

a

IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Executive Board – Eighty-Fourth Session

Rome, 18-20 April 2005

REPORT AND RECOMMENDATION OF THE PRESIDENT

TO THE EXECUTIVE BOARD ON PROPOSED FINANCIAL ASSISTANCE TO THE

REPUBLIC OF MALI

FOR THE

NORTHERN REGIONS INVESTMENT AND RURAL DEVELOPMENT PROGRAMME

TABLE OF CONTENTS

CURRENCY EQUIVALENTS	iii
WEIGHTS AND MEASURES	iii
ACRONYMS	iii
MAP OF THE PROGRAMME AREA	iv
FINANCING SUMMARY	v
PROGRAMME BRIEF	vi
PART I – THE ECONOMY, SECTORAL CONTEXT AND IFAD STRATEGY	1
A. The Economy and Rural Development	1
B. IFAD Experience and Lessons Learned	3
C. IFAD's Strategy in Mali	3
PART II – THE PROGRAMME	4
A. Programme Area and Target Group	4
B. Objectives and Scope	4
C. Components	4
D. Costs and Financing	6
E. Procurement, Disbursement, Accounts and Audit	8
F. Organization and Management	8
G. Economic Justification	9
H. Risks	10
I. Environmental Impact	10
J. Innovative Features	10
PART III – LEGAL INSTRUMENTS AND AUTHORITY	10
PART IV – RECOMMENDATION	11
ANNEX	
SUMMARY OF IMPORTANT SUPPLEMENTARY ASSURANCES INCLUDED IN THE NEGOTIATED FINANCING AGREEMENT	13

APPENDIXES

I. COUNTRY DATA	1
II. PREVIOUS IFAD FINANCING IN MALI	2
III. LOGICAL FRAMEWORK	3
IV. ORGANIGRAMME	8

CURRENCY EQUIVALENTS

Currency unit	=	CFA franc (XOF)
USD 1.00	=	XOF 525
XOF 1.00	=	USD 0.001905

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 ²)	=	10.76 square feet (ft ²)
1 acre (ac)	=	0.405 hectare
1 hectare (ha)	=	2.47 acre

ACRONYMS

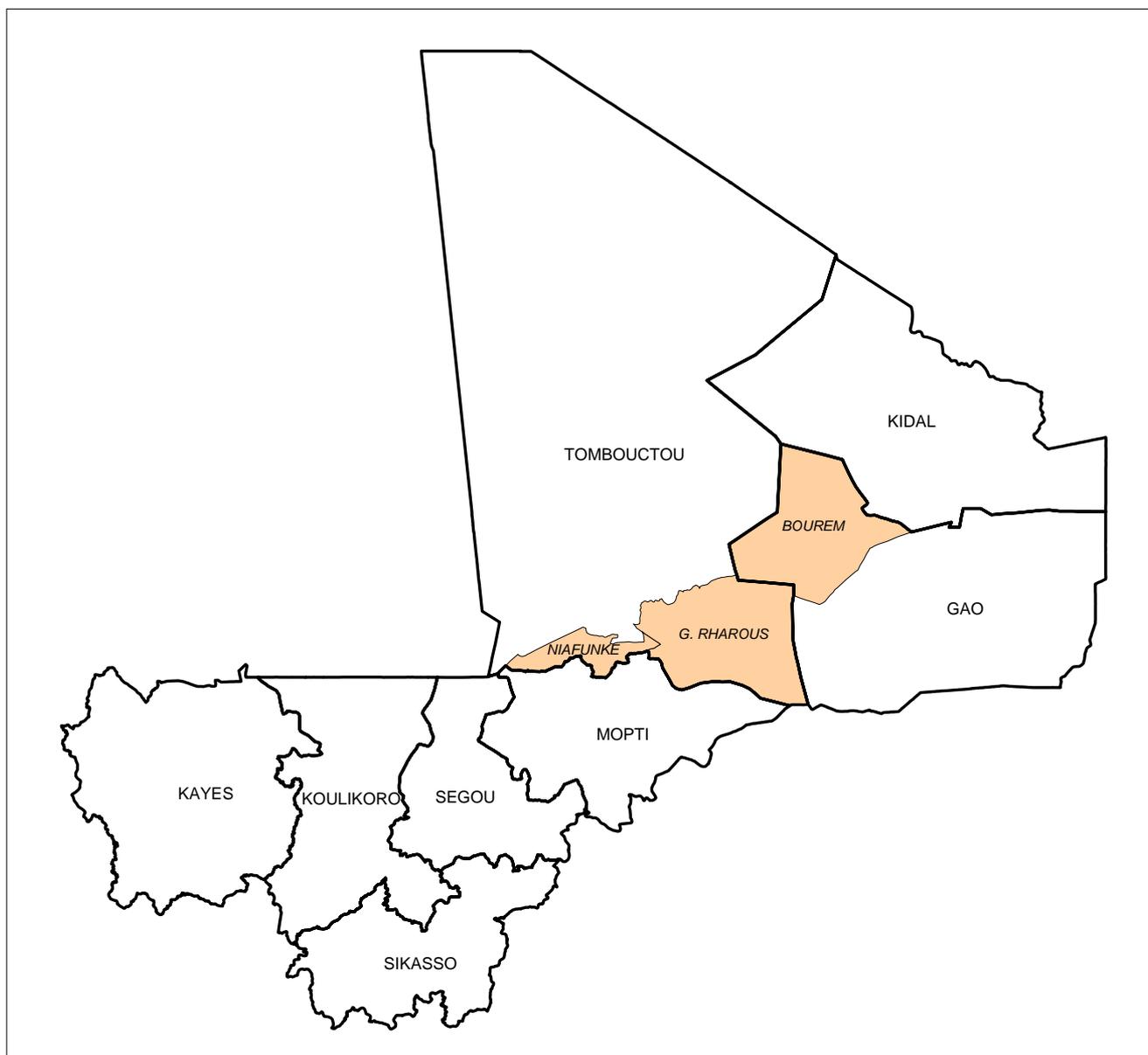
ANICT	National Investment Agency for Decentralized Administrations (<i>Agence nationale d'investissement des collectivités territoriales</i>)
AWPB	annual work plan and budget
BOAD	West African Development Bank
BSF	Belgian Survival Fund
COSOP	country strategic opportunities paper
PMU	programme management unit

GOVERNMENT OF THE REPUBLIC OF MALI**Fiscal Year**

1 January – 31 December

MAP OF THE PROGRAMME AREA

REPUBLIC OF MALI



Legend: shaded area = 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.

REPUBLIC OF MALI

NORTHERN REGIONS INVESTMENT AND RURAL DEVELOPMENT PROGRAMME

FINANCING SUMMARY

INITIATING INSTITUTION:	IFAD
RECIPIENT:	Republic of Mali
EXECUTING AGENCY:	Commissariat on Food Security
TOTAL PROGRAMME COST:	USD 33.6 million
AMOUNT OF IFAD FINANCING:	Loan: SDR 9.55 million (equivalent to approximately USD 14.6 million) Grant: SDR 530 000 (equivalent to approximately USD 803 000)
TERMS OF IFAD LOAN:	40 years, including a grace period of ten years, with a service charge of three fourths of one percent (0.75%) per annum
COFINANCIERS:	West African Development Bank and Belgian Survival Fund
AMOUNT OF COFINANCING:	West African Development Bank: USD 5.2 million Belgian Survival Fund: USD 5.9 million
TERMS OF COFINANCING:	West African Development Bank: Parallel Belgian Survival Fund: Grant
CONTRIBUTION OF RECIPIENT:	USD 5.1 million
CONTRIBUTION OF BENEFICIARIES:	USD 2.0 million
APPRAISING INSTITUTION:	IFAD
COOPERATING INSTITUTION:	West African Development Bank

PROGRAMME BRIEF

Who are the beneficiaries? The programme's target group includes poor rural communities in two of the three northern regions of Mali – Tombouctou and Gao – which are amongst the poorest in the country. The programme will focus on 14 rural *communes* along the Niger River and will also include conflict-prevention activities in five other *communes*. Beneficiaries will be: small producers with limited livelihood owing to scarce financial and technical resources; nomadic herdsman affected by environmental degradation and diminishing water resources; rural women with limited access to productive inputs; rural young people who lack training and control over resources; and marginalized groups such as peasants with limited access to land, destitute herders, and households that are short of labour.

Why are they poor? Despite their productive potential, communities in northern Mali are the poorest in the country. Poverty in the northern regions is characterized by environmental degradation, lack of infrastructure and chronic food deficits. The conflicts in the north that occurred during the 1990s have also led to insecurity, which perpetuates chronic poverty. The rural poor are especially vulnerable to the fragile environment; many are food insecure. With few assets or access to physical or financial resources, they depend on income-generating activities with low productivity. In addition, they have limited access to basic social services, primary health care, safe water, useable roads, electricity and communication services.

What will the programme do for them? This programme will support the Government's efforts to address rural poverty in the northern regions of Mali by empowering the most vulnerable groups to participate effectively in development activities. This programme aims to support the rural poor through: capacity-building of decentralized administrations and beneficiary groups to identify, plan and implement activities targeted at the rural poor; financing of social and productive investments will be provided. The programme will build on Mali's decentralized administrative system and partnerships between donors, NGOs, community-based organizations, and other agencies to promote pro-poor rural development, as proposed in the poverty reduction strategy paper for Mali.

How will beneficiaries participate in the programme? Participatory efforts and capacity-building activities will be initiated at the local level. In line with the economic, social and cultural development plan of each *commune*, the programme will assist beneficiaries in identifying opportunities, and financing investments that they will also sustainably manage. Beneficiaries will participate through training and capacity-building for local-level planning, sustainable agro-pastoral development, and enhanced community infrastructure.

How was the programme formulated? This programme was formulated through a participatory process with substantial contributions from the Government, regional and local community leaders, beneficiaries, NGOs, traditional leaders, the private sector and IFAD. Donors such as the World Food Programme, the United Nations Development Programme, the Food and Agriculture Organization of the United Nations, the German Agency for Technical Cooperation and the West African Development Bank were also consulted. The programme built upon the country strategic opportunities paper, the mid-term review of the Zone Lacustre Development Project – Phase II, and the evaluations of the Sahelian Areas Development Fund Programme, the Kidal Food and Income Security Programme and Mali's strategic framework for poverty reduction.

**REPORT AND RECOMMENDATION OF THE PRESIDENT OF IFAD
TO THE EXECUTIVE BOARD ON PROPOSED FINANCIAL ASSISTANCE TO THE
REPUBLIC OF MALI
FOR THE
NORTHERN REGIONS INVESTMENT AND RURAL DEVELOPMENT PROGRAMME**

I submit the following report and recommendation on proposed financial assistance to the Republic of Mali for SDR 9.55 million (equivalent to approximately USD 14.6 million) on highly concessional terms and a grant for SDR 530 000 (equivalent to USD 803 000) to help finance the Northern Regions Investment and Rural Development Programme. 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 percent (0.75%) per annum. It will be administered by the West African Development Bank as IFAD's cooperating institution.

PART I – THE ECONOMY, SECTORAL CONTEXT AND IFAD STRATEGY¹

A. The Economy and Rural Development

1. **General.** Mali, a landlocked country in West Africa that covers 1.2 million km², has an estimated population of 11.4 million, which is growing at 2.2% per year. Over 80% of its population is rural and 46% is under 15 years old. Almost 60% of Mali's land area, corresponding to the three northern regions of Tombouctou, Gao and Kidal, is semi-arid or arid. Two of Africa's largest rivers, the 900-kilometre Senegal River and the 1 600-kilometre Niger River, flow through the country. In addition to fishing and dry season grazing areas, both rivers have vast floodplains where crops are cultivated; crops are also grown around permanent lakes and depressions. Crop-raising remains heavily dependent on natural rainfall and receding floodwaters. Rainfall is extremely erratic, particularly in the north.

2. **The economy.** Mali's economy is based heavily on agriculture, which accounts for 40% of GDP, 75% of export earnings and 80% of employment. Its main crops are the traditional staple foods rice, millet and sorghum, with cotton as the main cash crop in the south. Crop production is dominated by smallholder subsistence farmers who sell only between 15% and 20% of their output. Production varies considerably with rainfall, and returns from cotton are dominated by fluctuations in world prices. Pastoralist animal husbandry is an important source of livelihood in the north. In the past decade, the Government of Mali has launched institutional, political and economic reforms that have liberalized the economy, decentralized the administration of public affairs and development activities, and enhanced regional integration into the West African Economic and Monetary Union. Since its currency was devaluated in 1993, Mali's GDP has grown by an average of 5% to 6% per year. Inflation has been kept under control and the country has developed a comparative advantage, particularly with regard to livestock. Despite significant progress, socio-economic development remains constrained by the vulnerability of crop and livestock production to rainfall, a weak industrial sector, a large informal sector, weak human resources and the degradation of natural resources.

3. **Decentralization.** Mali launched a policy of decentralization in 1999, in which local governments were established to form 8 regions, 49 localities (*cercles*) and 703 *communes*. The *commune* is the focal point for rural development with responsibility for planning, executing and maintaining public investments. Assistance for the formulation of local economic, social and cultural

¹ See Appendix I for additional information.

development plans is provided by 46 *commune* advisory centres, which: (i) identify existing and potential service providers and link them with *communes*; (ii) implement capacity-building programmes at the community level; (iii) assist *communes* in planning, executing and maintaining public investments; and (iv) facilitate the activities of steering committees at the local and regional level. The National Investment Agency for Decentralized Administrations (ANICT) was established in 2000 to manage the Territorial Collective Investment Fund, created to finance public investments identified by local governments. ANICT's operations have been closely monitored; two external audits have concluded that funds entrusted to ANICT have been properly disbursed and control mechanisms are efficient.

4. The Ministry of Crop-based Agriculture and the Ministry of Livestock and Fisheries are responsible for managing agricultural development in Mali. The national plan for rural development was updated in 2002 to include recent economic and political reforms. The Ministry of Environment and Sanitation also has nine priority national programmes being implemented by a permanent secretariat including: (i) physical planning; (ii) wildlife management; (iii) management of water resources; and (iv) information, education and communication programmes.

5. **Poverty, gender, hunger and malnutrition.** Mali is one of the world's poorest countries, with an average annual income of only USD 240 and a UN Human Development Index ranking of 0.400 (164th out of 173 countries); 64% of its population lives in poverty and 21% lives in absolute poverty. An estimated 88% of the poor live in rural areas. Women are more affected by poverty than men; their access to health services is extremely precarious. Of women over 15 years of age, 80% are illiterate and cultural norms often limit their access to information, resources and participation in decision-making. Chronic hunger affects at least one fifth of the population and malnutrition is widespread. The Government's strategy for reducing hunger and malnutrition focuses on enhancing the reliability of crop-raising through improved water control; the liberalization of cereal marketing; the creation of buffer stocks; and the installation of flexible and rapid early warning systems for detecting crop failures.

6. **Access to social services.** Despite the Government's and development partners' concerted efforts, access to social services remains limited, particularly in the remote northern regions. In theory 67% of the population has access to a safe water source, but 66% of these are in disrepair. In Tombouctou, 79% of villages do not have access to a modern water source; in Gao, barely 10% have a borehole or modern well. Access to health services is also weaker in the north. Although Mali allocates over one quarter of its budget to education, enrolment remains low, particularly among rural children in the north. Girls are often taken out of school to help care for livestock. In 1988, 48% of men and only 12% of women in Mali could read and write.

7. **Poverty-reduction policies.** The national anti-poverty policy adopted in 1998 was followed in May 2002 by the strategic framework for poverty reduction, a single-policy framework within which all poverty-reduction efforts are to be conducted. The strategic framework for poverty reduction is formulated around three strategic thrusts: (i) institution-building and improved governance based on effective participation; (ii) development of human resources, including better access to essential services; and (iii) support to investments and private-sector development, with a view to promoting economic growth.

8. **The northern regions of Mali.** Tombouctou, Gao and Kidal account for about 60% of Mali's total land area and contain one million inhabitants. There are five **major ethnic groups** within this area: (i) the Songhai or Sonrhai, who are settled farmers along the Niger River; (ii) the Peuhl or Fulani, who are semi-nomadic or transhumanting pastoralists utilizing floodplain areas as dry season pastures; (iii) the Kel Tamacheq or Touareg; (iv) the Arabs or Maures, who are nomadic herders; and (v) the Bozo, who are semi-nomadic fishers on the Niger River. Relations between these groups are often tense because of competition for land and water.

- **Crop-raising** in the north is limited to the floodplains and to areas around permanent depressions and lakes. Soils are fragile, and infertile, and input use is low. Production is mainly increased by expanding planted areas; fallow periods are too short to restore fertility. There is considerable potential for irrigation along the Niger River, where improved water control could reduce the dependency to rainfall. The traditional crops of these areas – rice, millet, and sorghum – have potential in local, national and regional markets.
- **Livestock** contributes 10% to 12% of GDP and 9% of 15% of export earnings. Mali exports large quantities of meat to Algeria, Côte d'Ivoire, Ghana, Mauritania and Senegal. Mopti is the main livestock-raising area, followed by Tombouctou, Gao and Kidal. Productivity is low, however, as a result of disease, poor husbandry practices and overgrazing. Animal health services are limited and the vaccination rate here is considerably lower than the national average. The degradation of rangelands and the diminution of water points have led herders to settle for longer periods around permanent water sources. Competition with farmers is a source of rising tension and the permanent presence of herds and flocks is degrading the rangelands near water sources.
- **Fishing** is heavily dependent on the extent and duration of river flood regimes. Approximately 80% of national output is caught in the Mopti region. Although fishing is the traditional profession of the Bozo people, it is becoming a secondary activity since most Bozo are now involved in farming.

B. IFAD Experience and Lessons Learned

9. Since 1985, IFAD has financed eight loans to Mali for a total of USD 100 million, including USD 5 million in grants. The three ongoing loans are for: (i) the Income Diversification Programme in the Mali Sud Area, which covers the Ségou region and was expected to close in December 2004; (ii) the Sahelian Areas Development Fund Programme – Phase II in the Ségou, Koulikoro, Mopti and Kayes regions, which became effective in April 2003; and (iii) the Zone Lacustre Development Project – Phase II covering the semi-arid Sahelo-Saharan areas of Tombouctou. These programmes and projects have contributed valuable information on preventing conflicts among communities, enhancing food security, improving access to health services and managing activities.

10. IFAD has forged strong partnerships with a broad range of partners, including the West African Development Bank, the World Food Programme, the Belgian Survival Fund, the Food and Agriculture Organization of the United Nations, the Global Environment Facility, the German Agency for Technical Cooperation and international research institutes such as the International Crops Research Institute for the Semi-Arid Tropics, the International Plant Genetic Resources Institute and the International Livestock Research Institute. Future IFAD programmes will build upon the expertise of these and other partners.

C. IFAD's Strategy in Mali

11. The first country strategic opportunities paper (COSOP) for IFAD's collaboration with the Republic of Mali was adopted in 1997. It complies with IFAD's regional strategy for poverty reduction in Western and Central Africa by focusing on: (i) capacity-building of the rural poor; (ii) promoting equitable and secure access by poor people and women to natural resources and technologies; (iii) improving poor people's access to financial services and markets; and (iv) enhancing security and resolving conflicts. The COSOP for Mali recommended a geographical programme approach, with a first investment programme in the Sahelian zone and a second in the northern regions of Mali. The Sahelian Areas Development Fund Programme – Phase II, the first programme in Mali to be financed under IFAD's Flexible Lending Mechanism, began in 2000 and covers the Sahelian regions of Ségou, Koulikoro, Mopti and Kayes. The proposed programme, which will focus on Tombouctou and Gao, will follow the Zone Lacustre Development Project – Phase II,

scheduled to close in 2005, and the Kidal Food and Income Security Programme, which closed in 1999.

12. The new COSOP, to be initiated in 2005, will place particular emphasis on reducing rural poverty in the northern regions, including Kidal; this requires a novel approach because of its history as a pastoralist area. Given the scope of need in these regions, IFAD will continue its complementarity-based approach including broad-based partnerships with other organizations.

PART II – THE PROGRAMME

A. Programme Area and Target Group

13. The programme will cover the Tombouctou and Gao regions, which include 75 *communes*, cover a land area of 670 000 km² and have an estimated population of one million. Over 80% of the population in these regions is rural and almost 80% is vulnerable to poverty and food insecurity. Tombouctou and Gao have potential for small-scale irrigated farming in their vast floodplains. However, the regions are not self-sufficient in cereals and food purchase can be difficult and expensive because of their isolation. In the uplands, many pastoralist families have not recovered from the droughts of 1973 and 1984; those who did recover are increasingly likely to keep their herds and flocks near permanent water sources. The resulting tensions between pastoralists and other herders, and settled farmers can turn into open conflict, creating the need for targeted interventions in five adjacent upland *communes*.

14. The programme will focus on 14 *communes* along the Niger River and will include conflict-prevention activities in five adjacent upland *communes*. Nine of the 14 targeted riverside *communes* are in the localities of Gourma Rharouss and Bourem, which have benefited least from previous interventions; the other five *communes* are part of the Zone Lacustre Development Project – Phase II in the localities of Niafunké, Goundam and Diré. The population of all 14 *communes* was estimated at 220 000 in 2003; 117 000 were living in the five upland localities of Gourma Rharouss and Bourem. Special attention will be given to women, young people and vulnerable groups such as sharecroppers, destitute herders and households headed by elderly, ill or handicapped men. Intervention will focus on water points for herders and their cattle.

B. Objectives and Scope

15. The programme's **goal** is to reduce poverty and vulnerability among the rural people of North Mali by reconstructing the economic and social fabric that has been severely compromised by drought and conflict, and to contribute to policy dialogue on rural poverty reduction. The programme's **specific objectives** are to: (i) build the capacity of local government, particularly at the community level, to lead a participatory development process that will benefit the most vulnerable groups; (ii) strengthen grass-roots organizations' capacity to manage programme-financed investments in an efficient and sustainable manner; (iii) improve access to basic services; and (iv) contribute to the promotion of policies for rural poverty reduction.

C. Components

16. The programme has four components: (i) capacity-building; (ii) sustainable development of agro-pastoral areas; (iii) improved access to basic services; and (iv) programme management and monitoring and evaluation.

17. **Capacity-building.** Within the framework of the decentralized government, the capacity-building component, comprising 16.6% of total costs or USD 5.6 million, will: (i) finance the assessment of target groups' collective needs, and ensure their inclusion in each *commune's*

development plan; and (ii) strengthen the capacity of beneficiaries to assure the efficient and sustainable management of community investments.

18. **Sustainable development of agro-pastoral areas.** This component, comprising 25.2% of total costs or USD 8.5 million, aims to increase the output of crops and livestock in the programme area by: (i) fostering irrigated crop production, especially by women and young people; and (ii) improving pastoral animal health and husbandry. The programme will support the development of investment and management activities in each target community, which will reflect a local consensus regarding investments and prevent conflicts from arising. In line with these activities, the **crop-production subcomponent** will support construction of 70 small irrigation perimeters for rice growing (1 400 ha each) and 36 small market gardens (1 ha each) for vegetables. The programme will finance feasibility studies, design and works supervision, provision of construction tools and initial seed stocks. Beneficiaries who provide their labour will be eligible for World Food Programme food-for-work rations. The **pastoral production subcomponent** will focus on improving animal health, water supplies, fodder supplies and promoting higher off takes in adjacent communities.

19. **Improved access to basic services.** The objective of this component, comprising 39.4% of total costs or USD 13.2 million, is to provide communities with basic services to improve living conditions. Activities will focus on health and nutrition, safe water and sanitation, and basic infrastructure. Investments in health and nutrition will include equipping the primary health centres with solar power, water tanks, motorcycles and housing for medical staff. Members of the local health committees and village-level health workers will be trained to deliver a basic package of primary health care, with a focus on improving health and nutrition, and malnutrition and disease prevention (especially HIV/AIDS). Investments in safe water and sanitation will include installation of boreholes and wells, training, support and awareness-building for local management committees. Approximately 8 000 latrines will be installed for individual households using slabs supplied by the programme. Two masons per locality will be trained to make and install the slabs and latrine housing will be built by households using local materials. Forty ventilated improved pit latrines will be constructed at rural schools. Investments in basic infrastructure will include construction of: 160 km of all-weather roads linking riverside communities to the Douentza-Tombouctou highway; storage facilities for each small irrigation perimeter; eight vaccination yards; ten slaughter yards; two livestock markets; and a network of livestock corridors to facilitate access to natural depressions in the area covered by the Zone Lacustre Development Project – Phase II.

20. **Programme management and monitoring and evaluation.** This component, comprising 18.7% of total costs or USD 6.3 million, including a policy dialogue grant of USD 803 000, will provide funds to: coordinate programme implementation; foster effective and transparent use of the IFAD loan; promote continuous improvement of methodology; and guide a participatory monitoring and evaluation process. A programme management unit (PMU) based in Tombouctou will supervise the activities of three local field offices. The PMU will: prepare annual work plans and budgets (AWPBs); assure technical and financial management; execute the investments that are not the responsibility of the *communes*; negotiate and sign contracts; and ensure effective monitoring and evaluation.

21. **Support to policy dialogue on rural poverty reduction.** An in-country grant of USD 803 000 will contribute to the design and implementation of rural poverty-reduction policies in Mali. A rural poverty-reduction policy unit will be established within the Commissariat on Food Security in Bamako and will work closely with the World Food Programme and the strategic framework for poverty reduction. This unit will: (i) support local government and the strategic framework for poverty reduction in monitoring poverty reduction through the establishment of monitoring and evaluation at the *commune* and regional levels; (ii) capitalize on lessons learned from other IFAD programmes in Mali and conduct thematic studies on rural poverty reduction; and

(iii) participate in working groups on the design and implementation of rural poverty-reduction activities.

22. **Guiding principles for programme implementation.** Implementation will take place within the decentralization framework. Investments in public goods that are the responsibility of community-level authorities – such as water supplies, school latrines, community health centres, yards and markets – will be planned and executed directly by the communities themselves. The PMU will implement investments that do not fall under the responsibility of communities, such as capacity-building activities, small irrigation perimeters, small market gardens, improvements to aquatic rangelands, animal vaccinations, environmental measures and roads. A mid-term review will be carried out in 2008, followed by a final evaluation at the programme's completion.

D. Costs and Financing

23. Summaries of programme costs are presented in Tables 1 and 2. The programme cost is estimated at USD 33.6 million, including Government and beneficiary contributions. This cost will be financed by IFAD with a loan for USD 14.6 million and a grant for USD 803 000 to support policy dialogue on rural poverty reduction. Additional financing will include a loan from the West African Development Bank for USD 5.2 million, and a grant from the Belgian Survival Fund for USD 5.9 million. The Government's contribution is estimated at USD 5.1 million (including duties and taxes) and the beneficiary contribution will be USD 2.0 million in labour and local materials. Foreign exchange represents 23% of total costs and physical and price contingencies represent 10%.

TABLE 1: SUMMARY OF PROGRAMME COSTS^a
(USD '000)

Components	Local	Foreign	Total	% of Foreign Exchange	% of Base Costs
A. Capacity-building	5 060	23	5 083	-	17
B. Sustainable development of agro-pastoral areas					
Crop production	4 263	1 260	5 523	23	18
Pastoral production	1 618	476	2 094	23	7
Subtotal	5 881	1 736	7 617	23	25
C. Improved access to basic services					
1. Investments in health/nutrition/safe water/sanitation	4 527	2 011	6 538	31	21
2. Investments in basic infrastructure	3 472	2 023	5 495	37	18
Subtotal	7 999	4 034	12 033	34	39
D. Programme management and monitoring and evaluation	4 240	1 552	5 792	27	19
Total base costs	23 180	7 345	30 525	24	100
Physical contingencies	679	245	924	27	3
Price contingencies	1 902	216	2 119	10	7
Total programme costs	25 762	7 806	33 568	23	110

^a Discrepancies in totals are due to rounding.

TABLE 2: FINANCING PLAN^a
(USD '000)

Components	IFAD		IFAD Grant		BOAD		BSF		Beneficiaries		Government		Total		Foreign Exchange	Local (Excl. Taxes)	Duties and Taxes
	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%			
A. Capacity-building	4 723	84.7	-	-	-	-	-	-	-	-	850	15.3	5 573	16.6	23	4 700	850
B. Sustainable development of agro-pastoral areas																	
Crop production	3 989	65.4	-	-	-	-	-	-	1 228	20.1	880	14.4	6 096	18.2	1 356	3 860	880
Pastoral production	1 396	58.9	-	-	-	-	-	-	698	29.4	277	11.7	2 371	7.1	508	1 586	277
Subtotal	5 384	63.6	-	-	-	-	-	-	1 925	22.7	1 157	13.7	8 467	25.2	1 863	5 446	1 157
C. Improved access to basic services																	
1. Investments in health/nutrition/safe water/sanitation	-	-	-	-	-	-	5 716	80.8	65	0.9	1 295	18.3	7 076	21.1	2 104	3 912	1 060
2. Investments in basic infrastructure	-	-	-	-	5 169	83.9	-	-	-	-	991	16.1	6 161	18.4	2 203	3 028	930
Subtotal	-	-	-	-	5 169	39.1	5 716	43.2	65	0.5	2 286	17.3	13 237	39.4	4 307	6 940	1 990
D. Programme management and monitoring and evaluation	4 514	71.7	803	12.8	-	-	220	3.5	-	-	755	12.0	6 292	18.7	1 613	3 923	755
Total disbursement	14 621	43.6	803	2.4	5 169	15.4	5 936	17.7	1 991	5.9	5 048	15.0	33 568	100.0	7 806	21 010	4 752

^a Discrepancies in totals are due to rounding.

E. Procurement, Disbursement, Accounts and Audit

24. **Procurement.** Procurement will be in accordance with procedures acceptable to IFAD. Wherever possible, purchases will be made in bulk to obtain lower prices. Vehicles costing over USD 100 000 and any goods and services worth over USD 50 000 will be procured through international competitive bidding. Vehicles, goods and equipment costing below these amounts will be procured through local competitive bidding. Purchases under USD 10 000 will be made through local shopping. Since community-level infrastructure is both small and dispersed, procurement for infrastructure development will involve local shopping.

25. **Disbursement and bank accounts.** To facilitate disbursement, a special account will be opened in the name of the programme, in local currency, at a bank acceptable to IFAD in Bamako. Upon loan effectiveness, IFAD will deposit into this account an initial sum of XOF 200 million to cover the first six months of expenditures. The second tranche of XOF 180 million will be deposited in the special account when the level of expenditures reaches SDR 1.5 million. The Government will open a programme account to receive counterpart contributions, including reimbursement of any taxes and duties that cannot be deducted at the time of procurement.

26. **Audit.** An audit firm that is internationally recognized and acceptable to IFAD will undertake a financial and management audit each year; audit costs will be met from the proceeds of the IFAD loan. The auditing firm will assess tendering procedures, expenditure items and compliance with the programme's operational manual regarding the procurement of goods and services. It will also issue a separate opinion on statements of expenditure and the special account. Audit reports will be submitted to IFAD within six months of the financial year audited.

F. Organization and Management

27. **Organization.** The programme will be organized by the PMU at three field offices and a policy dialogue unit at IFAD's coordination office. The lead agency will be the Commissariat on Food Security.

28. **Programme management.** A PMU based in Tombouctou – with local offices in Niafunké, Gourma Rharouss and Bourem – will assure the technical and financial management of activities, including monitoring and evaluation; it will prepare programme reports for timely submission to the steering committee. The director will be assisted by six technical staff with experience in capacity-building, infrastructure, health and social services, environment, agro-pastoral development, monitoring and evaluation, and financial management. Each local office will be staffed by a coordinator and a qualified rural engineering technician, who will supervise the field operations of specialized services providers. PMU staff will be recruited by national vacancy announcements according to a procedure acceptable to the cofinanciers.

29. **National coordination.** A programme steering committee chaired by the Commissaire for Food Security or his/her representative will be created. It will comprise representatives from the Ministries of Local Government; Crop-based Agriculture; Livestock and Fisheries; Environment and Sanitation; Health and Water; and Economy and Finance; the Northern Regions Development Authority; and a representative from each of the three localities. These representatives will be elected by the mayors of partner *communes*. The steering committee will meet at least once a year to review the annual activity reports and AWPBs submitted by the PMU before forwarding them to the cooperating institution and the cofinanciers.

30. **In-country coordination by IFAD.** IFAD's in-country coordination office will: (i) monitor the programme's effectiveness; (ii) assist with establishment of the PMU, including staff recruitment; (iii) liaise between the programme, the lead agency, the cooperating institution and the cofinanciers;

(iv) report on programme progress; (v) provide logistics for supervision and evaluation missions; (vi) attend steering committee meetings; (vii) assist the PMU in Bamako; (viii) process withdrawal applications; and (ix) carry out internal audits.

31. The **policy dialogue unit** will monitor the performance of IFAD-financed programmes in Mali and ensure that lessons learned regarding poverty reduction are built upon. In addition to organizing exchanges of experiences between IFAD and other organizations, the unit will: (i) maintain a website on IFAD projects in Mali with hyperlinks to the websites of partner organizations; (ii) conduct field research on poverty reduction; (iii) organize IFAD participation in policy meetings; and (iv) communicate with national institutions responsible for poverty reduction and food security.

32. **Implementation arrangements.** Beneficiaries will be involved in the management of programme activities through their elected representatives and grass-roots organizations. Support and training of elected representatives and leaders will be provided by six specialized providers selected by local competitive bidding and contracted by the PMU. Three of these providers will operate at the village level and three will operate at the *commune* level. Service-provider teams will comprise a team leader and one staff member to work with electees and local government staff in each community. At the village level, teams will comprise a coordinator and two social animators – one man and one woman – to work with communities, village leaders, grass-roots organizations and investment management committees. These teams will be based in the local offices of the PMU. Other services providers will be engaged periodically to address special needs. A procedures manual will specify the relationship between the PMU, local governments and their constituencies, grass-roots organizations, the local offices of national ministries and service providers.

33. **Monitoring and evaluation.** A monitoring and evaluation unit within the PMU will apply IFAD's results and impact management system. Monitoring and evaluation will be built into the programme's overall coordination and management structure and guide the staff towards attainment of the programme's goals. The adequacy of the indicators and the logical framework will be examined on a yearly basis and adjusted on the basis of experience and the suggestions of stakeholders, especially beneficiary representatives.

G. Economic Justification

34. **Economic analysis and benefits.** Economic analysis gives a preliminary picture because the actual mix of investments will be determined annually, on the basis of proposals submitted through local governments. These investments will allow local populations to increase the productivity of their crop- and livestock-raising operations to improve food security and raise incomes. Investments in social infrastructure will improve living conditions and enhance the effects of increased productivity. According to financial analyses, incremental revenues from rice and vegetable-growing could rise to XOF 450 000 and XOF 600 000 per ha per year, respectively, while revenues from an average herd of 40 well-tended cattle could rise to XOF 400 000 per year. This represents a doubling of income levels after the investment period is over and loans are repaid. Social investments will also benefit the rural population, especially women and children. These benefits will include access to health services, knowledge of HIV/AIDS and other avoidable diseases, education, safer water and sanitation. In addition to learning how to sustainably manage investments, grass-roots organizations will be empowered to participate in policy dialogue.

35. **Women and young people.** Women and young people will have priority access to small irrigation perimeters and small market gardens. Both groups will be specially targeted for training in improved crop and livestock management. Women and children will be the primary beneficiaries of improved social services and women will be encouraged to participate in decision-making and implementation, beginning with programme activities and gradually expanding to community initiatives.

36. **Cost-effectiveness and sustainability.** This programme's sustainability will be guaranteed by the strengthened capacity of both grass-roots organizations and local administrations to plan, implement, manage and maintain investment projects and to mobilize resources for development activities. Better marketing and business management skills will allow producers' organizations to assist their members in reaching sustainability. The programme will be further enhanced by building the capacity of beneficiaries to represent their collective interests in local government. Programme activities will seek to strengthen beneficiaries' ability to shape local development planning and decision-making.

H. Risks

37. The following risks have been taken into account in the design of this programme: (i) The long time frame for observing quantifiable results could lead some implementers to take shortcuts that may compromise beneficiary participation and the sustainability of benefits. (ii) Reorientation of community councils could weaken their role in decentralized planning and implementation. (iii) The involvement of local governments may be compromised if trained electees are not re-elected. (iv) Finally, ANICT may not effect timely transfers of funds to the *communes*, compromising their ability to execute public investments. Supervisory missions will review implementation, monitor risks, and propose corrective actions.

I. Environmental Impact

38. The programme is classed Category A because it will: (i) construct water-harnessing works in floodplain areas of the Niger River and (ii) promote environmentally sound measures in a region threatened by desertification and dune formation. In addition to planting of trees and vegetation around gardens and irrigation schemes, water points will be prudently located and grazing will be prohibited in a 4 ha radius around them, and dune stabilization works will be carried out. Sustainability will be significantly enhanced by the strengthened ability of grass-roots organizations to formulate and enforce environmentally sound regulations.

J. Innovative Features

39. This IFAD programme is the first in Mali to be designed within the context of the decentralization framework. It will support this process by building local capabilities to plan, execute and maintain local investment projects. The programme will also create a special unit to strengthen IFAD's contributions to rural development and poverty-reduction policy in Mali. Finally, the programme will initiate a strategic partnership between the three Rome-based United Nations organizations – IFAD, the Food and Agriculture Organization of the United Nations and the World Food Programme – by setting up a technical committee to promote synergies between interventions in northern Mali. This core partnership will include other development partners whenever the opportunity arises.

PART III – LEGAL INSTRUMENTS AND AUTHORITY

40. A financing agreement between the Republic of Mali and IFAD constitutes the legal instrument for extending the proposed financial assistance to the recipient. A summary of the important supplementary assurances included in the negotiated financing agreement is attached as an annex.

41. The Republic of Mali is empowered under its laws to borrow from IFAD.

42. I am satisfied that the proposed financial assistance will comply with the Agreement Establishing IFAD.

PART IV – RECOMMENDATION

43. I recommend that the Executive Board approve the proposed financial assistance in terms of the following resolution:

RESOLVED: that the Fund shall make a loan to the Republic of Mali in various currencies in an amount equivalent to nine million five hundred and fifty-five thousand special drawing rights (SDR 9 550 000), to mature on or prior to 15 November 2044 and to bear a service charge of three fourths of one per cent (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.

RESOLVED FURTHER: that the Fund shall provide a grant to the Republic of Mali in various currencies in an amount equivalent to five hundred and thirty thousand special drawing rights (SDR 530 000) and 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 FINANCING AGREEMENT**

(Negotiations concluded on 24 March 2005)

1. The Government will open and maintain at a bank in Tombouctou acceptable to IFAD an account denominated in local currency for operations related to the programme (the programme account). This account will be administered by the manager and the administrative and financial officer of the PMU using the two-signature procedure. The Government will provide IFAD with the names and specimen signatures of the persons having signature authority.
2. The Government will make the loan and grant proceeds available to the Commissariat on Food Security in accordance with its customary procedures for development assistance to carry out the programme. The Government will also ensure that the proceeds of the BOAD loan and the BSF grant are made available to the Commissariat.
3. The contribution of the Government to the financing of the programme is estimated at the local-currency equivalent of USD 5 048 000, representing:
 - (a) all duties, taxes and levies on goods and services, in a local-currency amount equivalent to USD 4 751 000, comprising: (i) the Government's coverage by means of exemption from import duties and taxes or by using treasury cheques; or (ii) in the case of taxes on minor expenditures and those for which exemption is not impossible, the Government's coverage by means of depositing the amount of such taxes into the programme account. The total amount of such deposits is estimated at the USD equivalent of 300 million CFA francs. These deposits will be made in advance at the beginning of each fiscal year, as follows:
 - (i) 35 million CFA francs for the first year
 - (ii) 40 million CFA francs for the second year
 - (iii) 45 million CFA francs for the third and all subsequent years
 - (b) the ANICT's costs of managing investments under the legal responsibility of the *communes*, in a local-currency amount equivalent to USD 297 000.
4. As part of maintaining sound environmental practices as required by IFAD, the Government will ensure that appropriate pest management practices are observed under the project and, to that end, will ensure that pesticides used under the project do not include any pesticide proscribed by the Food and Agriculture Organization of the United Nations or the World Health Organization.
5. Given the correlation between poverty and the degradation of environmental resources, the Government has made environmental protection a cornerstone of its poverty reduction strategy, especially in the programme area which is a threatened, marginal area in agro-ecological terms and holds weak potential.
6. The monitoring and evaluation system (M&E) is to address the needs of the results and impact management system, including results and impact indicators that are to be shown, necessarily, in the reports submitted to IFAD. The logical framework should be reviewed as from the first year of programme implementation and tailored to the needs of programme stakeholders. To allow for complementarity and cross-usage of data, the indicators will be harmonized with those tracked by various means at the national and regional level, such as under the Strategic Framework for Poverty Reduction Partnership, the World Food Programme, the National Bureau of Statistics and

Information, and the Geographical Institute of Mali for the establishment of the Geographical Information Centre of Mali. Technical assistance is foreseen in order to support the programme in the harmonization process. A number of studies, surveys and evaluations are foreseen so that the programme can feed into the various indicators. The operators recruited to undertake certain activities will be required to provide the PMU with quarterly and annual reports on the progress of activities under their purview. The M&E officer will consolidate these reports into a semi-annual and an annual report, which will be forwarded by the Commissariat to IFAD. Additionally, the activities of the Zone Lacustre Development Project (Phase II) carried out in the programme area will be integrated into the programme.

7. The programme's impact will be evaluated by external bodies in collaboration with the national officer responsible for monitoring and evaluation. One of the methods used will be to organize self-evaluation meetings among beneficiaries. Various types of evaluation can be foreseen:

- (a) participatory evaluation
- (b) mid-term evaluation
- (c) programme reviews and evaluation of impact
- (d) thematic evaluations of microfinance, decentralization, natural resource management and the environment

8. The Government will insure programme staff against health and accident risks in accordance with its customary national procedures.

9. Programme staff will be recruited through local calls for bids published in the national press, according to the Government's current procedures, excluding all forms of discrimination, and on the basis of renewable, two-year contracts that may in no case extend beyond the duration of the programme. The recruitment of the main programme officers – i.e. the manager of the PMU, the administrative and financial officer, the officer in charge of the rural poverty-reduction policy unit, the M&E officer and the accountant – and any decision to terminate their contracts will be decided in agreement with IFAD. Programme staff will be subject to performance evaluations as set forth in the procedures manual. Contracts may be terminated on the basis of the findings of these evaluations. Staff will be managed according to applicable procedures in Mali. All other things being equal, the Government will give preference to women candidates, especially for technical posts to be filled under the programme.

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

- (a) payment of the first tranche of counterpart funds – that is to say, 35 million CFA francs – into the programme account;
- (b) preparation and presentation of the draft manual of administrative and accounting procedures to IFAD; and
- (c) approval of the first annual workplan and budget.

11. The following are specified as conditions precedent to the effectiveness of the financing agreement:

- (a) a favourable legal opinion issued by the Supreme Court or other competent Malian authority, acceptable in form and content, has been forwarded to IFAD by the Government;

ANNEX

- (b) the PMU, the technical coordination committee, the steering committee and the rural poverty-reduction policy unit have been established by administrative action of the competent authority;
- (c) the manager of the PMU, the administrative and financial officer and the officer in charge of the rural poverty-reduction policy unit have been recruited;
- (d) a programme account, a special loan account and a special grant account have been opened by the Government;
- (e) the availability of premises, in Bamako, for the rural poverty-reduction policy unit and the in-country coordination office for IFAD projects and programmes has been confirmed; and
- (f) the commitment to assume the ANICT's management costs associated with implementation of certain investments under the legal responsibility of the *communes* has been confirmed.

APPENDIX I

COUNTRY DATA

MALI

Land area (km² thousand) 2002 1/	1 220	GNI per capita (USD) 2002 1/	240
Total population (million) 2002 1/	11.37	GDP per capita growth (annual %) 2002 1/	1.9
Population density (people per km²) 2002 1/	9	Inflation, consumer prices (annual %) 2002 1/	5
Local currency	CFA franc BCEAO (XOF)	Exchange rate: USD 1 =	XOF 525
Social Indicators		Economic Indicators	
Population (average annual population growth rate) 1996-2002 1/	2.4	GDP (USD million) 2002 1/	3 364
Crude birth rate (per thousand people) 2002 1/	48	Average annual rate of growth of GDP 1/ 1982-1992	2.1
Crude death rate (per thousand people) 2002 1/	22	1992-2002	4.5
Infant mortality rate (per thousand live births) 2002 1/	122	Sectoral distribution of GDP 2002 1/	
Life expectancy at birth (years) 2002 1/	41	% agriculture	34
Number of rural poor (million) (approximate)	n/a	% industry	30
Poor as % of total rural population	n/a	% manufacturing	3
Total labour force (million) 2002 1/	5.56	% services	36
Female labour force as % of total 2002 1/	46	Consumption 2002 1/	
Education		General government final consumption expenditure (as % of GDP)	11
School enrolment, primary (% gross) 2002 1/	57 a/	Household final consumption expenditure, etc. (as % of GDP)	77
Adult illiteracy rate (% age 15 and above) 2002 1/	81 a/	Gross domestic savings (as % of GDP)	12
Nutrition		Balance of Payments (USD million)	
Daily calorie supply per capita	n/a	Merchandise exports 2002 1/	947
Malnutrition prevalence, height for age (% of children under 5) 2002 3/	38 a/	Merchandise imports 2002 1/	928
Malnutrition prevalence, weight for age (% of children under 5) 2002 3/	33 a/	Balance of merchandise trade	19
Health		Current account balances (USD million)	
Health expenditure, total (as % of GDP) 2002 1/	4 a/	before official transfers 2002 1/	-470
Physicians (per thousand people) 2002 1/	n/a	after official transfers 2002 1/	-310
Population using improved water sources (%) 2002 3/	65 a/	Foreign direct investment, net 2002 1/	102
Population with access to essential drugs (%) 1999 3/	50-79	Government Finance	
Population using adequate sanitation facilities (%) 2002 3/	69 a/	Overall budget deficit (including grants) (as % of GDP) 2002 1/	n/a
Agriculture and Food		Total expenditure (% of GDP) 2002 1/	n/a
Food imports (% of merchandise imports) 2002 1/	n/a	Total external debt (USD million) 2002 1/	2 803
Fertilizer consumption (hundreds of grams per ha of arable land) 2002 1/	90 a/	Present value of debt (as % of GNI) 2002 1/	40
Food production index (1989-91=100) 2002 1/	136	Total debt service (% of exports of goods and services) 2002 1/	7
Cereal yield (kg per ha) 2002 1/	1 048	Lending interest rate (%) 2002 1/	n/a
Land Use		Deposit interest rate (%) 2002 1/	4
Arable land as % of land area 2002 1/	4 a/		
Forest area as % of total land area 2002 1/	11 a/		
Irrigated land as % of cropland 2002 1/	3 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*, 2000

3/ UNDP, *Human Development Report*, 2004

PREVIOUS IFAD FINANCING IN MALI

Project Name	Initiating Institution	Cooperating Institution	Lending Terms	Board Approval	Loan Effectiveness	Current Closing Date	Loan/Grant Acronym	Currency	Approved Loan/Grant Amount (USD '000)	Disbursement (as percentage of approved amount) as at 10.02.05
Village Development Fund Project	IFAD	UNOPS	HC	14 Sep 82	01 Mar 83	30 Jun 93	L - I - 103 - ML	SDR	8.05	100%
Mali Sud II Rural Development Project	World Bank: IDA	World Bank: IDA	HC	13 Sep 83	09 Aug 84	08 Jan 91	L - I - 133 - ML	SDR	11.71	100%
Development Project in the Zone Lacustre	IFAD	BOAD	HC	03 Dec 86	23 Dec 87	14 Oct 97	L - S - 4 - ML	SDR	4.84	100%
Kidal Food and Income Security Programme	IFAD	BOAD	HC	30 Nov 88	05 Jul 90	30 Jun 99	L - S - 14 - ML	SDR	5.83	100%
Village Development Fund Programme - Phase II	IFAD	UNOPS	HC	13 Dec 90	06 Aug 92	30 Jun 99	L - I - 278 - ML	SDR	9.20	100%
Income Diversification Programme in the Mali Sud Area	IFAD	BOAD	HC	05 Dec 94	25 Jul 96	30 Jun 03	L - I - 367 - ML	SDR	10.10	93%
Zone Lacustre Development Project - Phase II	IFAD	BOAD	HC	17 Apr 96	12 Jun 97	30 Jun 04	L - I - 409 - ML	SDR	8.65	78%
Sahelian Areas Development Programme	IFAD	IFAD	HC	02 Dec 98	14 Oct 99	30 Sept 09	L - I - 488 - ML	SDR	21.9	33%

¹¹ In addition grant funding, in the tune of around USD 1.82 million, has be provided to complement the loan resources of almost all of the projects and programmes.

LOGICAL FRAMEWORK

1. Goal	Verifiable indicators	Means of verification	Hypotheses /major remarks
Contribute towards reducing vulnerability and rural poverty and re-establishing the economic and social fabric in the regions of North Mali.	<ul style="list-style-type: none"> ▪ No. of households reporting improved accumulation of goods ▪ Infant malnutrition rates ▪ Incidences of HIV/AIDS ▪ No. and % of children sleeping under impregnated nets ▪ No. of persons having passed functional literacy tests ▪ No. of households/persons having stable access to safe water ▪ No. of households/persons using latrines ▪ No. of households reporting enhanced food security 	<ul style="list-style-type: none"> ▪ Baseline survey on poverty ▪ Surveys of nutrition status ▪ Impact studies and surveys ▪ Monitoring of household food security ▪ RIMS (results and impact management system) ▪ Mid-term and completion evaluations ▪ Macro-economic statistics 	<ul style="list-style-type: none"> ▪ Stability will be maintained in the North ▪ The decentralised administrations (<i>collectivités décentralisées</i>) will play their assigned roles in implementing the Programme ▪ Efforts to enhance policy dialogue and foster synergies for rural development in Mali and particularly in its northern regions will be successful.
2. Specific objectives	Verifiable indicators	Means of verification	Hypotheses /major remarks
2.1. The capacity of local administrations to guide a participatory process of planning and investment that also benefits the poorest rural categories is strengthened.	2.1.a. No. and % of the activities envisaged in the PDESCs - and implemented - that were identified by the target groups 2.1.b. % of funds allocated and disbursed under the PDESCs, for activities benefiting the target groups	<ul style="list-style-type: none"> ▪ Reports of self-evaluation workshops ▪ Annual report of the Programme ▪ Activity reports by services providers ▪ Commune development plans (<i>Plans de Développement Communaux</i>) 	<ul style="list-style-type: none"> ▪ Size of the Programme zone may make it difficult to assure close follow-up of village-level activities ▪ Capitalisation of training activities may be difficult due to elections every 5 years
2.2. The capacity of grassroots organisations to assure self-sustaining management of productive and social investments is strengthened	2.2.a. No. and % of management committees able to assure efficient handling of investment projects 2.2.b. No. of women on management committees 2.2.c. No. of women elected as president of grassroots associations 2.2.d. % of women with plots on PIVs, PPMs et <i>bourgoutières</i>	<ul style="list-style-type: none"> ▪ Annual report of the Programme ▪ Activity reports by services providers ▪ Reports of self-evaluation workshops 	<ul style="list-style-type: none"> ▪ Size of the Programme zone may make it difficult to assure close follow-up of village-level activities
2.3. Crop and livestock production is increased on a more reliable basis	2.3.a. No. and area (ha) of PIV, PPM and <i>bourgoutières</i> actually being cropped 2.3.b. Incremental outputs on PIV, PPM and <i>bourgoutières</i> 2.3.c. No. of plot holders on PIV, PPM and <i>bourgoutières</i> reporting higher yields and outputs 2.3.d. No. of herders reporting higher outputs (milk, meat, herd/flock sizes) 2.3.e. No. and area (ha) of rangelands reseeded or protected through improved management	<ul style="list-style-type: none"> ▪ Annual reports of the Programme ▪ Activity reports by services providers ▪ Reports of self-evaluation workshops 	<ul style="list-style-type: none"> ▪ Villages are willing to make physical and financial (30%) contributions towards the purchase of pumps ▪ Herders are willing to pay an increasing share of the costs of vaccination campaigns ▪ The procedures for the procurement of goods and services will be simplified ▪ Roads into isolated areas will be constructed early on in order to permit the marketing of incremental production ▪ Implementation will not be hampered by conflicts over land rights

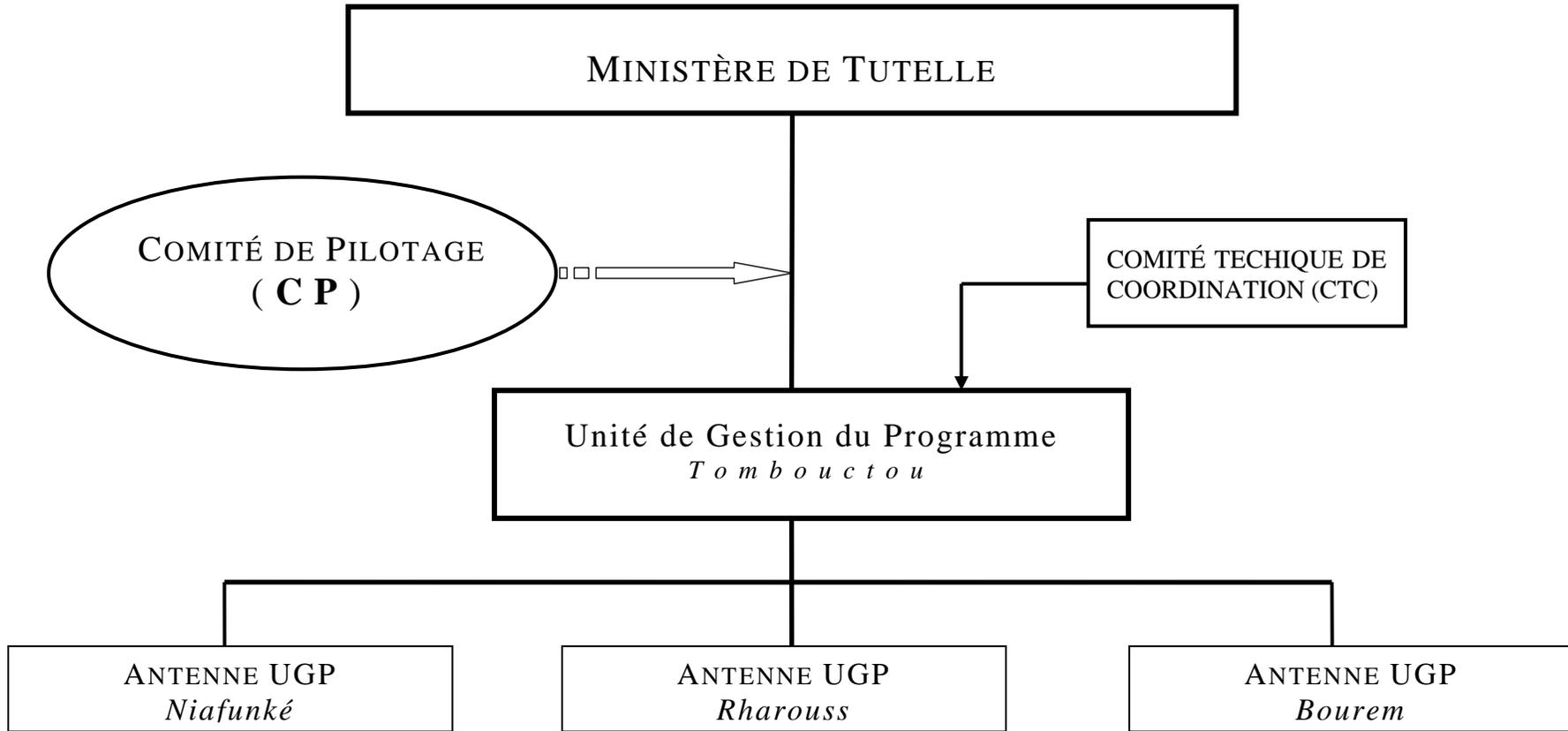
2. Specific objectives (continued)	Verifiable indicators	Means of verification	Hypotheses /major remarks
2.4. Quality and access by populations to primary health services are improved	2.4.a. No. of households with access to safe water 2.4.b. Km of roads/tracks built and maintained 2.4.c. No. of operational pastoral water points, slaughter yards and livestock markets 2.4.d. Rates of coverage/use of health facilities 2.4.e. Rates of pre-natal consultations 2.4.f. Rates of assisted births 2.4.g. Rates of VAT2 vaccinations among pregnant women 2.4.h. Rates of DTTPC3 of infants (0–11 months) 2.4.i. Rates of men, women and youths who know how HIV/AIDS is transmitted/ prevented 2.4.j. No. of households/persons using latrines 2.4.k. No. of condoms sold per year	<ul style="list-style-type: none"> ▪ Annual reports of the Programme ▪ Activity reports by services providers ▪ Activity reports by health centres (CScom) 	<ul style="list-style-type: none"> ▪ Trained health personnel will not be transferred elsewhere ▪ Monitoring by central and regional health departments will be effective
2.5. Grant: Contribution to the formulation and implementation of policies for rural poverty reduction	2.5.a. Policy dialogue unit established 2.5.b. No. of poverty monitoring systems established at the commune and regional levels 2.5.c. No. of training sessions of decentralized administration staff on collecting, processing and basic analysis of poverty reduction data 2.5.d. No. of commune and region levels reports on poverty reduction 2.5.e. No. of technical studies conducted by the policy dialogue unit on thematics relevant to poverty reduction 2.5.f. No of parliamentary events to sensitize parliamentarians on constraints to and progresses in poverty reduction 2.5.g. No. of donor working groups in which the policy dialogue unit contribute 2.5.h. No. of persons consulting the website on poverty reduction initiatives in Mali	<ul style="list-style-type: none"> ▪ Availability of poverty monitoring systems at the commune and regional levels ▪ Reports on poverty reduction progresses and constraints at the commune and regional levels. ▪ Reports on thematic studies ▪ Reports on parliamentary events on poverty reduction ▪ Annual reports of the Programme ▪ Activity reports by trainers 	<ul style="list-style-type: none"> ▪ Decentralized authorities will be sensitized to the need to assess and finance the collective needs of most vulnerable groups ▪ Successful collaboration will be established with the Unit of the Strategic Framework for Poverty Reduction at the regional and national levels ▪ Monitoring by the communes and regions will be effective

3. Outputs	Verifiable indicators	Means of verification	Hypotheses /major remarks
3.1. Component 1 - Capacity-building	3.1. Study to analyse and map poverty is completed 3.2. Training in commune-level planning and management of investments provided to animators (28), outposted line dept. staff (10), local electees (300), civil servants of decentralised administrations (12), contractual staff of commune administrations (24) and young school leavers (48 women and men) 3.3. No. of functional user associations or management committees 3.4. 2 770 members of management committees of social or productive investments receiving functional literacy, technical or management training. 3.5. 6 specialised workers trained (4 r4repairers and 2 bricklayers) 3.6. No. of vulnerable groups assisted in identifying and formulating investment projects for insertion in local PDESC 3.7. No. of activities identified by the target groups and inserted in the PDESCs 3.8. No. of commune development plans (<i>schémas d'aménagement communaux</i>) formulated 3.9. No. of persons taking part in participatory self-evaluations (male/female)	<ul style="list-style-type: none"> ▪ Updating of poverty map ▪ Annual report of the Programme ▪ Activity reports by services providers ▪ No. of investments benefiting the target groups included in community plans 	<ul style="list-style-type: none"> • Capitalisation of training may be difficult due to elections every 5 years
3.2. Component 2 - Support to sustainable development of agro-pastoral potential	3.10. Construction of 1 400 ha of PIV; 36 ha of PPM; restoration of 1 000 ha of <i>bourgoutières</i> 3.11. Livestock vaccination campaigns conducted, covering 85% of cattle (against PPCB), 25% of sheep and goats (against plague) 3.12. Restoration/protection of 4 ha of rangelands around each water point. 3.13. Systematic tree planting around PIVs/ PPMs. 3.14. No. of beneficiaries (M/F)	<ul style="list-style-type: none"> ▪ Updating of poverty map ▪ Annual report of the Programme ▪ Activity reports by services providers ▪ No. of investments benefiting the target groups included in community plans 	<ul style="list-style-type: none"> ▪ Village communities are willing to contribute physically and financially (30%) to purchase of pumps. ▪ Herders are willing to pay an increasing share of the cost of vaccination campaigns. ▪ Procedures for the procurement of goods and services are simplified.

3.Outputs (continued)	Verifiable indicators	Means of verification	Hypotheses /major remarks
3.3. Component 3 - Improved access to basic services	3.15. Construction and/or equipment of 8 health centres (CSCoM) 3.16. Installation of: 8 boreholes with solar-powered pumps for the CSCoM; 23 boreholes with manual pumps and 45 wells (including 20 in pastoral zones). 3.17. Construction of 160 km of roads to isolated areas 3.18. Construction of 40 VIP latrines and 8 000 dry latrines 3.19. No. of health agents trained in delivering basic health package, nutrition and HIV/AIDS 3.20. Construction of 8 vaccination yards, 70 storage facilities (one per PIV), 2 livestock markets, 10 slaughter yards and livestock corridors (around depressions improved by PDZL). 3.21. No. of women trained in nutrition 3.22. No. of persons sensitised on HIV/AIDS (men, women, youths) 3.23. No. of beneficiaries (M/F)	<ul style="list-style-type: none"> • Annual report of the Programme • Activity reports by services providers • Commune development plans 	<ul style="list-style-type: none"> • Trained health staff will not be transferred elsewhere. • Monitoring by central and regional departments is effective • Procedures for the procurement of goods and services may be slow.
3.4. Programme management and M&E, and policy dialogue	3.24. PMU staff recruited and in post 3.25. M&E system created and operating in compliance with the results and impact management system 3.26. Rates of disbursement 3.27. System for monitoring of rural poverty established in the communes and regions in the programme area 3.28. Staff of decentralized administrations trained on data collection, processing, and basic analysis of rural poverty indicators 3.29. Regional offices of the Unit of the Strategic Framework for Poverty Reduction supported in the production of regional reports on rural poverty reduction 3.30. Thematics on rural poverty in the Northern Regions requiring further analysis identified and studies conducted 3.31. Policy Dialogue Unit contributing in regional meetings of the Strategic Framework for Poverty Reduction 3.32. Parliamentary one-day event presenting the main conclusions of poverty analysis held 3.33. Contribution to donor working groups on poverty reduction 3.34. National website on rural poverty reduction for dissemination of data and analyses established in the framework of fidafrigue;	<ul style="list-style-type: none"> ▪ Periodic self-evaluations by different stakeholders (PMU, partners, services providers, beneficiary organisations) ▪ Financial audits ▪ Mid-term Review and completion evaluation ▪ Technical cooperation with the Unit of the Strategic Framework for Poverty Reduction ▪ Availability of data and analysis on rural poverty in the northern regions at both the commune and region levels ▪ Availability of annual regional report on poverty reduction in the northern regions ▪ Availability of studies on thematics relevant to poverty reduction ▪ Lessons learned on poverty reduction disseminating through the website and technical workshops ▪ Contribution to policies on rural poverty reduction through participation in donor working groups on the Strategic Framework for Poverty Reduction 	<ul style="list-style-type: none"> ▪ Decisions on staffing assignments are taken in a timely manner ▪ Technical support is available as and when needed ▪ Partnership with WFP is operational ▪ AWPBs are approved before the start of each implementation year

4. Categories of expenditure	Budget (USD '000)							Funds will be made available as envisaged by Cofinanciers and government
	IFAD loan	IFAD grant	BOAD loan	BSF grant	Beneficiaries	Government	TOTAL	
4.1 Roads to isolated areas (infrastructure)	-	-	4 067	-	-	732	4 798	
4.2 Irrigation/water control schemes	4 112	-	-	-	1 781	902	6 795	
4.3 Rural/ pastoralist water supplies	-	-	-	2 100	-	378	2 478	
4.4 Infrastructure	-	-	989	-	-	178	1 167	
4.5 Other infrastructure	120	27	-	1 628	65	331	2 171	
6.6 ANICT Management Costs	-	-	-	-	-	297	297	
4.7 Equipment	572	149	-	886	145	315	2 067	
4.8 Means of transport	547	47	-	140	-	290	1 023	
4.9 Studies, training and technical support	3 013	580	114	320	-	725	4 751	
4.10 Operations and maintenance	3 321	-	-	-	-	598	3 918	
4.11 Operations and maintenance	898	-	-	747	-	304	1 949	
4.12 Personnel	2 038	-	-	116	-	-	2 154	
Total Programme Cost	14 621	803	5 169	5 936	1 991	5 048	33 568	

ORGANIGRAMME DU PROGRAMME



FLUX FINANCIERS EN MAITRISE D'OUVRAGE COMMUNALE

