

Document:	<u>EB 2006/89/R.29/Rev.1</u>
Agenda:	<u>13(d)(iv)</u>
Date:	<u>14 December 2006</u>
Distribution:	<u>Public</u>
Original:	<u>English</u>

**E**



## **President's report**

### **Proposed loan to the Republic of Haiti for the**

### **Small-scale Irrigation Development Project (PPI-2)**

Executive Board — Eighty-ninth Session  
Rome, 12-14 December 2006

---

For: **Approval**

## **Note to Executive Board Directors**

This document is submitted for approval by the Executive Board.

To make the best use of time available at Executive Board sessions, Directors are invited to contact the following focal point with any technical questions about this document before the session:

**Jean-Jacques Gariglio**

Country Programme Manager  
telephone: +39 06 5459 2343  
e-mail: [j.gariglio@ifad.org](mailto:j.gariglio@ifad.org)

Queries regarding the dispatch of documentation for this session should be addressed to:

**Deirdre McGrenra**

Governing Bodies Officer  
telephone: +39 06 5459 2374  
e-mail: [d.mcgrenra@ifad.org](mailto:d.mcgrenra@ifad.org)

## Contents

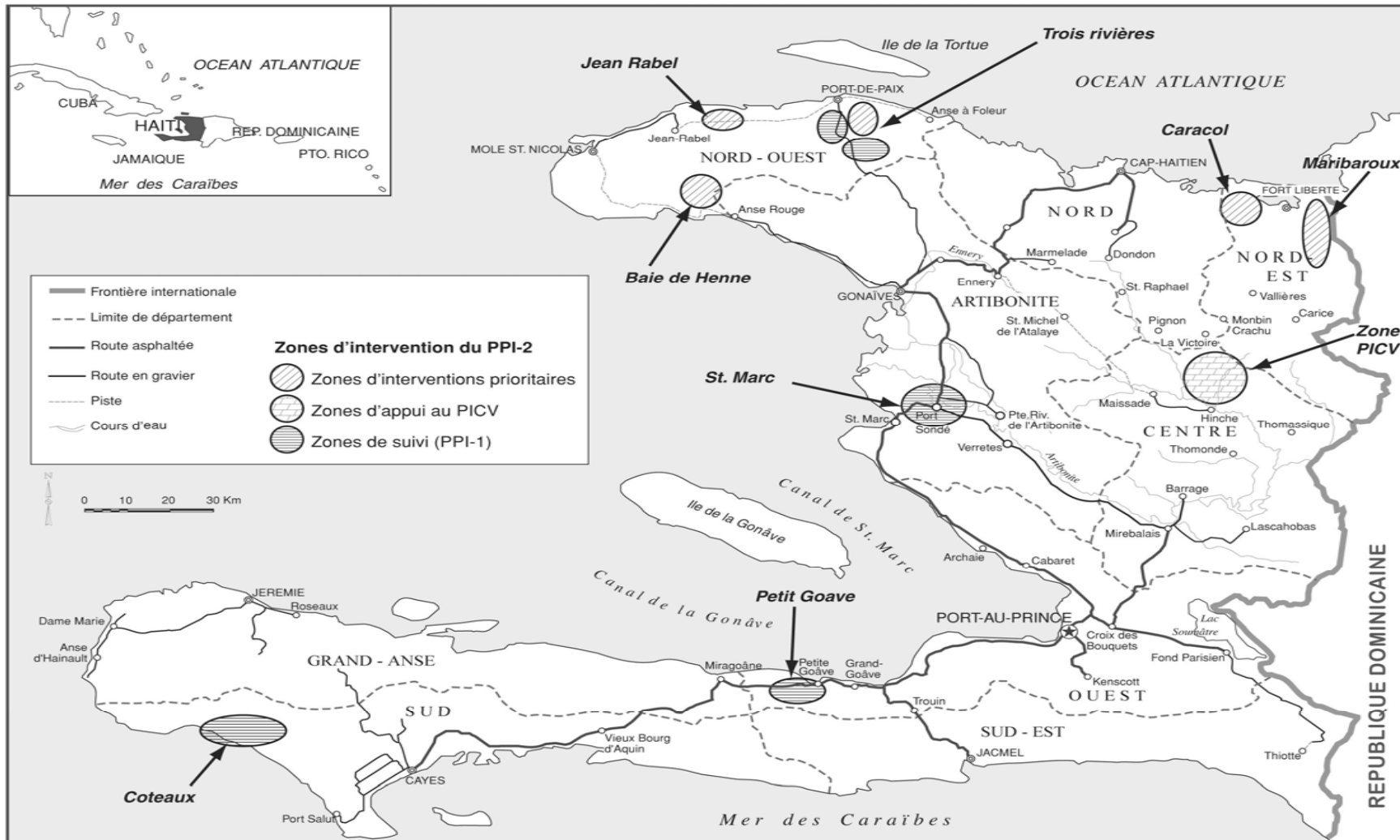
<b>Abbreviations and acronyms</b>	<b>ii</b>
<b>Recommendation for approval</b>	<b>iii</b>
<b>Map of the project area</b>	<b>iv</b>
<b>Loan summary</b>	<b>v</b>
<b>I. The project</b>	<b>1</b>
A. Main development opportunity addressed by the project	1
B. Proposed financing	1
C. Target group and participation	2
D. Development objectives	2
E. Harmonization and alignment	3
F. Components and expenditure categories	3
G. Management, implementation responsibilities and partnerships	4
H. Benefits and economic and financial justification	4
I. Knowledge management, innovation and scaling up	5
J. Main risks	5
K. Sustainability	6
<b>II. Legal instruments and authority</b>	<b>6</b>
<b>III. Recommendation</b>	<b>6</b>
<b>Annex</b>	
Summary of important supplementary assurances included in the negotiated loan agreement	7
<b>Appendices</b>	
I. Key reference documents	
II. Logical framework	

## **Abbreviations and acronyms**

MARNDR	Ministry of Agriculture, Natural Resources and Rural Development
NWMPA	national water management programme for agriculture
OFID	OPEC Fund for International Development
PAIP	Productive Initiatives Support Programme in Rural Areas
PPI-2	Small-scale Irrigation Development Project
PRSP	poverty reduction strategy paper
WUA	water users' association

## **Recommendation for approval**

The Executive Board is invited to approve the recommendation for the proposed loan to the Republic of Haiti for the Small-scale Irrigation Development Project (PPI-2), as contained in paragraph 35.



**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 Haiti

### Small-scale Irrigation Development Project (PPI-2)

#### Loan summary

<b>Initiating institution:</b>	IFAD
<b>Borrower:</b>	Republic of Haiti
<b>Executing agency:</b>	Ministry of Agriculture, Natural Resources and Rural Development
<b>Total project cost:</b>	US\$27.0 million
<b>Amount of IFAD loan:</b>	SDR 8.8 million (equivalent to approximately US\$13.0 million)
<b>Terms of IFAD loan:</b>	40 years, including a grace period of 10 years, with a service charge of 0.75 per cent per annum
<b>Cofinancier(s):</b>	OPEC Fund for International Development
<b>Amount of cofinancing:</b>	US\$8.0 million
<b>Terms of cofinancing:</b>	Loan
<b>Contribution of borrower:</b>	US\$3.5 million
<b>Contribution of beneficiaries:</b>	US\$2.5 million
<b>Appraising institution:</b>	IFAD
<b>Cooperating institution:</b>	United Nations Office for Project Services





# Proposed loan to the Republic of Haiti for the Small-scale Irrigation Development Project (PPI-2)

## I. The project

### A. Main development opportunity addressed by the project

1. High demographic growth, accompanied by periods of economic decline linked mostly to political and social turmoil, has dramatically impoverished Haiti over the past twenty years. Since 2004, the country has engaged in renewed democratization and stabilization efforts, culminating in the installation of an elected government in May 2006. Haiti is the poorest country in Latin America and the Caribbean, with a GDP per capita of about US\$430 and 58 per cent of the rural population living in extreme poverty (60 per cent of the total population lives in rural areas). Given the scarcity of cultivable land, the project will seek to maximize the potential of small-scale irrigation in support of intensive irrigated agriculture, with due attention to innovative technologies, land security and natural resources management.

### B. Proposed financing

#### Terms and conditions

2. It is proposed that IFAD provide a loan to the Republic of Haiti in the amount of SDR 8.8 million (equivalent to approximately US\$13.0 million) on highly concessional terms to help finance the Small-scale Irrigation Development Project (PPI-2). The loan will have a term of 40 years, including a grace period of 10 years, with a service charge of 0.75 per cent per annum.

#### Relationship to the IFAD performance-based allocation system (PBAS)

3. The allocation defined for Haiti under the PBAS is US\$4.3 million over the 2005-2007 PBAS allocation cycle. This project is the first within the cycle; following a reallocation of resources within the region according to the PBAS country scores, the loan amount has been increased to US\$13.0 million.

#### Country debt burden and absorptive capacity of the State

4. The Haitian economy is highly dependent on external aid flows. External debt at end-September 2005 exceeded the sustainability threshold established under the enhanced Heavily Indebted Poor Countries (HIPC) Debt Initiative (at 176 per cent of exports of goods and services); in September 2006, the International Monetary Fund's executive board declared Haiti eligible for assistance under the enhanced HIPC Initiative. Decision point, with a final poverty reduction strategy paper (PRSP), is expected to be reached in October 2007. Since beginning operations in Haiti in 1978, IFAD has financed six loans for a total of US\$69.9 million equivalent. The latest project completed in Haiti, the Small-scale Irrigation Schemes Rehabilitation Project (PPI), disbursed 100 per cent of the approved IFAD loan. However, the two ongoing operations – the Food Crops Intensification Project (Phase II) and the Productive Initiatives Support Programme in Rural Areas (PAIP) – present low disbursement rates, as a result of a complex implementation context and administrative delays. Throughout the recent years of political turbulence and changes, IFAD maintained its presence in Haiti. When several short-term periods of disbursement suspension occurred, the Government made an outstanding effort to repay its debt to IFAD in a timely manner.

#### Flow of funds

5. A special account denominated in United States dollars will be opened at the Bank of the Republic of Haiti, into which IFAD will deposit loan funds. A project account will also be opened at the Bank of the Republic of Haiti to receive counterpart funds.

### **Supervision arrangements**

6. The loan will be administered and supervised by the United Nations Office for Project Services, the cooperating institution for the other two ongoing IFAD operations in Haiti. An intensive project implementation support programme will be managed by the country team and will involve key staff at IFAD headquarters, the Field Presence Pilot Programme officer in Haiti and ad hoc external assistance.

### **Exceptions to IFAD General Conditions for Agricultural Development Financing and operational policies**

7. A retroactive financing clause has been included in the loan agreement to ensure continuity of activities financed by the completed PPI project and to expedite start-up of project implementation.

### **Governance**

8. The following planned measures are intended to enhance the governance aspects of the IFAD loan: (i) procurement of civil works, goods and consultant services according to IFAD's Procurement Guidelines and to be audited; (ii) competitive selection of the project's administrative and financial staff, coupled with sound accounting and management procedures; and (iii) annual audit of project accounts and audit reports by a qualified independent auditor, hired under national competitive bidding.

## **C. Target group and participation**

### **Target group**

9. The project intends to reach 18,000 households, or 85,000 persons. The target group lives in remote rural areas and has little insertion in the essentially informal economy. Households survive through subsistence mechanisms and are characterized by a lack of communication links, low level of access to public or private services, and high transaction costs. Increased pressure on available resources and severe land degradation accentuate vulnerability in a context prone to natural disaster.<sup>1</sup>

### **Targeting approach**

10. The project will intervene in two of the country's poorest departments: Nord-Est and Nord-Ouest. Although essentially intervening in milieux where beneficiaries already have some degree of access to productive resources (i.e. those living within or near existing or new irrigation schemes), the project would prioritize households in the most vulnerable groups, offering technologies for individual irrigation and off-farm income-generating activities. A participatory self-assessment of needs and vulnerabilities will be carried out in irrigation schemes and the encompassing micro-watersheds in order to identify groups and their priority needs.

### **Participation**

11. Beneficiaries will participate in all stages of the project, from planning and implementation to monitoring and evaluation. For infrastructure work and microprojects, tripartite contracts will be signed by beneficiaries' organizations, service providers and the project. Beneficiaries will be expected to contribute 10-25 per cent of microproject costs, adjusted to the capacities of the most vulnerable groups and taking into account health and time constraints. Beneficiaries will play a central role in project monitoring and impact assessment.

## **D. Development objectives**

### **Key project objectives**

12. The project's overall goal is to reduce rural poverty significantly in the area of intervention. Its development objective is to improve the livelihoods and incomes of rural poor households in a sustainable manner, especially households in the most

---

<sup>1</sup> The most vulnerable groups and their specific needs are outlined in the project design document.

vulnerable groups. The specific objectives include (i) sustainable intensification and increase of agricultural production through efficient water management and consolidation of irrigated agriculture on both a collective and individual basis; (ii) development of agricultural production systems and other productive and income-generating activities; and (iii) strengthening of communities' planning, organization and management capacity in order to facilitate market linkages and access to financial services.

#### **Policy and institutional objectives**

13. This second-phase project is expected to bring about key policy and institutional changes in the small-scale irrigation subsector, mainly in terms of institutional development – of the Ministry of Agriculture, Natural Resources and Rural Development (MARNDR), water users' associations (WUAs) and other stakeholders – and contributing to the establishment of a national water management programme for agriculture (NWMPA).

#### **IFAD policy and strategy alignment**

14. The project objectives are aligned with IFAD strategy and the 1999 country strategic opportunities paper in that they seek to reduce rural poverty through the sustainable increase of agricultural and non-agricultural income and improvement of target group living conditions, prioritizing the participatory approach, strengthening grass-roots organizations and ensuring gender equity. Although Haiti is not identified as a post-conflict country under the fourteenth replenishment of the International Development Association's resources, project activities are fully in line with the recommendations of the IFAD Policy on Crisis Prevention and Recovery through their contribution to increased community resilience and through the emergency fund.

### **E. Harmonization and alignment**

#### **Alignment with national priorities**

15. Development and modernization of the agricultural sector was identified as a key pillar for pro-poor growth in the interim PRSP (September 2006). The project supports all the Government's priority action areas outlined in the interim PRSP: access to credit and agricultural input; rehabilitation of agricultural infrastructure, including irrigation and storage facilities; and land tenure security.

#### **Harmonization with development partners**

16. The project will link up with other development partners' rural development initiatives, in particular those of the Inter-American Development Bank, which is the Government's principal development partner and a long-standing partner of IFAD in the country. Moreover, the project will collaborate with other United Nations agencies to ensure an integral development effort in areas complementary to the project's expertise, namely health and nutrition.<sup>2</sup>

### **F. Components and expenditure categories**

#### **Main components**

17. The project has four main components: (i) development of irrigation, which includes activities for the establishment of an NWMPA; capacity-strengthening of public institutions, WUAs and private service providers; land tenure security; the construction and rehabilitation of collective irrigation systems; development of individual irrigation systems; mitigation of any negative environmental impact; validation and diffusion of innovative irrigation technologies; and the establishment of an emergency fund; (ii) support for productive activities through microprojects (crops, livestock, income-generating, and research and development); (iii) capacity-strengthening to support grass-roots organizations in the planning and management of their development, including social interest initiatives, and support for marketing and microfinance institutions; and (iv) project coordination and management.

<sup>2</sup> Further details are provided in the project design document.

**Expenditure categories**

18. There are six main expenditure categories: (i) civil works (47.6 per cent of total project costs); (ii) vehicles and equipment (11.4 per cent); (iii) studies, training, technical assistance and contracts (20.4 per cent); (iv) credit funds (1.7 per cent); (v) microprojects (9.5 per cent); and (vi) operating costs (9.4 per cent).

**G. Management, implementation responsibilities and partnerships****Key implementing partners**

19. These will be (i) MARNDR, acting as lead agency for the project, its Agricultural Infrastructure Directorate, its Departmental Agriculture Directorates, and the municipal support offices; (ii) the Ministry of Economy and Finance and the Ministry of Planning and External Cooperation (and its decentralized services); (iii) other public agencies, such as the Economic and Social Assistance Fund (the lead agency of the ongoing Productive Initiatives Support Programme in Rural Areas [PAIP] programme) and the National Bureau for Agrarian Reform; (iv) municipalities; (v) community-based organizations and WUAs; and (vi) private and NGO providers of services.

**Implementation responsibilities**

20. MARNDR will assume responsibility for overall project implementation. The project will be guided by a national steering committee that includes representatives of other ministries, public institutions and participating donors. Existing departmental committees that include beneficiary representatives will be tapped to develop areas of synergy and discuss matters relevant to the project. A project coordinating unit will be established within the MARNDR administrative and technical structure, with responsibility for planning, managing and supervising project activities. Operational fieldwork will be implemented by contracted service providers.

**Role of technical assistance**

21. Short-term external technical assistance will be provided to facilitate project start-up and to train project staff and service providers.

**Status of key implementation agreements**

22. In addition to the signature of the loan agreement and issuance of a favourable legal opinion, the conditions precedent to effectiveness consist mainly of the establishment of the national steering committee and project coordinating unit, appointment of the project coordinator by MARNDR, and deposit of the counterpart funds for year one in the project account, in accordance with the loan agreement. To take advantage of methodological complementarities, a collaboration agreement will be signed with the PAIP programme, which is also being implemented in the Nord-Est and Nord-Ouest departments.

**Key financing partners and amounts committed**

23. The total project cost is US\$27.0 million. The principal sources of financing are IFAD (US\$13.0 million), the OPEC Fund for International Development (US\$8.0 million), the Government (US\$3.5 million) and the beneficiaries (US\$2.5 million). In addition, strategic partnerships will be pursued with other United Nations and bilateral agencies for intervention in complementary sectors.

**H. Benefits and economic and financial justification****Main categories of benefits generated**

24. The main benefits include (i) increase and diversification of agricultural production and income; (ii) improved health, nutrition and food security for the most vulnerable families; (iii) increased supply of microfinance services in the project area; (iv) strengthening of women's status and participation in managing local development; (v) development of management and planning capacities at the local level; and (vi) improved natural resources management with the introduction of appropriate agricultural technologies. The project will benefit rural poor families,

including the most marginalized groups, and strengthen service providers, public services and municipalities.

### **Economic and financial viability**

25. Farm models illustrating production systems in each department show that changes in crop choice (made possible by greater water availability) combined with more efficient use of resources increase the return on labour by more than 80 per cent. A financial analysis based on the estimated maintenance, management and energy costs for each irrigation type (collective, individual, pumping or gravity) has shown that the internal financial rates of return are satisfactory in all cases. Based on a cost-benefit analysis over an 18-year horizon, the internal economic rate of return (IERR) has been calculated at 24 per cent and net present value at US\$7.7 million. A sensitivity analysis shows that the IERR is not very sensitive to any reduction or delay in benefits or increase in costs.

## **I. Knowledge management, innovation and scaling up**

### **Knowledge management arrangements**

26. The project includes a comprehensive approach to knowledge-sharing. At the beneficiary level, information and awareness campaigns have been included in project start-up activities. At the department level, knowledge-sharing among all stakeholders, including representatives of WUAs and grass-roots organizations, will be facilitated through coordination committees and round-table meetings. At the national level, the NWMPA will focus exchanges of experiences within an integrated natural resource management approach to the development of irrigation.

### **Development innovations that the project will promote**

27. The project will promote innovations in several sectors: (i) irrigation: validation and dissemination of innovative technologies for mobilization of groundwater resources, improvement of gravity and under-pressure systems, introduction of individual irrigation, and establishment of an emergency fund; (ii) agronomy: research and development microprojects to introduce new technologies; and (iii) marketing and rural finance: pilot development of warehouse receipt arrangements.

### **Scaling-up approach**

28. The creation of channels to scale up the approach at the national and policy level is inherent in the project design, including department-level round-table meetings as a consultative basis for national policy dialogue and the establishment of an NWMPA.

## **J. Main risks**

### **Main risks and mitigation measures**

29. The main risks requiring particular follow-up during project implementation are (i) initial maintenance of infrastructure by users, which may require support from the project; (ii) uneven delivery of public and private services, which could be mitigated by contracting a qualified lead operational NGO for each department; (iii) overexploitation of water resources, which would be mitigated by the adoption of strict measures for groundwater and surface water use; (iv) watershed deterioration, which could be mitigated through complementary support and individual irrigation initiatives outside irrigation schemes; and (v) inequitable gender balance, which would be mitigated through the adoption of a gender equity approach, accompanied by a set of recommendations (including training of project staff and partners, selection criteria for service providers and staff, gender-balanced composition of teams, etc.).

### **Environmental classification**

30. Pursuant to IFAD's environmental assessment procedures, the project has been classified as a Category A operation in that it is likely to have a significant environmental impact. An environmental assessment will be carried out using grant funds earmarked for this purpose prior to project start-up.

## **K. Sustainability**

31. The main elements of project sustainability reside in enhanced sector coordination and leadership assets of the central government; strengthened grass-roots organizations, namely WUAs; improved access to marketing and financial mechanisms for sustained diversification and improvement of livelihoods; better natural resource management; and improved delivery of public and private services to rural populations.

## **II. Legal instruments and authority**

32. A loan agreement between the Republic of Haiti and IFAD will constitute the legal instrument for extending the proposed loan to the borrower. A summary of the important supplementary assurances included in the negotiated agreement is attached as an annex.
33. The Republic of Haiti is empowered under its laws to borrow from IFAD.
34. I am satisfied that the proposed loan will comply with the Agreement Establishing IFAD.

## **III. Recommendation**

35. 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 the Republic of Haiti in various currencies in an amount equivalent to eight million eight hundred thousand special drawing rights (SDR 8,800,000) to mature on or prior to 15 June 2046 and to bear a service charge of three fourths of one per cent (0.75 per cent) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Lennart Båge  
President

## **Summary of important supplementary assurances included in the negotiated loan agreement**

(Negotiations concluded on 27 November 2006)

### **Land tenure security activities**

1. Land tenure security activities will be undertaken by the National Agrarian Reform Institute (INARA) on the basis of an agreement entered into with MARNDR and acceptable to IFAD. The activities will be conducted in three stages:  
(i) identification of the plot; (ii) identification of the person occupying the plot;  
(iii) verification of the title claimed by the tenant. INARA will issue an attestation of the title to occupancy of the plot.

### **Pesticide management practices**

2. As part of maintaining sound environmental practices, the Government will take the necessary pesticide management measures under the project, and to this end it will ensure that the pesticides procured under the project 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.

### **Monitoring and evaluation**

3. The project's M&E system will entail continuous internal monitoring, periodic external and internal evaluations, self-analyses of vulnerability conducted by stakeholders, and perimeter management and development plans prepared with the communities. With regard to indicators, the project's M&E system will include the indicators of the Results and Impact Management System identified in the project's logical framework.

### **Internal monitoring**

4. Internal monitoring will be conducted on a continuous basis and will be aimed at monitoring the implementation of activities, performance and the achievement of expected results.
5. Within the PCU, each officer responsible for a component will ensure the adoption of methodological tools and monitoring charts, with support from the M&E officer. To facilitate the exchange of information, the project coordinator (or the person responsible for the field unit) will organize (i) a weekly meeting of the PCU technical team (at the Nord-Est office), and (ii) a monthly meeting open to the main contractual service providers.
6. Service providers will report regularly on their activities to the PCU through quarterly M&E reports, the submission of monthly monitoring charts, etc. as established in their contracts. These reports will constitute one of the core elements for evaluating proper performance of the contracts and justifying their renewal.

**Internal and external evaluations**

7. Evaluation activities will be aimed at evaluating the project's impact on beneficiaries and the achievement of its objectives (general and specific) through an approach that is both participatory and flexible. The internal and external evaluation documents will be presented to the national steering committee, to the departmental coordination committees, to IFAD and to other financiers of the project.

**Internal evaluation**

8. For each perimeter, indicators and baseline data will be gathered through (i) self-analyses of vulnerability, (ii) participatory analyses and the perimeter development plan documentation, and (iii) the annual plans and documentation of microprojects. Participatory M&E workshops will be conducted by the extension agent of the respective lead operator, with possible support from consultants, once each year in the selected zones. These workshops will enable the operator to conduct a comparative analysis and discern the main trends and appropriate recommendations for his/her zone, which will be forwarded to the PCU.

**External evaluation**

9. In terms of external evaluation, thematic surveys will be conducted periodically, as needed and usually on the basis of samples. The anthropometric survey, which will be conducted at project start-up, mid-point and completion, will make it possible to monitor the project's impact on the nutritional situation of the population, especially children under 5, and the level of accumulation of household goods. The project will hire national consulting firms and consultants to carry out these surveys.

**Insurance of project staff**

10. The Government will ensure that the lead project agent insures project staff against health and accident risks in keeping with applicable regulations in Haiti.

**Recruitment**

11. The Government will ensure that the lead project agent undertakes, all other qualifications being equal, to give preference to women candidates to the posts to be filled under the project.

**Gender equity**

12. The project will mainstream the gender equity approach in each of its components and will seek in particular to build women's capacity so that they may take an active part in analytical studies and decision-making and benefit equitably from the resources put in place by the project; to reduce women's work burden in order that they may have more time available to participate in training and diversify their economic activities; to support income-generating activities practised by women; to facilitate their access to financial institutions and to develop financial products that address their specific needs; and, lastly, to increase actions to promote family planning, hygiene, the use of foods to improve nutrition, schooling for girls and strengthening of women's status in the rural milieu.

**Suspension**

13. IFAD may suspend, in whole or in part, the right of the Government to request withdrawals from the loan account in the event of any of the following:
  - (a) The loan agreement has not become effective by the established date or such other date as may be set for such purpose.



- (b) The right of the Government to withdraw funds from the OFID loan has been suspended, cancelled or revoked, in whole or in part, or the loans have become due and payable before the established maturity date; or upon the occurrence of any event that, with notice or with the passage of time, could result in the same.
- (c) The implementation manual, or any of its provisions, has been suspended, revoked in whole or in part, waived or otherwise modified without the prior consent of IFAD; and IFAD considers that such events have had or are likely to have a material adverse effect on the project.
- (d) IFAD has given notice to the Government that credible allegations of corrupt or fraudulent practices in connection with the project have come to the attention of IFAD, and the Government has failed to investigate the matter fully and promptly to the satisfaction of IFAD; or thereafter, based on the conclusions of the aforesaid investigation and any other information available to it, IFAD – in consultation with the Government – determines that such practices have occurred, and the Government has failed to take timely and appropriate action to remedy the matter to the satisfaction of IFAD.

#### **Suspension because of Government non-compliance with audit requirements**

- 14. IFAD will suspend the right of the Government to request withdrawals from the loan account if it has not received the audit reports within the six months following the six-month period set forth in the loan agreement.

#### **Conditions precedent to disbursement**

- 15. (a) No withdrawal may be made under any disbursement heading until:
  - (i) the draft implementation manual has been approved by IFAD; and
  - (ii) the first annual work programme and budget, including the procurement plan for the first 18 months, has been approved.
- (b) No withdrawal may be made under the headings of equipment for individual or semi-collective irrigation works, collective perimeters, environmental protection, or individual or semi-collective irrigation works until the OFID loan has been declared effective and its disbursement conditions have been met.

#### **Retroactive financing**

- 16. Withdrawals up to an aggregate amount of 100,000 special drawing rights may be made from the loan account for expenditures in respect of categories III, VI and VII incurred before the effective date but after 31 December 2006. For purposes of the loan agreement, such expenditures will be considered as authorized expenditures.

#### **Conditions precedent to effectiveness**

- 17. The loan agreement will become effective upon fulfilment of the following conditions:
  - (a) a favourable legal opinion, issued by the competent authority of Haiti and acceptable in form and substance, has been forwarded to IFAD by the Government;
  - (b) the PCU and the national steering committee have been established by an MARNDR memorandum and the coordinator has been selected to the satisfaction of IFAD;
  - (c) the special account has been opened; and

- (d) the project account has been opened and the counterpart funds for project year 1 have been deposited therein.

## **Key reference documents**

### **Country reference documents**

Interim PRSP

### **IFAD reference documents**

Project design document (PDD) and key files

IFAD Targeting Policy

IFAD Crisis Prevention and Recovery Policy

Learning Note on Gender

Learning Note on Agricultural water infrastructure and management

Administrative Procedures on Environmental Assessment

# Logical framework

Objective hierarchy	Key performance indicators and targets	Monitoring mechanisms and information sources	Assumptions and risks
<b>Goal:</b> Rural poverty in the North East and North West departments of Haiti is significantly reduced	<ul style="list-style-type: none"> <li>Increase of assets of rural poor households (RIMS)</li> <li>% prevalence of malnutrition decreases (RIMS)</li> </ul>	RIMS Impact Survey implemented at 1st year, before mid-term and before completion	
<b>Project Purpose</b> Rural poor families, especially the most vulnerable families, have improved their livelihoods and increased their incomes	<ul style="list-style-type: none"> <li>18 000 households (HH)with improved food security (85 000 beneficiaries) (RIMS)</li> <li>15 000 HH (6500 female headed) with improved agricultural revenues between 40% and 100%</li> <li>6200 most vulnerable HH with improved revenues of 50% (incl. 1000 women, 500 jobless young people, 1000 landless)</li> <li>90 small scale irrigation schemes run by WUA in a sustainable manner (RIMS)</li> <li>80% of the beneficiaries, familiarized with innovative irrigation technologies, with better production results on 500 ha (RIMS)</li> <li>Price increased by 30 to 50% after harvest for the marketing grass root organisations</li> <li>9500 HH with secure land titles of 3000 ha</li> </ul>	RIMS Impact Survey implemented at 1st year, before mid-term and before completion Survey on revenues Assessment of WUA Records of production Records of sales Survey on micro-entreprises Cataster records of irrigation schemes	Project impact and results not interfered by political instability Negative effects of natural catastrophes can be mitigated by projects activities
<b>Output by component</b> <b>Irrigation Development</b> <b>Output 1: Capacity of MARND for water management improved</b>	<ul style="list-style-type: none"> <li>A Mid-term water master plan elaborated and proposed to MARNDR for approval</li> <li>Data base on irrigation in MARNDR installed</li> <li>Sector regulatory framework finalised</li> <li>9 500 HH supported with land titling for 3000 ha</li> </ul>	Master Plan Data records Legal texts on regulatory framework Documentation of land titling files	Approval of juridical framework by GOH
<b>Output 2: New small/scale irrigation schemes created and/or rehabilitated</b>	<ul style="list-style-type: none"> <li>2 200 ha of irrigated land rehabilitated ( 5 500 HH) and 800 ha new irrigated land (4 000 HH) (RIMS)</li> <li>9500 HH with secure access to irrigation water (RIMS)</li> <li>5500 HH with knowledge on innovative irrigation technologies (RIMS)</li> </ul>	Focus group discussions with farmers Reports on training Reports on TA	No obstacles to import necessary material
<b>Output 3: Water management capacities of public and private actors strengthened</b>	<ul style="list-style-type: none"> <li>90 WUAs with improved water management capacities (RIMS)</li> <li>120 handicraft enterprises for irrigation trained (RIMS)</li> </ul>	Reports on training Focus group discussions Documentation of plans	
<b>Support to productive initiatives</b> <b>Output 4: Diversified agriculture and non-agriculture income generating activities enhanced</b>	<ul style="list-style-type: none"> <li>1 800 of most vulnerable persons, 900 women, trained in production techniques (RIMS)</li> <li>180 productive projects, 70 conservation projects implemented (RIMS)</li> <li>170 micro-entreprises formed/strenghtend (RMS)</li> <li>500 young people trained in management and administration (RIMS)</li> </ul>	Training reports Assessment of micro-projects Records of micro-entreprises	Technical assistance are offered on time and in line with project strategy
<b>Capacity building</b> <b>Output 5: Organisational and management capacities of grass root organizations and their members strengthened</b>	<ul style="list-style-type: none"> <li>90 small scale irrigation management plans elaborated</li> <li>240 grass root organizations created/consolidated (RIMS)</li> <li>1200 leaders ( 30% women) of grass-root organisations trained in management and organisations (RIMS)</li> <li>160 of public and private service providers trained in participative appraisal techniques and organisational development of grass root organisations (RIMS)</li> <li>70 teachers (30% women) for alphabetisation trained (RIMS),</li> <li>4 800 persons (50% women) alphabetised (RIMS),</li> <li>3200 persons ( 50%women) in nutrition, health and sanitation (RIMS),</li> </ul>	Training reports Focus group discussions Assessment of training results	Technical assistance are offered on time and in line with project strategy
<b>Output 6: Value added production processes and marketing strategies promoted</b>	<ul style="list-style-type: none"> <li>90 organisations with improved purchase and negotiation capacities for marketing</li> <li>100 of market contracts between beneficiaries and retailers established</li> <li>7 market fairs organised for project target groups</li> </ul>	Records of networks Signed contracts Appraisal of markets	Complementary infrastructure, (roads) constructed or improved Agreements of complementary activities with NGOs and other projects in this sector
<b>Output 7: Accessible community based micro finance services created</b>	<ul style="list-style-type: none"> <li>19 community based saving and credit centres established (CREPS)</li> <li>4500 credits granted (RIMS)</li> <li>90% of clients satisfied with services</li> </ul>	Financial records of CREPS Audit reports Records of credit accounts	Legal framework allows CREPS PAIP expertise utilised

