000 would-be beneficiaries living in 374 villages and comprising small-scale farmers, landless migrants, women and youth.

**Why are they poor?** The population density of Burkina Faso, averaging 44 inhabitants per square kilometre (km<sup>2</sup>) nationwide, is as high as 100 inhabitants per km<sup>2</sup> in the central/northern region. These regions are characterized by a very small resource base, the country's highest incidence of poverty, deteriorating food security and lack of access to basic social services, and capital and financial assets. The area is also exposed to the greatest threat in terms of desertification, loss of soil fertility and land degradation. Natural resource degradation is apparent in most villages of the area because land users do not have secure tenure of land and are thereby prevented from making the necessary investments to maintain the production capacity of these resources. Also, the clearing of new land to increase food production has resulted in soil erosion.

**What will the programme do for them?** The programme will assist the target groups in the following areas:

- (i) It will **strengthen their organizational capacities** by empowering the beneficiaries to gain ownership in the planning and management of their own development.
- (ii) It will help them obtain **secure land tenure**. The programme involves the implementation of concrete pilot actions to improve land access and tenure rights on land on which agricultural production is hampered because of conflicts and land tenure and resource ownership constraints.
- (iii) It will enhance the **sustainable development of productive capacities** by opening up economic opportunities so as to improve the livelihoods and the living conditions of the beneficiaries through: (a) watershed development, protection and management; (b) the intensification and diversification of agricultural production; and (c) support for income-generating activities.
- (iv) The programme will also generate 1.5 million additional paid workdays among women, migrant workers and young people in the area.

**How will beneficiaries participate in the programme?** The programme will be implemented through village organizations called *comités villageois de gestion des terroirs* (village committees for land resource management), farmers associations and other grass-roots producer groups. The programme will create an enabling environment to strengthen collective action and community involvement. The approach of the programme is demand driven and participatory and focuses on community-development planning and gender balance. Beneficiaries will also contribute, through the mobilization of the workforce, to land and infrastructure development.



**REPORT AND RECOMMENDATION OF THE PRESIDENT OF IFAD  
TO THE EXECUTIVE BOARD ON A PROPOSED LOAN TO  
BURKINA FASO  
FOR THE  
SUSTAINABLE RURAL DEVELOPMENT PROGRAMME**

I submit the following Report and Recommendation on a proposed loan to Burkina Faso for SDR 10.7 million (equivalent to approximately USD 16.0 million) on highly concessional terms to help finance the Sustainable Rural Development Programme (SRDP). The loan will have a term of 40 years, including a grace period of ten years, with a service charge of three fourths of one per cent (0.75%) per annum. It will be administered by the West African Development Bank (BOAD) as IFAD's cooperating institution.

**PART I – THE ECONOMY, SECTORAL CONTEXT AND IFAD STRATEGY**

**A. The Economy and the Agricultural Sector**

1. Burkina Faso covers about 274 000 square kilometers (km<sup>2</sup>). It is landlocked and bordered by Mali, Niger, Benin, Ghana and Côte d'Ivoire. The climate is hot and dry and determines three climatic zones: (a) a Sahelian zone with less than 600 mm of rainfall per annum; (b) a Sudano-Sahelian zone with 600-1 000 mm of rainfall per annum; and (c) a Sudan zone with over 1 000 mm of rainfall per annum.
2. In general, the condition of the soil of Burkina Faso is of poor quality owing to population pressure, erosion and low phosphate and nitrogen content. It is estimated that 9 million hectares (ha) of land are arable, of which 3.5 million ha are currently being exploited. Of the 165 000 ha that are potentially irrigable, only 9 300 ha are being used.
3. The population of Burkina Faso, growing by 2.4% per annum, was estimated at about 12 million inhabitants in 2001, 1.9 million households averaging 6.3 people per household. Population density, averaging 44 inhabitants/km<sup>2</sup>, is as high as 100 inhabitants per km<sup>2</sup> in the central/northern region of Burkina Faso. Nearly 80% of the population lives in rural areas, and the bulk of the workforce relies on agriculture, livestock and forestry for their livelihoods. The programme area is in a part of Burkina Faso where the incidence of poverty is the highest in the country (58.6-68.6% of the population in the area is living below the poverty line, for an average of 61.2%). In this area, the severity of poverty is also the most accentuated. Poverty is mostly caused by the precarious means of subsistence and limited agricultural resources due to difficult climatic and soil conditions, the substantial demographic pressure on arable land, the high level of illiteracy and the weakness or lack of social services.
4. The human development index of Burkina Faso is among the worst in the world. The country is ranked 173 in the United Nations Development Programme's Human Development Report. Literacy and school attendance rates are low. The literacy rate is estimated at 26% in general and at 15% among women. The rate of school attendance among youth stands at 40%, which is distributed unevenly across gender and region. In addition, nearly one fifth of the population is chronically food insecure, and about 45% of the population is living below the poverty line, estimated at XOF 82 672 in 2003. Despite the recent increase in the number of the urban poor, poverty strikes mainly rural

areas, which account for more than 80% of the country's poor. In the SRDP target area, around 61% of the population is living below the poverty line.

5. Growth in the economy of Burkina Faso has been noted in recent years, but the balance of trade has shown a deficit. The country's external debt amounted to 55% of gross domestic product (GDP) in 2001. GDP has been volatile and sensitive to agricultural production and to commodity prices. To address this GDP volatility, the Government embarked on a structural adjustment programme designed to modernize the agricultural and livestock sectors so as to intensify production and generate specialization among agricultural producers, particularly poor farmers.

6. The agricultural sector relies on 1.3 million farming households that practise subsistence agriculture and have only limited access to support services. It accounts for 37% of GDP and 76% of export earnings, which are provided mainly by cotton and livestock products. Cotton production, which has played an important role in the country, takes place within a context of dwindling international prices and unsustainable land expansion. Meanwhile, animal production is constrained by depressed regional demand despite production growth of about 5% per annum.

7. The rural development policy of Burkina Faso aims at the modernization of agriculture, the restoration of soil fertility, improvement in food security, assistance for farmers organizations and the creation of a new role for the public sector, which is to focus on the implementation and enforcement of a policy of rural decentralization. The country's poverty reduction strategy paper (PRSP), the *Lettre de politique de développement rural décentralisé* (Policy Letter for Decentralized Rural Development) and the *Plan stratégique opérationnel* (operational strategy plan) of the Ministry of Agriculture, Water and Fisheries Resources have laid out various action plans to ensure the sustainable growth of the agricultural sector. The role assigned to the rural population in the new development policy is community-based, demand driven and decentralized. However, experience has shown that the development of local capacities has been lagging and cannot meet the challenges unless proper support programmes are put in place.

## **B. Lessons Learned from Previous IFAD Experience**

8. **IFAD's operations.** IFAD has been active in Burkina Faso since 1979. This presence has involved eight programmes and projects in various regions and ecological zones of the country. Of these, four have been completed. The four ongoing activities are: (a) the Community-Based Rural Development Project, the aim of which is to reduce poverty and promote sustainable development in rural areas, break the spiral of rural poverty characterized by natural resource degradation and also support the Government's decentralization policy; (b) the Rural Microenterprise Support Project, which is designed to strengthen local capacity for the promotion and development of rural microenterprises and foster non-agricultural employment in rural areas so as to reduce migration to urban centres and increase rural incomes; (c) the South West Rural Development Project, which aims at strengthening the capacity for self-development among vulnerable rural populations so that they can safeguard the natural resource base and enhance food and nutritional security; and (d) the Community Investment Programme for Agricultural Fertility, which is being undertaken to improve soil fertility in eastern Burkina Faso and which focuses on revenue-generating activities, agricultural production and productivity enhancement.

9. The total assistance provided under the eight operations has amounted to approximately USD 101.0 million. All eight loans were offered on highly concessional terms. In addition, some USD 2.3 million of grant resources were provided by the Belgium Survival Fund (BSF) for one of the operations (the South West Rural Development Project), and BOAD has also contributed USD 1.5 million to the second phase of the Special Programme for Soil and Water Conservation – Phase II. The related loans have been disbursed at a rate of between 38.5% and 97%, with an average of 67.5% of the total initial allocations. Several factors contributed to this low capacity of absorption. They include political instability and social upheavals during most of the 1980s and the early 1990s.

However, with the advent of policy changes directed at the prioritization of rural poverty reduction and rural decentralization, there are encouraging signs that the absorptive capacity of the country is improving. Indeed, 100% of the allocated resources were disbursed during the second phase of the Special Programme for Soil and Water Conservation – Phase II (from 1996 to 2003).

10. Partnership-building efforts in Burkina Faso have yielded a number of useful and concrete results. IFAD, the World Bank and the Governments of Denmark and The Netherlands worked closely with the Government of Burkina Faso to develop the jointly funded Community-Based Rural Development Project. Also, IFAD has played a key role in the coordination of donor assistance for activities in support of the United Nations Convention to Combat Desertification. IFAD is currently cooperating closely with the country's key bilateral financial and technical partners on rural poverty issues. Moreover, IFAD is leading a policy dialogue on land security among the rural poor in Burkina Faso, and key bilateral partners have indicated their willingness to participate in this initiative.

11. **Lessons learned.** IFAD's past activities in Burkina Faso have focused on efforts to increase production and incomes through the improvement of natural resource management, the promotion of soil and water conservation and support for the fight against desertification. An assessment of the early projects has highlighted the importance of greater attention to local capacity-building and to the need to avoid overestimating the current capacity to absorb loans and other development support. Subsequent loan and grant activities have reflected this lesson, resulting in significant improvements in performance during implementation. Although women have contributed significantly to the implementation of IFAD projects, additional efforts are needed so as to ascertain and increase their role in the decision-making process. It has been shown, moreover, that adequate time and resources need to be allocated for the identification of the real constraints on producers. Another lesson learned is that strengthening the involvement of beneficiaries at the design and planning stage can enhance a project's implementation efficiency, impact and sustainability. The subcontracting of project activities to local institutions, agencies and non-governmental organizations can make project implementation more efficient and sustainable. However, the related administrative procedures still must be improved, and regular technical support missions remain an essential condition for success in project and programme implementation.

12. Below are the key elements to be considered in the development of assistance projects and programmes in Burkina Faso on the basis of the lessons learned through IFAD's operations in the country:

- There is need to rely on baseline studies to ensure full and accurate knowledge of local conditions and populations and in order to focus development interventions more effectively. The Special Programme for Soil and Water Conservation – Phase II, recently closed, demonstrated that such an approach should be emphasized.
- Technological packages should be as complete as possible in view of the fact that agricultural intensification cannot be achieved with only one or two elements of the package. Also, agricultural intensification and research development should be conceived so as to create indigenous capacities, enable farmers to learn and understand the techniques, and provide the necessary means to increase productivity beyond the current yield threshold. This would allow the creation of additional income and savings for investment in economic initiatives at the village level.
- There is an important potential for increasing productivity and incomes through the sound management of cultivated and non-cultivated land through land and water development schemes. There is therefore a need to generalize water collection and retention in the areas where this opportunity exists.

- Land insecurity is a major constraint that prevents the adoption of measures and actions for the intensification of agricultural production and the sustainable management of natural resources. Landless farmers are not allowed by traditional land owners to undertake land improvements through tree planting and other land development activities. Since landless poor farmers constitute a large part of the farmers in programme and project areas, any future agricultural and rural development programmes and projects should address the issue of land security among the rural poor.

### C. IFAD's Strategy for Collaboration with Burkina Faso

13. **Burkina Faso's policy for poverty eradication** is set out in the Sustainable Human Development Policy Letter, the PRSP and the rural development strategy document. The common priority objective underlined in the above documents is to increase incomes among the rural poor in a context of rational natural resource management. Emphasis is placed on improvements in the competitiveness of agricultural production, the creation of job opportunities for the rural poor, in particular for women and youth, and the sustainable development of agricultural and animal production. Priority programme areas are the recovery of soil fertility, the modernization of the agricultural sector, food security, support for farmers organizations and the empowerment of local communities and related institutional reform aimed at a redefinition of the role of government.

14. The PRSP review of 2003 recognized that the economic situation among the rural poor has deteriorated and called for more efforts for growth with equity. It has also set out a number of corrective measures for the institutional and financial framework. The major constraints that hamper the achievement of the objectives remain the inadequacy of administrative structures, the low levels of funding in the agricultural sector and the slow progress in building local capacities so as to enable the community development process within a decentralized context.

15. **The poverty eradication activities of other major donors.** Several donors support the PRSP process and are contributing to efforts to achieve its goal and purpose. Major donors include the African Development Bank, the European Union, the Governments of Denmark, France, Germany, The Netherlands and Switzerland, and the World Bank. The major national programme specially designed to support the PRSP process in the rural sector is the Community-Based Rural Development Project, which is cofinanced by the World Bank, IFAD and the Government of Denmark.

16. Several other projects are funded by the donor community. These include the plan of action to support professional organizations in the agricultural sector (the African Development Bank, the European Union, the Governments of Belgium, Denmark and The Netherlands, and the World Bank), the social development programme (France and The Netherlands), the Land Management and Resource Conservation Project (German Agency for Technical Cooperation (GTZ) and the German Credit Institution for Reconstruction (*Kreditanstalt für Wiederaufbau* (KfW)), and the Sahel Integrated Lowland Ecosystem Management project (the Global Environment Facility (GEF)). The SRDP will build synergy and complementarity with these projects and others so as to harmonize approaches and increase impact.

17. **IFAD's strategy in Burkina Faso.** Within the context of poverty reduction, the main strategic thrusts of the country strategic opportunities paper (COSOP), issued in May 1998, can be summarized as follows: (a) increase agricultural production and rural incomes through environmental protection, soil and water conservation and the fight against desertification; (b) put emphasis on non-farm activities and the strengthening of the capacity of rural communities, particularly women; (c) improve access to basic social services and infrastructure through a participatory approach so as to enable the rural poor to participate effectively in project cycles and express their needs that should be met by project activities; and (d) enhance collaboration with other donors to mobilize resources in order to reach the target groups.

18. **Programme rationale.** The COSOP for Burkina Faso, approved in 1998, stressed that all IFAD-initiated activities would revolve around natural resource management and efforts to increase agricultural production. These priority areas were re-emphasized during the recent PRSP review, which, in addition to calling for strengthened efforts, has underlined the need to address the issue of growth with equity. Using the lessons learned from the recently closed Special Programme for Soil and Water Conservation – Phase II, the Government of Burkina Faso requested assistance from IFAD to finance a programme covering the central and north central plateau of the country. Initially, the programme was to cover eight provinces. However, after the preparatory mission, IFAD suggested a reduction in the geographical coverage of the programme to only five provinces in order to ensure greater impact and more likelihood of success. The rationale for going ahead with this programme before a new COSOP is formulated is based on the obligation to respond to the requirements of the 2003 PRSP country review. This also addresses the need to focus IFAD's efforts on selected, densely populated and highly environmentally threatened provinces that have recorded the highest increase in poverty during the last three years.

19. The present programme provides an excellent opportunity for collaboration with the Organization of the Petroleum Exporting Countries Fund for International Development (the OPEC Fund), GEF, GTZ, BOAD and bilateral partners. The SRDP will be cofinanced by IFAD, the OPEC Fund, GEF and BOAD. Also, the programme offers a unique opportunity for IFAD to play a major implementing role as a GEF executing agency. Burkina Faso was selected as one of the countries benefiting from GEF's Country Pilot Partnership Programme, and IFAD is co-leading this initiative with the United Nations Development Programme (UNDP).

## PART II – THE PROGRAMME

### A. Programme Area and Target Group

20. The target zone is composed of the five provinces of Bam, Loroum, Passoré, Zandoma and Yatenga in the central/northern region of the country. These provinces are characterized by a sharp rise in poverty indicators and a deterioration in food security indicators, as well as poor access to basic social services and capital and financial assets. They are also exposed to the greatest threat in terms of desertification and land degradation. The programme will directly target the poor population of 374 village communities in the area. The programme will be implemented through established grass-roots village organizations called *comités villageois de gestion des terroirs* (village committees for land resource management, or CVGTs<sup>1</sup>), farmers associations and other producer groups.

21. The target group is composed of approximately 440 000 beneficiaries. The SRDP is meant to have a direct impact on small-scale farmers (producers of staples), landless migrants, women and youth.

### B. Objectives and Scope

22. The aim of the programme is to contribute to the effort to tackle rural poverty. It will accomplish this through: (a) capacity-building among target village groups and their institutions so that they can better manage their productive *terroirs* (land resources); (b) a reversal in the trend towards the degradation of cultivated and non-cultivated land through watershed development and irrigation schemes; (c) an increase in the revenues of the targeted rural poor through improved agricultural production and productivity; and (d) improvements in the living conditions of the target

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<sup>1</sup> The CVGTs are the basic socio-economic unit involved in production and income-generating activities in communities. Because of the policy of decentralization, all public investments in rural Burkina Faso are supposed to be negotiated and implemented through the CVGTs so as to ensure the participation of the rural communities that are to benefit from the investments.

groups through enhanced access to basic social services and markets. The foreseen activities are in line with the COSOP for Burkina Faso and IFAD's strategy for Western and Central Africa.

23. Within the context of decentralization, the features of the SRDP are distinct in that they address issues related to production and the protection and improvement of natural resources and capital assets (water, land and vegetation). As a complement to other components designed to address the priority social needs expressed by the populations of potential beneficiary villages, the SRDP aims to ease the pressure on the land and enhance production over the medium and long run, thereby raising incomes among the rural poor.

24. The main objectives of the SRDP are:

- **Objective 1:** increase the incomes of the rural poor so as to reduce their poverty by stabilizing or raising the value of their agricultural products and to create new employment opportunities through the development of income-generating activities and support for small-scale rural enterprises;
- **Objective 2: reinforce** and develop the capacity of the beneficiaries (villages), in particular the CVGTs and the inter-village committees for land resource management (CIVGTs), as well as local associations and farmers groups, so as to enable the beneficiaries to become fully involved in the decision-making process during the implementation of planned SRDP activities; and
- **Objective 3:** improve the living conditions of the rural population, in particular the poorest segments in the targeted areas, and contribute to a reversal in the degradation of the land in cultivated and non-cultivated areas through land management that encompasses: (a) the development and protection of watershed basins, including the development of silvopastoral areas that are at high risk of land degradation; (b) the enhancement of land tenure security for the poor and landless; and (c) the establishment of a sustainable system for agricultural production.

25. The approach during implementation will rely on the following:

- a demand-**driven**, participatory approach that focuses on the empowerment of target groups in implementation;
- planning in **community** development that is based on the needs and priorities of the beneficiaries, starts with their own initiative and includes their full participation;
- the inclusion of a focus on gender issues;
- the centrality of land security for the poor and the landless;
- the **coordination** of programme activities with all other programmes and projects in the area so as to avoid the duplication of effort or an isolated approach;
- the beneficiaries themselves will contract private operators to run major activities; and
- the inclusion of a built-in exit strategy in the SRDP (and for IFAD) so as to ensure ownership by the beneficiaries and the Government of Burkina Faso.

### C. Components

26. The SRDP has four components: (a) development and strengthening of rural community organizations; (b) enhancement of land tenure security; (c) sustainable development of productive capacity; and (d) programme organization and management.

- (a) **Development and strengthening of rural community organizations** have the following sub-components: (i) development of participatory management capacities; and (ii) community development fund. These will contribute to: (i) the strengthening of the organizational capacities of CVGTs; (ii) the training of and support for beneficiaries organizations, including management; (iii) gender-focused action plans; (iv) activities to promote functional literacy; (v) information, communication and education; (vi) institutional strengthening among key stakeholders; and (vii) the building of road, water and social infrastructure.
- (b) **Enhancement of land tenure security** will contribute to: (i) the establishment of consultative groups on the issue of land security and the enhancement of land security; (ii) the assessment of local land systems; (iii) capacity-building in dialogue and negotiations, (iv) concrete steps to secure land tenure; and (v) the identification and reinforcement of the lessons learned. It should be noted that IFAD, the Government of Burkina Faso and other bilateral partners will develop a parallel policy dialogue on land security for the rural poor with the aim of amending existing land laws so as to create an enabling environment for land access for the rural poor and landless.
- (c) **Sustainable development of productive capacity** has three subcomponents and aims at the following:
- **intensification and diversification of agricultural production:** (i) through the building of indigenous capacities<sup>2</sup>, support for the intensification and diversification of vegetable and animal production; (ii) support for small-scale irrigation; (iii) support for the integration of livestock in production systems; and (iv) support for the development of soil conservation and anti-erosion measures (the planting of vegetation as cover);
  - **development and protection of watershed basins:** (i) the development of 34 000 ha of silvopastoral areas in the public and community domains and 33 000 ha of cultivated land; (ii) the development of 750 ha of lowland and 750 ha of small-scale irrigation schemes for vegetable production; and (iii) the development of 16 micro-dams; and
  - **income-generating activities:** (i) increase the coverage of rural financial services through the creation of five new *caisses populaires* (rural savings banks) and 100 village outlets in the area (one rural bank per province and 20 village outlets per rural bank); (ii) the establishment of an entrepreneur fund; (iii) training; and (iv) technical support for village banks and existing producer groups.
- (d) **Programme organization and management** aims at (i) the coordination and management of the programme; and (ii) monitoring and evaluation.

#### D. Costs and Financing

27. The total cost of the programme over an eight-year period is estimated at USD 38.3 million, including allowance for unforeseen physical and financial costs. The proposed IFAD loan will total USD 16.0 million. The share of foreign exchange in the total cost of the programme amounts to USD 7.7 million, or 20% of total cost. Taxes will cover an estimated USD 3.1 million and account for 8.1% of the total cost. The cost of the first programme component, the development and strengthening of rural community organizations, will represent 26.1% of the total cost. The second component, enhancement of land tenure security, will represent 4.4% of the total cost, while the third component, the sustainable development of productive capacity, will represent 53.4% of the total programme cost

<sup>2</sup> This will be accomplished through the application of the farmer field school method.

inclusive of the GEF contribution. The fourth component, programme organization and management, will account for 16.1% of the overall SRDP cost.

28. The BOAD and the OPEC Fund are to cofinance the programme, along with IFAD and the Government of Burkina Faso. Cofinancing by GEF for an amount of USD 6.1 million is being sought within the framework of the GEF Country Pilot Partnership Programme for which Burkina Faso has been selected as a pilot country, under both Operational Programme 15 and Operational Programme 12. The confirmed cofinancing arrangements for the SRDP are as follows: IFAD, USD 16.0 million; BOAD, USD 3.8 million; OPEC Fund, USD 2.9 million; the Government of Burkina Faso, USD 6.4 million, of which USD 3.1 million in taxes and USD 3.3 million as direct investment (made available by the Government through national resources), and beneficiaries, USD 3.0 million.

**TABLE 1: SUMMARY OF PROGRAMME COSTS<sup>a</sup>**  
(USD '000)

Components	Local	Foreign	Total	% of Foreign Exchange	% of Total Base Costs
<b>A. Development and Strengthening of Rural Community Organizations</b>					
1. Development of participatory management capacities	3 664.2	407.1	4 071.4	10	11
2. Community development fund	4 574.0	1 143.5	5 717.5	20	16
<b>Subtotal</b>	<b>8 238.2</b>	<b>1 550.6</b>	<b>9 788.9</b>	<b>16</b>	<b>27</b>
<b>B. Enhancement of Land Tenure Security</b>	1 096.9	543.0	1 639.9	33	5
<b>C. Sustainable Development of Productive Capacity</b>					
1. Intensification and diversification of agricultural production	3 177.3	419.1	3 596.4	12	10
2. Development and protection of watershed basins	10 884.3	2 508.3	13 392.7	19	37
3. Income-generating activities	1 442.2	185.8	1 628.1	11	5
<b>Subtotal</b>	<b>15 503.8</b>	<b>3 113.3</b>	<b>18 617.1</b>	<b>17</b>	<b>52</b>
<b>D. Programme Organization and Management</b>					
1. Coordination and management of the programme	2 869.5	1 065.6	3 935.0	27	11
2. Monitoring and evaluation	935.3	916.3	1 851.6	49	5
<b>Subtotal</b>	<b>3 804.7</b>	<b>1 981.9</b>	<b>5 786.6</b>	<b>34</b>	<b>16</b>
<b>Total base costs</b>	<b>28 643.7</b>	<b>7 188.7</b>	<b>35 832.4</b>	<b>20</b>	<b>100</b>
Physical contingencies	640.4	163.1	803.5	20	2
Price contingencies	1 360.0	317.0	1 677.0	19	5
<b>Total programme costs</b>	<b>30 644.2</b>	<b>7 668.8</b>	<b>38 313.0</b>	<b>20</b>	<b>107</b>

<sup>a</sup> Discrepancies in totals are due to rounding.



**TABLE 2: FINANCING PLAN<sup>a</sup>**  
(USD '000)

Components	IFAD		GEF		BOAD		OPEC		Beneficiaries		Government (in real terms)		Government (taxes)		Total		Foreign Exchange	Local (excl. taxes)	Duties Taxes	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%				
<b>A. Development and Strengthening of Rural Community Organizations</b>																				
1. Development of participatory management capacities	3 252.6	76.2	594.5	13.9	–	–	–	–	–	–	–	–	424.0	9.9	4 271.1	11.1	427.1	3 420.0	424.0	
2. Community development fund	–	–	–	–	–	–	1 705.6	29.8	699.6	12.2	3 312.3	57.9	0.0	–	5 717.5	14.9	1 143.5	4 574.0	–	
<b>Subtotal</b>	<b>3 252.6</b>	<b>32.6</b>	<b>594.5</b>	<b>6.0</b>	<b>–</b>	<b>–</b>	<b>1 705.6</b>	<b>17.1</b>	<b>699.6</b>	<b>7.0</b>	<b>3 312.3</b>	<b>33.2</b>	<b>424.0</b>	<b>4.2</b>	<b>9 988.6</b>	<b>26.1</b>	<b>1 570.6</b>	<b>7 994.0</b>	<b>424.0</b>	
<b>B. Enhancement of Land Tenure Security</b>	1 157.3	68.8	436.3	25.9	–	–	–	–	–	–	–	–	89.3	5.3	1 682.9	4.4	562.3	1 031.3	89.3	
<b>C. Sustainable Development of Productive Capacity</b>																				
1. Intensification and diversification of agricultural production	3 472.7	90.8	–	–	–	–	–	–	–	–	–	–	350.4	9.2	3 823.1	10.0	442.7	3 030.0	350.4	
2. Development and protection of watershed basins	1 709.4	11.4	4 310.1	28.7	3 834.8	25.6	1 180.4	7.9	2 331.0	15.5	–	–	1 627.0	10.9	14 992.6	39.1	2 808.2	10 557.3	1 627.0	
3. Income-generating activities	1 611.1	97.5	–	–	–	–	–	–	–	–	–	–	41.0	2.5	1 652.1	4.3	190.7	1 420.4	41.0	
<b>Subtotal</b>	<b>6 793.2</b>	<b>33.2</b>	<b>4 310.1</b>	<b>21.1</b>	<b>3 834.8</b>	<b>18.7</b>	<b>1 180.4</b>	<b>5.8</b>	<b>2 331.0</b>	<b>11.4</b>	<b>–</b>	<b>–</b>	<b>2 018.4</b>	<b>9.9</b>	<b>20 467.8</b>	<b>53.4</b>	<b>3 441.6</b>	<b>15 007.8</b>	<b>2 018.4</b>	
<b>D. Programme Organization and Management</b>																				
1. Coordination and management of the programme	3 728.9	88.4	–	–	–	–	–	–	–	–	–	–	489.3	11.6	4 218.2	11.0	1 126.7	2 602.2	489.3	
2. Monitoring and evaluation	1 096.7	56.1	782.2	40.0	–	–	–	–	–	–	–	–	76.6	3.9	1 955.5	5.1	967.7	911.2	76.6	
<b>Subtotal</b>	<b>4 825.6</b>	<b>78.2</b>	<b>782.2</b>	<b>12.7</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>565.9</b>	<b>9.2</b>	<b>6 173.7</b>	<b>16.1</b>	<b>2 094.4</b>	<b>3 513.5</b>	<b>565.9</b>	
<b>Total</b>	<b>16 028.7</b>	<b>41.8</b>	<b>6 123.0</b>	<b>16.0</b>	<b>3 834.8</b>	<b>10.0</b>	<b>2 886.0</b>	<b>7.5</b>	<b>3 030.6</b>	<b>7.9</b>	<b>3 312.3</b>	<b>8.6</b>	<b>3 097.6</b>	<b>8.1</b>	<b>38 313.0</b>	<b>100.0</b>	<b>7 668.8</b>	<b>27 546.5</b>	<b>3 097.6</b>	

<sup>a</sup> Discrepancies in totals are due to rounding.

### E. Procurement, Disbursement, Accounts and Audit

29. The **procurement** of goods will be carried out by grouped lots so as to lower costs. Vehicles and equipment costing more than USD 100 000 will be procured through international competitive bidding procedures. For vehicles, equipment and goods ranging in cost between USD 50 000 and USD 100 000, local competitive bidding will apply. For vehicles, equipment and goods costing under USD 50 000, the programme will use local shopping procedures. Civil works costing in excess of USD 50 000 will be procured through local competitive bidding and under USD 50 000 through local shopping procedures. Contracts for partners and consultant services will be awarded through national competitive bidding procedures acceptable to IFAD and BOAD. Contracts for small community infrastructures will be awarded through local shopping in accordance with procedures defined in the programme procedures' manual.

30. **Disbursement.** The loan will be disbursed for eligible expenditures incurred during the programme period. A Special Account will be set up in a commercial bank in Ouagadougou to facilitate the regular flow of funds. Upon loan effectiveness and upon request by the borrower, IFAD will make an initial deposit of XOF 450 million corresponding to about six months' requirements. The account will be replenished in accordance with established IFAD guidelines. A programme account, in CFA francs, will be opened at a commercial bank, acceptable to IFAD and managed by the programme management unit (PMU) for day-to-day activities. The Government will deposit its contributions into this account according to the agreed annual schedule.

31. **Counterpart funds.** The Government will take the necessary measures to cover the cost of all duties and taxes related to the programme's expenditures, as well as providing its annual contribution to the programme, within the state consolidated investment budget.

32. **Accounting and audit.** The PMU and all partners will keep accounts in accordance with internationally acceptable accounting standards. The PMU will compile six-monthly financial reports that will be examined regularly by all financiers and supervision missions. All programme-related accounts will be audited annually by an auditing firm acceptable to IFAD. The audit report will be made available to IFAD no later than six months after the closing of the fiscal year. The PMU will be responsible for the implementation of the recommendations in the audit report. The auditors will provide a separate opinion on the certified statement of expenditures, as well as on the Special Account.

### F. Organization and Management

33. The SRDP will be under the authority of the Ministry of Agriculture, Water and Fisheries Resources, which is in charge of rural development in Burkina Faso. The Ministry will chair the steering committee, in which line ministries, including the Ministry of the Environment and Standard of Living, beneficiary representatives, and local and other stakeholders will participate. This committee will also be open to bilateral partners. Service providers could be called upon as resource people if the need arises. To cover the five provinces, two *antennes régionales* (regional offices) will be established, the first in Ouahigouya to cover the Yatenga and Loroum provinces and the second in Kongoussi to cover the province of Bam. The PMU that will be established in Yako will cover the province of Passoré and Zoundama.

34. A steering committee composed of beneficiary representatives from the decentralized communities concerned will be formed in each province. Supported by the SDRP, each committee will design an annual programme and will follow up on the implementation of this programme. Service providers will be monitored by the beneficiaries themselves.

35. The implementation of the SRDP will require the creation of an autonomous PMU to guide programme implementation, prepare the procedures and management tools, the equipment and service tenders of the SRDP and undertake studies for the efficient implementation of the programme. The PMU will be composed of a coordinator, a secretariat, an administration and financial department, and a technical unit in charge of the implementation of the components of the programme. An internal monitoring and evaluation unit will also be established.

36. Prioritization of interventions, the elaboration of appropriate approaches and a pre-assessment of the provincial realities will be required before implementation of the SRDP.

37. The implementation of the programme will hinge on the availability of accurate information on villages in the target area, the recording of village-level requests, planning and diagnosis, training and literacy activities, inter-village consultations on lowland development, studies and the elaboration of a village development scheme, land tenure negotiations and village contracts and participation.

### **G. Economic Justification**

38. The programme will benefit a total rural population of 440 000 people living in 374 villages. The benefits will take the form of: (a) strengthened capacities in the management of natural resources; (b) improved basic social service delivery (education, health care, water and road access); and (c) an enhanced productive agricultural base.

39. The benefits will also reach 600 economic groups through income-generating activities sustained through the creation of 100 village banking outlets.

40. The economic analysis of the programme was limited to the expected increase in agricultural production. It is based on about 70% of the total number of 43 000 smallholders in the programme zone, including : (a) 15 000 smallholders on three types of farms; incomes will increase by more than 100% among those who participate in the land improvement activities carried out within the watershed protection sub-component; and (b) 15 000 smallholders on three types of farms who participated in land improvements under the Special Programme for Soil and Water Conservation and Agroforestry in the Central Plateau and Special Programme for Soil and Water Conservation – Phase II, whose production base at the start of the SRDP is better than that of the first category above and for whom the expected increase is about 17%.

41. Development works on watershed basins will create the equivalent of 1.4 million workdays to benefit vulnerable and underemployed groups such as women, migrants and youth. This does not include other benefits arising through socio-economic instruments, microfinance activities and the strengthening of the capacities of community organizations.

42. The internal rate of return of the SRDP, calculated on the basis of the increase in agricultural production, is estimated at 13%.

### **H. Risks**

43. Community participation in decision-making must be recognized by SRDP staff and service providers. Yet, communities are not sufficiently strong and well trained to express their needs within a context of decentralization. Also, they need training to strengthen their capacity and improve their knowledge of soil, agroforestry and water systems development techniques.

44. In addition to its own staff, the SRDP will mobilize available local government services (the Ministry of Agriculture, Water and Fisheries Resources, the Ministry of Animal Resources, the Ministry of the Environment and Standard of Living) to carry out key activities relevant to their

respective missions and mandates. However, the SRDP will put emphasis on the use of external and independent operators both private and associative to carry out the bulk of programme activities. The demand for the services of these external independent operators should be motivation enough to encourage them to expand their activities from cities to rural areas.

45. SRDP investment activities, particularly the development of watershed basins, will require the mobilization of the rural beneficiaries on a significant scale. Conflicts with the daily agricultural activities of these people should be avoided in the schedule of SRDP activities. The assumption is that the beneficiaries will be fully sensitized on the benefits they would derive from the programme's activities and be fully aware of the prospects for useful investments for their communities.

46. Complementarity between the SRDP and other projects and programmes in the central/northern region of Burkina Faso must be vigorously sought and should also be formalized before programme implementation.

47. Land tenure may represent a major constraint to programme success owing to its impact on lowland and watershed development. The SRDP is based on the premise of a viable compromise among groups. Analysis of past and ongoing experiences has shown that this assumption can be tested by the programme in selected areas in conjunction with the development of the watershed component. Preliminary studies on land tenure issues and the strategies to address them should be carried out before the pilot schemes.

### I. Environmental Impact

48. The programme will contribute to:

- the reduction in soil erosion and the improved conservation of critical water resources resulting from improved land protection and management practices in watershed ecosystems;
- the recovery and **sustainable** management of land resources and biological diversity through the rehabilitation of the critical watershed ecosystems and their natural habitats; and
- the promotion of **innovative** and replicable approaches to address land degradation and combat desertification.

### J. Innovative Features

49. The main innovative features of the programme are:

- the adoption of the **farmer** field school methodology and the learning-by-doing approach, which aim at the empowerment of farmers so that they can leverage their crop production systems and enhance their livelihoods;
- the implementation of a participatory research development component wherein the role of farmers is central in the assessment of the needs and the definition of the services required;
- the introduction of **production** technologies developed in IFAD regional activities with the International Plant Genetic Resources Institute, International Fertilizer Development Center, the International Crops Research Institute for the Semi-Arid Tropics, etc. ("IFAD learning notes");
- the implementation of **pilot** programmes on land tenure security; and

- the implementation of an **integrated** watershed basin approach that mobilizes a wide range of contributors (BOAD, OPEC Fund and GEF).

### PART III – LEGAL INSTRUMENTS AND AUTHORITY

50. A loan agreement between Burkina Faso and IFAD constitutes the legal instrument for extending the proposed loan to the borrower. A summary of the important supplementary assurances included in the negotiated loan agreement is attached as an annex.
51. Burkina Faso is empowered under its laws to borrow from IFAD.
52. I am satisfied that the proposed loan will comply with the *Agreement Establishing IFAD*.

### PART IV – RECOMMENDATION

53. I recommend that the Executive Board approve the proposed loan in terms of the following resolution:

RESOLVED: that the Fund shall make a loan to Burkina Faso in various currencies in an amount equivalent to ten million seven hundred thousand Special Drawing Rights (SDR 10 700 000) to mature on or prior to 15 November 2044 and to bear a service charge of three-fourths of one percent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

Lennart Båge  
President



**SUMMARY OF IMPORTANT SUPPLEMENTARY ASSURANCES  
INCLUDED IN THE NEGOTIATED LOAN AGREEMENT**

(Loan negotiations concluded on 12 November 2004)

1. The Government of Burkina Faso (hereinafter “the Government”) will make the loan proceeds available to the Ministry of Agriculture, Water and Fisheries Resources (the “lead programme agency”) in accordance with the annual workplans and budgets (AWP/Bs) and customary national procedures for development assistance for purposes of implementing the programme.
  
2. The contribution of the Government to the financing of the programme is calculated at an amount in CFA francs equivalent to USD 6.41 million. This amount represents:
  - (a) cofinancing by the Government, in real terms, out of national resources in an amount in CFA francs equivalent to USD 3.3 million, which amount is to be included in the budget under the respective financial legislation. As of programme year 3, the amount for the year in question is to be paid into the programme account in accordance with the AWP/B;
  - (b) all duties, levies and taxes on goods and services that will be defrayed by the Government by means of exemptions from duties and taxes on imports or through treasury cheques; and
  - (c) the contribution of the Government, in the form of counterpart funds, to taxes on minor expenditures and taxes for which treasury cheques cannot be used. Accordingly, the Government will make the amount of USD 100 000 available to the PMU to cover the needs of programme year 1. Subsequently, the Government will replenish the programme account each year by depositing counterpart funds therein as set forth in the respective AWP/B. The programme will be included in the government’s public investment programme.
  
3. The Government will also ensure that the proceeds of the loans from BOAD and the OPEC Fund and the GEF grant will be made available to the lead programme agency in accordance with the AWP/Bs.
  
4. As part of maintaining sound environmental practices, the Government will take – or will ensure the implementation of – appropriate pest management practices under the programme and, to that end, it will ensure that pesticides procured under the programme do not include any pesticide either proscribed by the International Code of Conduct on the Distribution and Use of Pesticides of the Food and Agriculture Organization of the United Nations, as amended from time to time, or listed in Tables 1 (Extremely Hazardous) or 2 (Highly Hazardous) of the World Health Organization’s Recommended Classification of Pesticides by Hazard and Guidelines to Classification 1996-1997, as amended from time to time.
  
5. Each of the implementing agencies will implement internal monitoring arrangements, intended as a guide for targeted actions and specifying the modalities for gathering, recording and analysing information pertinent to carrying out the activities for which it is responsible. Each programme village, in its capacity as implementing agency, will ensure that records of activities are kept in due fashion for each of the programmes carried out with programme support. Each NGO or borrower will assist the village committees for land resource management in their area in organizing and keeping records of activities. The evaluation system will be based on annual self-evaluations by each programme village. These self-evaluations will be conducted in an interactive fashion among village structures and the various partners involved in implementation. The evaluations will support a system

to replicate and promote best experiences of the villages in the implementation of village development plans. The system will involve prizes per province for the best village accomplishments, and workshops and visits to disseminate these accomplishments among other villages. Service providers and works contractors will submit quarterly and annual progress reports to the PMU on the programmes under their responsibility. The monitoring and evaluation officer will consolidate these reports in a semi-annual programme report that will be forwarded to the line ministry and to IFAD. Upon completion of each phase under the programme, participatory village workshops will assess the programme impact vis-à-vis the objectives of rural organization, agricultural intensification, sustainable natural-resource management, income enhancement, improvement of the situation of vulnerable groups, and local ownership of development.

6. The Government will ensure programme staff against illness and accidents in accordance with customary practices in force in Burkina Faso.

7. Programme staff will be recruited on the basis of renewable, fixed-term contracts through local calls for proposals published in the national press, in accordance with the current procedures of the Government and excluding all forms of discrimination. The recruitment of key programme staff – i.e. the PMU coordinator, the PMU administrative and financial officer, the monitoring and evaluation officer and the accountant – and, as applicable, any decision to terminate their contracts will be decided upon in agreement with IFAD. Programme staff will be subject to annual performance evaluations and their contracts may be terminated on the basis of the findings of those evaluations. Management of staff will follow procedures in force in the territory of Burkina Faso.

8. The PMU will prepare a draft implementation manual for the programme within a reasonable period and in any event within the six months following the effective date. The PMU will submit this draft implementation manual to the lead programme agency for approval. Once approved, the lead programme agency will forward the draft implementation manual to IFAD for comment and approval. The lead programme agency will adopt the final version of the manual, as approved by IFAD. If IFAD does not make any comment on the draft implementation manual within the 60 days following receipt, it will be deemed approved.

9. The following are specified as conditions for disbursement:

- (a) No withdrawal may be made before the first tranche of counterpart funds has been deposited in the programme account.
- (b) No withdrawal may be made before the draft manual of accounting and administrative procedures has been prepared and submitted to IFAD.
- (c) No withdrawal may be made before the first AWP/B has been approved by the programme steering committee and by IFAD.

10. The following are specified as conditions precedent to effectiveness:

- (a) A favourable legal opinion, issued by the Constitutional Council or other competent authority of Burkina Faso, in form and substance acceptable to IFAD, has been delivered to IFAD by the Government.
- (b) The PMU and steering committee have been set up by ministerial decree.
- (c) The PMU coordinator and the administrative and financial officer have been recruited in accordance with the procedure described in paragraph 7 above.
- (d) A programme account and a special account have been opened by the Government.



APPENDIX I

COUNTRY DATA

BURKINA FASO

<b>Land area (km<sup>2</sup> thousand) 2002 1/</b>	274	<b>GNI per capita (USD) 2002 1/</b>	250
<b>Total population (million) 2002 1/</b>	11.83	<b>GDP per capita growth (annual %) 2002 1/</b>	2.1
<b>Population density (people per km<sup>2</sup>) 2002 1/</b>	43	<b>Inflation, consumer prices (annual %) 2002 1/</b>	2.2
<b>Local currency</b>	CFA Franc BCEAO (XOF)	<b>Exchange rate: USD 1.00=</b>	XOF ***ADD RATE***
<b>Social Indicators</b>		<b>Economic Indicators</b>	
Population (average annual population growth rate) 1996-2002 1/	2.4	GDP (USD million) 2002 1/	3 127
Crude birth rate (per thousand people) 2002 1/	43	Average annual rate of growth of GDP 1/ 1982-1992	3.2
Crude death rate (per thousand people) 2002 1/	19	1992-2002	4.1
Infant mortality rate (per thousand live births) 2002 1/	107	Sectoral distribution of GDP 2002 1/	
Life expectancy at birth (years) 2002 1/	43	% agriculture	32
Number of rural poor (million) (approximate) 1/	n/a	% industry	18
Poor as % of total rural population 1/	n/a	% manufacturing	13
Total labour force (million) 2002 1/	5.80	% services	50
Female labour force as % of total 2002 1/	47	Consumption 2002 1/	
<b>Education</b>		General government final consumption expenditure (as % of GDP)	13
School enrolment, primary (% gross) 2002 1/	48/	Household final consumption expenditure, etc. (as % of GDP)	82
Adult illiteracy rate (% age 15 and above) 2002 1/	n/a	Gross domestic savings (as % of GDP)	5
<b>Nutrition</b>		<b>Balance of Payments (USD million)</b>	
Daily calorie supply per capita, 2002 2/	n/a	Merchandise exports 2002 1/	166
Malnutrition prevalence, height for age (% of children under 5) 2002 2/	37 a/	Merchandise imports 2002 1/	577
Malnutrition prevalence, weight for age (% of children under 5) 2002 2/	34 a/	Balance of merchandise trade	-411
<b>Health</b>		Current account balances (USD million)	
Health expenditure, total (as % of GDP) 2002 1/	n/a	before official transfers 2002 1/	n/a
Physicians (per thousand people) 2002 1/	n/a	after official transfers 2002 1/	-324
Population using improved water sources (%) 2000 2/	42	Foreign direct investment, net 2002 1/	8
Population with access to essential drugs (%) 1999 2/	50-79	<b>Government Finance</b>	
Population using adequate sanitation facilities (%) 2000 2/	29	Overall budget deficit (including grants) (as % of GDP) 2002 1/	n/a
<b>Agriculture and Food</b>		Total expenditure (% of GDP) 2002 1/	n/a
Food imports (% of merchandise imports) 2002 1/	15 a/	Total external debt (USD million) 2000 1/	1 580
Fertilizer consumption (hundreds of grams per ha of arable land) 2002 1/	82 a/	Present value of debt (as % of GNI) 2000 1/	15
Food production index (1989-91=100) 2000 1/	170	Total debt service (% of exports of goods and services) 2000 1/	16
Cereal yield (kg per ha) 2002 1/	943	Lending interest rate (%) 2002 1/	n/a
<b>Land Use</b>		Deposit interest rate (%) 2002 1/	4
Arable land as % of land area 2002 1/	14 a/		
Forest area as % of total land area 2002 1/	26 a/		
Irrigated land as % of cropland 2002 1/	0.6 a/		

a/ Data are for years or periods other than those specified.

1/ World Bank, *World Development Indicators* CD ROM 2004.

2/ UNDP, *Human Development Report*, 2004.

**PREVIOUS IFAD FINANCING IN BURKINA FASO**

<b>Project Name</b>	<b>Initiating Institution</b>	<b>Cooperating Institution</b>	<b>Lending Terms</b>	<b>Board Approval</b>	<b>Loan Effectiveness</b>	<b>Current ClosingDate</b>	<b>Loan/Grant Acronym</b>	<b>Currency</b>	<b>ApprovedLoan/Grant Amount</b>	<b>Disbursement (as % of approved amount)</b>
Rural Development Project in the Eastern ORD	IFAD	AfDB	HC	22 Apr 81	15 Jun 82	30 Sep 92	G - I - 69 - UV L - I - 65 - UV	SDR SDR	330,000 11,900,000	40% 65%
Hauts Bassins/Volta Noire Agricultural Development Project	World Bank: IDA	World Bank: IDA	HC	14 Sep 82	14 Jun 83	30 Jun 88	L - I - 102 - UV	SDR	9,900,000	38%
Special Programme for Soil and Water Conservation and Agroforestry in the Central Plateau	IFAD	BOAD	HC	04 Dec 87	26 Oct 88	31 Dec 95	G - S - 8 - BF L - S - 11 - BF	SDR SDR	650,000 7,000,000	39% 83%
Special Programme for Soil and Water Conservation - Phase II	IFAD	BOAD	HC	05 Dec 94	02 May 96	31 Dec 03	L - I - 369 - BF L - S - 44 - BF	SDR SDR	7,100,000 4 750,000	100% 100%
South West Rural Development Project	IFAD	BOAD	HC	11 Sep 96	12 Jan 98	30 Jun 05	L - I - 418 - BF	SDR	10,150,000	30%
Rural Microentreprise Support Project	IFAD	BOAD	HC	28 Apr 99	14 Jul 00	31 Mar 08	L - I - 502 - BF	SDR	6,950,000	41%
Community-Based Rural Development Project	World Bank: IDA	World Bank: IDA	HC	04 May 00	17 May 02	31 Dec 07	L - I - 535 - BF	SDR	8,550,000	32%
Community Investment Programme of Agricultural Fertility	IFAD	BOAD	HC	11 Sept 03	Not yet effective	31 Dec 11	L-I-611-BF	SDR	8 800 000	-

HC: Highly concessional

IDA: International Development Association (World Bank Group)

## LOGICAL FRAMEWORK

Overall objective	Key performance indicators	Means of verification	Critical assumptions/risks
<b>I. Objective of development</b>			
To reduce poverty in 5 key provinces	<ol style="list-style-type: none"> <li>1. Reduction in incidence of poverty in line with PRSP objectives</li> <li>2. Reduction in chronic malnutrition among children under 5 as against the reference year</li> <li>3. Literacy rate for women in affected villages</li> </ol> <p><b>(Objectives : 440 000 direct beneficiaries)</b></p>	<ul style="list-style-type: none"> <li>• Surveys on household income and consumption before the mid-term review and the final evaluation</li> <li>• Baseline surveys</li> <li>• Annual M&amp;E reports</li> <li>• Annual impact studies</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction of an effective M&amp;E system at poverty eradication strategy level</li> </ul>
<b>II. Specific objectives for each component</b>			
<p><b>II.1. Improved income of target-zone population</b></p> <ul style="list-style-type: none"> <li>• Agricultural income increased, particularly for rural population and poorest groups</li> <li>• Increased food security</li> <li>• Diversified income sources</li> </ul>	<ol style="list-style-type: none"> <li>1. Number of farms having achieved cereal and horticultural crop yields of 50% as against reference year</li> <li>2. Number of additional hectares farmed</li> <li>3. Number of farmers (by gender) using the new techniques</li> <li>4. Livestock growth rate</li> <li>5. Number of households having improved coverage of their food needs</li> <li>6. Number of jobs created by the AGRs</li> </ol> <p><b>Objectives: 45 000 targeted farms</b></p>	<ul style="list-style-type: none"> <li>• Participatory evaluation of farmers' organizations</li> <li>• Thematic evaluations (women and young people)</li> <li>• Annual reports on activities of CVGTs/CIVGTs, grass-roots savings and credit organizations (OVECs) and groups</li> <li>• Mid-term and final reviews</li> </ul>	<ul style="list-style-type: none"> <li>• Effective implementation of the various legal and institutional instruments: Decentralized Rural Development Policy Letter, Agrarian and Land Tenure Reorganization, various documents on decentralization</li> <li>• Emergence of local development actors and stakeholders</li> </ul>
<p><b>II.2. Development of village communities' participatory management skills</b></p> <ul style="list-style-type: none"> <li>• Village organizations (CVGTs, CIVGTs and other groups) and traditional institutions capable of formulating, implementing and managing local development plans and rationalizing management of their lands</li> </ul>	<ol style="list-style-type: none"> <li>7. Number of established, working and effective CVGTs and CIVGTs implementing local development plans</li> <li>8. Percentage of women in CVGT decision-making</li> <li>9. Number of producers' associations and groups supported, which have developed productive projects</li> <li>10. Number and percentage of farmers' associations directed by women</li> </ol> <p><b>Objectives: 374 CVGT, 5 CIVGT</b></p>	<ul style="list-style-type: none"> <li>• Monitoring reports</li> <li>• Mid-term and final reviews</li> <li>• Signed land agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening of the existing legal system with regard to customary law</li> </ul>
<p><b>II.3. Improved access for target populations to financial and social capital</b></p> <ul style="list-style-type: none"> <li>• Access to land made secure for temporary occupants, the landless, women and migrants</li> <li>• Improved access for populations to social services</li> <li>• Natural resources properly managed and protected</li> </ul>	<ol style="list-style-type: none"> <li>11. Number of people to have obtained sustainable security of tenure (by gender and group)</li> <li>12. Percentage of households with access to drinking water</li> <li>13. Percentage of households with access to health care</li> <li>14. Literacy rate</li> <li>15. Rate of erosion control measures and number of hectares of degraded land recovered and regenerated</li> <li>16. Percent of viable local banks with a limited % of risk</li> </ol> <p><b>Objectives: 35 000 ha of arable land and 33 000 ha sylvopastoral land treated with SWC measures; 750 ha of valley bottoms developed and small-scale irrigation schemes implemented; 5 new grass-roots microfinance agencies and 100 local banks</b></p>	<ul style="list-style-type: none"> <li>• Various monitoring and evaluation reports</li> <li>• On-the-spot observation and inventory</li> <li>• Weighing of crop yields</li> <li>• Livestock inventory</li> <li>• Soil analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Mobilization of funds from other donors</li> <li>• Effective collaboration with MAWFR directorates and INERA</li> <li>• Availability of specialist operators</li> </ul>

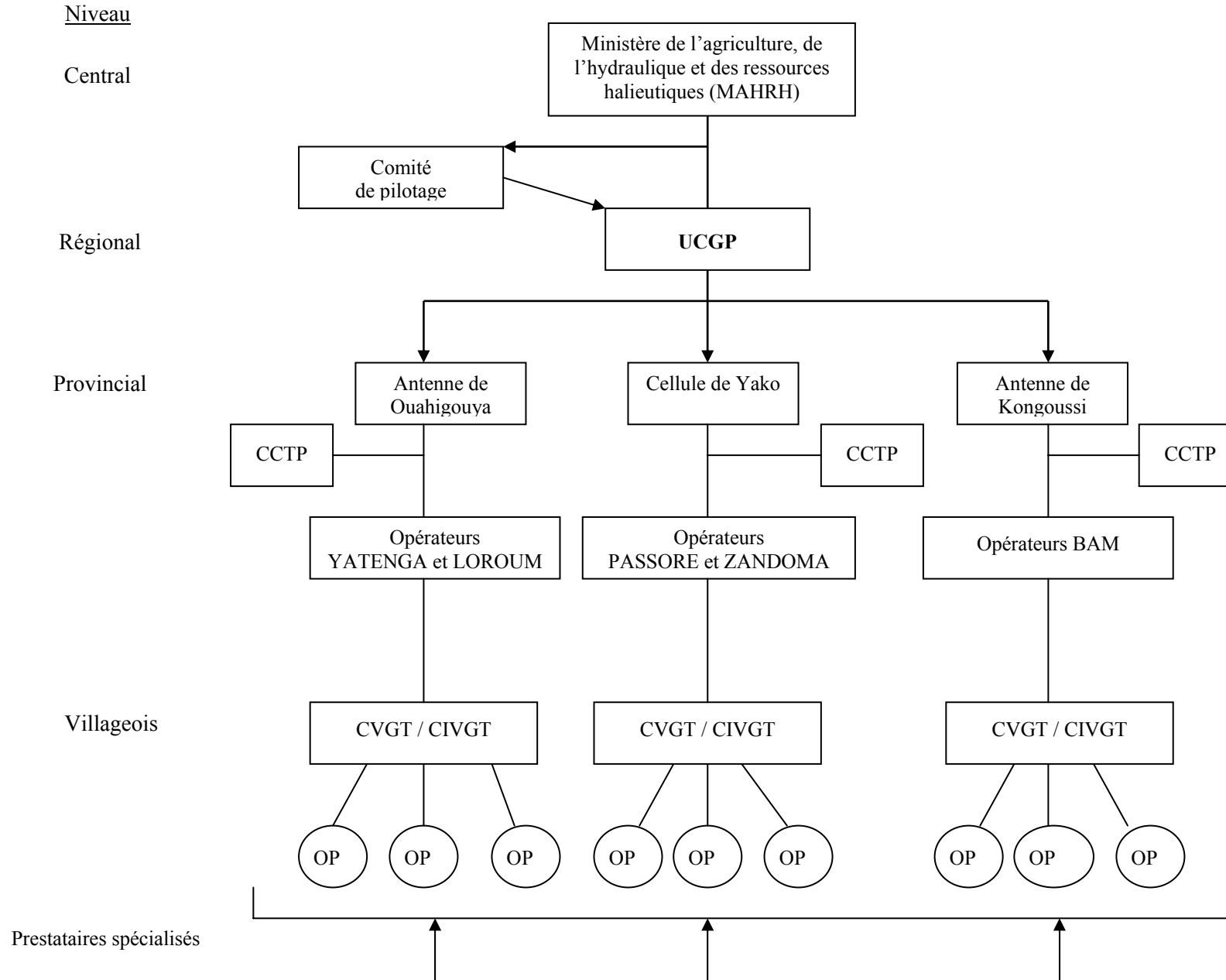
<b>III. Results by component</b>			
<b>Component 1: Rural organization</b>			
<b>Sub-component 1-1: Development of participatory management and coordination capacities</b>			
<ul style="list-style-type: none"> <li>• Support and training provided to 374 local organizations (CVGT and CIVGT) and to approximately 600 groups and associations</li> <li>• A system is in place for exchanging experience in coordination and consultation</li> <li>• Functional literacy programmes targeting women in particular affect the most beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>• Number of CVGT/CIVGTs, professional associations and producers groups established or consolidated</li> <li>• Number of people trained and literate (by gender) with an objective of 30 people per village</li> <li>• Number of women in leadership positions</li> <li>• Number of local development plans formulated and approved</li> <li>• Number of projects implemented within the local development plan framework and financed by the Community Investment Fund (CIF)</li> <li>• Legal and regulatory documents approved and integrated</li> <li>• Coordination committees up and running</li> </ul>	<ul style="list-style-type: none"> <li>• Annual participatory diagnostic surveys</li> <li>• Annual programme reports</li> <li>• Participatory M&amp;E system</li> </ul>	<ul style="list-style-type: none"> <li>• Coordination with traditional institutions and local authorities</li> <li>• Decentralized Rural Development Programme contribution to transforming traditional attitudes to women's roles and fundamental rights</li> <li>• Capacity of beneficiaries to manage the resources of their lands</li> </ul>
<i>Activities</i>	<i>Key inputs</i>	<i>Cost (000\$)</i>	
<p><b>a) Building of local capacities</b></p> <ul style="list-style-type: none"> <li>i) Organization and community management training</li> <li>ii) Gender and development strategy</li> <li>iii) Functional literacy</li> <li>iv) IEC</li> </ul> <p><b>b) Institutional and coordination framework</b></p> <ul style="list-style-type: none"> <li>i) Strengthening of institutional and regulatory framework</li> <li>ii) Introduce coordination mechanism</li> </ul>	<ul style="list-style-type: none"> <li>• Service provider contracts</li> <li>• Training programmes regarding associations and the management of local organizations</li> <li>• 16 reflection and training workshops in gender and development</li> <li>• Consultant missions (12 months)</li> <li>• Reflection workshops and exchange visits</li> <li>• Funding of participation in the PTCCs</li> <li>• 8 institutional coordination workshops</li> <li>• 194 rural radio broadcasts</li> </ul>	<ul style="list-style-type: none"> <li>• 2,941.3</li> </ul>	
<b>Sub-component 1-2: Community Investment Fund</b>			
<p>The CIF is effectively established, and village and inter-village projects successfully financed through it</p>	<ul style="list-style-type: none"> <li>• Number of km of construction or rehabilitation of roads to open up the zone</li> <li>• Number of boreholes equipped with pedal pumps</li> <li>• Number of surface hydraulic structures completed</li> <li>• Coverage rate for drinking water needs</li> <li>• Number of classrooms built</li> <li>• Number of health and social welfare centres built</li> <li>• Number of local water committees established</li> <li>• Number of members of CVGT trained in project management</li> </ul>	<ul style="list-style-type: none"> <li>• Annual participatory diagnostic surveys</li> <li>• Annual programme reports</li> <li>• Participatory M&amp;E system</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity of the CVGTs/CIVGTs to assume control of the infrastructures</li> <li>• Mobilization of contributions from beneficiaries</li> <li>• Detailed specifications established and accepted by the beneficiaries</li> </ul>
<i>Activities</i>	<i>Key inputs</i>	<i>Costs</i>	
<ul style="list-style-type: none"> <li>• Develop management modalities and specifications for the CIF</li> <li>• Finance priority community investments included in the local development plan</li> <li>• Set up technical supervision of communities regarding the management and maintenance of investments</li> </ul>	<ul style="list-style-type: none"> <li>• Service provider contracts</li> <li>• Training sessions for members of CVGT offices</li> <li>• Financial contribution from communities and local labour</li> <li>• Logistical resources for monitoring activities</li> <li>• Contracts for supervision of work</li> <li>• Committee meeting to approve community projects</li> <li>• Cofinancing by the government and the West African Development Bank</li> </ul>	<ul style="list-style-type: none"> <li>• 9,057.8</li> </ul>	

<b>III. Results by component (continued)</b>			
<b>Component 2: Security of land tenure</b>			
<ul style="list-style-type: none"> <li>Local communities implement local strategies and specific actions to achieve security of tenure in a context clarified by the agrarian and land tenure reorganization law</li> </ul>	<ul style="list-style-type: none"> <li>Number of land tenure security actions successfully carried out</li> <li>Number of agreements, number of land transactions completed (including land titles)</li> <li>Number of hectares affected</li> <li>Number of women, young people and migrants gaining access to secure land</li> </ul>	<ul style="list-style-type: none"> <li>Annual participatory diagnostic surveys</li> <li>Annual participatory and thematic evaluations</li> <li>Mid-term and final reviews</li> <li>Annual M&amp;E reports</li> </ul>	<ul style="list-style-type: none"> <li>Success of community dialogue on land tenure</li> <li>Involvement and support of traditional institutions</li> </ul>
<i>Activities</i>	<i>Key inputs</i>	<i>Costs (000 \$)</i>	
<ul style="list-style-type: none"> <li>Social and land tenure studies</li> <li>Local-level information and institutional dialogue campaign</li> <li>Implement tenure security measures</li> </ul>	<ul style="list-style-type: none"> <li>Costs of studies and mapping</li> <li>Service provider contracts</li> <li>Training workshops</li> <li>Funds to support action for security of tenure</li> <li>Logistical resources for support and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>1,546.9</li> </ul>	
<b>Component 3: Sustainable development of productive capacities</b>			
<b>Sub-component 3-1: Catchment area development</b>			
<ul style="list-style-type: none"> <li>8 catchment areas identified, CIVGTs trained and development plans implemented</li> <li>Development of valley bottoms and irrigated horticultural areas carried out and reclaimed land redistributed</li> <li>Small dams built</li> <li>Management and maintenance committees for the installations up and running</li> <li>Sylvopastoral areas rationally utilized</li> </ul>	<ul style="list-style-type: none"> <li>Number, areas and impact of reforestation and assisted natural regeneration programmes in the sylvopastoral areas</li> <li>Number, areas and impact of SWC programmes on arable land</li> <li>Number and areas of developed and well managed valley bottoms and irrigated areas</li> <li>Improved soil fertility and agropastoral productivity</li> <li>Alternative sources of energy developed</li> <li>Number of people trained by gender in the GRN</li> </ul>	<ul style="list-style-type: none"> <li>Annual and thematic participatory evaluations</li> <li>Mid-term and final reviews</li> <li>Annual M&amp;E reports</li> </ul>	<ul style="list-style-type: none"> <li>Availability of financial resources</li> <li>Local development plan drawn up with priority given to catchment area protection activities</li> <li>Operational effectiveness of CIVGTs and CVGTs</li> <li>Availability of labour for reclamation work</li> </ul>
<i>Activities</i>	<i>Key inputs</i>	<i>Costs (000 \$)</i>	
<ul style="list-style-type: none"> <li>Formulate catchment area development plans</li> <li>Draw up specifications</li> <li>Put SWC sites in place</li> <li>Carry out development work in valley bottoms and irrigated horticultural areas</li> <li>Supervise and control work</li> </ul>	<ul style="list-style-type: none"> <li>Study contracts</li> <li>Topography teams</li> <li>Machinery and means of transport</li> <li>Mapping</li> <li>Local labour</li> <li>Logistical resources for control and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>16,607.7</li> </ul>	
<b>Sub-component 3-2: Diversification and intensification of production</b>			
<ul style="list-style-type: none"> <li>Production support mechanisms (research and extension work) ensuring intensified staple cereal production, an increase in livestock production and an increase in soil fertility</li> <li>Irrigated horticultural areas and valley bottoms utilized according to technical guidelines</li> <li>Production diversified with high-commercial-value and fodder crops and market supply is improved</li> <li>The level of agriculture and livestock integration is satisfactory</li> </ul>	<ul style="list-style-type: none"> <li>Number of apprenticeship fields implemented</li> <li>Number of farmer extension workers (by gender) trained</li> <li>Number of farmers participating in apprenticeship fields</li> <li>Number of fairs organized</li> <li>Percentage of traditional cereals and horticultural produce marketed</li> </ul>	<ul style="list-style-type: none"> <li>Annual and thematic participatory evaluations</li> <li>Mid-term and final reviews</li> <li>Half-yearly and annual M&amp;E reports</li> <li>Service provider contracts with the OSs, decentralized services and INERA, and corresponding reports</li> <li>Market and price surveys</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of effective participatory mobilising research for local experience and knowledge</li> <li>Beneficiaries' capacity to absorb tested technologies</li> <li>Level of specialized operators' technical skills</li> </ul>

<b>III. Results by component (continued)</b>			
<b>Sub-component 3-2: Diversification and intensification of production (continued)</b>			
<i>Activities</i>	<i>Key inputs</i>	<i>Costs (000\$)</i>	
<ul style="list-style-type: none"> <li>Organize and put in place the apprenticeship fields and participatory research</li> <li>Draw up service provider contracts</li> <li>Monitor and Evaluate the results</li> </ul>	<ul style="list-style-type: none"> <li>Service provider contracts for the apprenticeship fields and the facilitators</li> <li>Contracts with provincial administrations and INERA</li> <li>Logistical resources</li> <li>Inputs and seeds</li> </ul>	<ul style="list-style-type: none"> <li>2,591.7</li> </ul>	
<b>Sub-component 3-3: Support to income-generating activities</b>			
<ul style="list-style-type: none"> <li>The network of grass-roots microfinance agencies and local banks spreads in the zones focused on by the programme; income-generating activities are developed and have a particular impact on women, young people and migrants</li> </ul>	<ul style="list-style-type: none"> <li>Number of grass-roots microfinance agencies and local banks created and operational</li> <li>Number of savers and volume of savings deposited</li> <li>Number of loan beneficiaries</li> <li>Number of individual projects financed</li> <li>Rate of increase in income as a result of processing and non-agricultural activities</li> </ul>	<ul style="list-style-type: none"> <li>Annual and thematic participatory evaluations</li> <li>Objective surveys</li> <li>Mid-term and final reviews</li> <li>Reports from the Network of Grass-Roots Microfinance Agencies of Burkina (RCPB)</li> <li>Half-yearly and annual M&amp;E reports</li> </ul>	<ul style="list-style-type: none"> <li>Level of refinancing</li> <li>Extension of loan operations to men</li> </ul>
<i>Activities</i>	<i>Key inputs</i>	<i>Costs (000\$)</i>	
<ul style="list-style-type: none"> <li>Draw up an agreement with the RCPB</li> <li>Monitor implementation</li> <li>Audit the grass-roots microfinance agencies</li> <li>Organize training of income-generating activity groups</li> <li>Evaluate performance of income-generating activities</li> </ul>	<ul style="list-style-type: none"> <li>Contract with the RCPB</li> <li>Training sessions</li> <li>Monitoring by gender specialist</li> <li>Funds for women and young people's enterprises</li> </ul>	<ul style="list-style-type: none"> <li>1,452.1</li> </ul>	
<b>Component 4: Programme organization and management</b>			
<p>The programme is carried out in conformity with the terms and conditions of the loan and the objectives of sustainable human development</p>	<ul style="list-style-type: none"> <li>Percentage of compliance with the conditions of the loan agreement</li> <li>Percentage of IFAD loan paid out</li> <li>Effective coordination of programme activities</li> <li>M&amp;E system carried out efficiently, with data sorted according to gender</li> </ul>	<ul style="list-style-type: none"> <li>Annual participatory diagnostic surveys</li> <li>Annual and thematic participatory evaluations</li> <li>Mid-term and final reviews</li> <li>Annual M&amp;E reports</li> <li>Participatory impact evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Autonomous PMCU established</li> <li>Emergence of competent local implementation agents</li> <li>Coordination of existing geographical information systems (GIS)</li> </ul>
<i>Activities</i>	<i>Key inputs</i>	<i>Costs</i>	
<ul style="list-style-type: none"> <li>Set up the Steering Committee</li> <li>Draw up and implement the PTBAs and progress reports</li> <li>Keep the accounts and manage disbursement requests at the appropriate times</li> <li>Draw up and implement agreements and contracts with service providers</li> <li>Coordinate programme activities at regional and national levels</li> <li>Participate in PTCC coordination meetings</li> <li>Set up the GIS and maintain the data base</li> <li>Organize special studies, surveys, outside evaluations and the anticipated audits</li> <li>Organize withdrawal of the project</li> </ul>	<ul style="list-style-type: none"> <li>Premises and equipment for the Special Programme for Soil and Water Conservation and Agroforestry</li> <li>Vehicles and supplementary and replacement equipment</li> <li>Placement of two regional antennas</li> <li>Staff training</li> <li>Awareness and coordination workshops</li> <li>Study, survey and auditing contracts</li> <li>Various consultants</li> <li>Information and management system</li> <li>Steering committee and its operation</li> <li>Operating costs</li> </ul>	<ul style="list-style-type: none"> <li>4,326.8</li> </ul>	

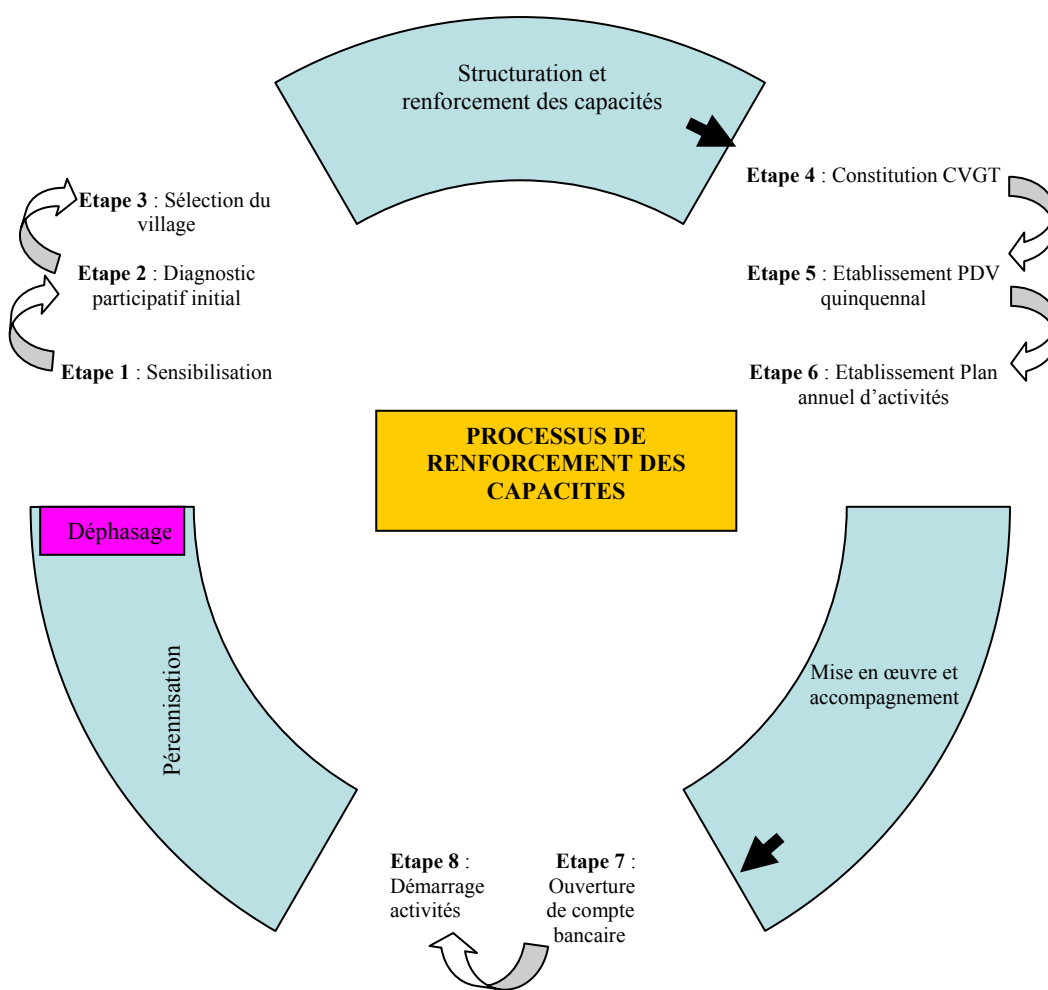
# ORGANIGRAMME

## Burkina Faso – Programme de développement rural durable (PDRD)



7

PLANIFICATION PARTICIPATIVE





## SCHEMA D'INTERVENTION ET DE PLANIFICATION PARTICIPATIVE

