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Enabling the rural poor
to overcome poverty

Planned project activities 2007-2008

Executive Board — Ninetieth Session
Rome, 17-18 April 2007

For: **Information**

Note to Executive Board Directors

This document is submitted for the information of 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 questions relating to IFAD's project/programme pipeline before the session:

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Questions of a technical/country-specific nature will be redirected to the relevant regional Director.

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

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Planned project activities 2007-2008

1. At the second session of the Executive Board, it was agreed that information on planned project activities would be presented to the Board regularly to enable members to keep abreast of developments in IFAD's project/programme pipeline and prospective lending and, should they so desire, to comment on planned operations at an appropriate stage of the development cycle.
2. To this end, part I of this document provides a comprehensive listing, by stage of processing and by region, of all projects and programmes that have entered the pipeline after approval of the inception memorandum. In addition, as agreed with the Executive Board in September 2003, IFAD has made available on its website – at <http://www.ifad.org/operations/pipeline/index.htm> – information on projects and programmes that have reached an advanced stage of design and are thus likely to be presented at a future session of the Board. Each of these operations is described in a two-page information note, which is updated upon completion of each major step in the project cycle. Samples of these notes can be found at the end of this document.
3. As agreed at the Board's April 2001 session, part II of this document provides information on all country strategic opportunities papers (COSOPs) and subregional strategic opportunities papers (SRESOPs) reviewed to date by the Operational Strategy and Policy Guidance Committee (OSC) and those reviewed by the Board. Part III provides information on planned COSOPs/SRESOPs. In September 2006, the Executive Board approved a new framework for a results-based country strategic opportunities programme as provided in document EB 2006/88/R.4.
4. The current session of the Board will review one country strategic opportunities programme (Honduras).

I. Projects/programmes under consideration, by stage of processing and region (2007-2008)

Region	Country	Population (million) (World Bank Atlas, 2004 data)	GNI per capita (2004) (US\$)	Project/programme name (* indicates that a summary is/will be made available on IFAD's website at: http://www.ifad.org/operations/pipeline/index.htm)	Nature of project/programme	Tentative loan/grant amount (US\$ million) ^a	Primary IFAD contact	COSOP/SRESOP reviewed by OSC	Tentative Executive Board presentation date
STAGE: SCHEDULED FOR PRESENTATION TO THE EXECUTIVE BOARD IN APRIL 2007									
Western and Central Africa									
	Guinea-Bissau	1.5	160	Rural Rehabilitation and Community Development Project*	Rural development	4.68 (grant)	Ms Sparacino	Dec 2002	Apr 2007
	Sierra Leone	5.3	210	Rural Finance and Community Improvement Programme*	Rural finance	9.88 (grant)	Mr Tounessi	Jan 2003	Apr 2007
Eastern and Southern Africa									
	Burundi	7.3	90	Livestock Sector Rehabilitation Support Project*	Livestock recovery	13.98 (grant)	Ms Benham-mouche	Mar 2003	Apr 2007
	Comoros	0.6	560	National Programme for Sustainable Human Development (to be jointly financed with the Global Environment Facility)*	Agricultural development	4.65 (grant)	Mr Thierry	Jan 2002	Apr 2007
	Ethiopia	70.0	110	Participatory Small-scale Irrigation Development Programme*	Irrigation	20.0 (loan) and 20.0 (grant)	Mr Gicharu	Nov 1999 (being updated)	Apr 2007
	Kenya	33.5	480	Smallholder Horticulture Marketing Programme*	Marketing	23.43 (loan) and 0.5 (grant)	Ms Bradley	Nov 2001 (being updated)	Apr 2007

Region	Country	Population (million) (World Bank Atlas, 2004 data)	GNI per capita (2004) (US\$)	Project/programme name (* indicates that a summary is/will be made available on IFAD's website at: http://www.ifad.org/operations/pipeline/index.htm)	Nature of project/programme	Tentative loan/grant amount (US\$ million) ^a	Primary IFAD contact	COSOP/SRESOP reviewed by OSC	Tentative Executive Board presentation date
Asia and the Pacific	Cambodia	13.8	350	Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri*	Agricultural development	9.52 (grant)	Mr Wang	May 1998 (being updated)	Apr 2007
Near East and North Africa	Syrian Arab Republic	18.6	1,230	North-eastern Region Rural Development Project*	Rural development	20.0 (loan)	Mr Abdouli	Nov 2001	Apr 2007
STAGE: APPRAISAL COMPLETED									
Western and Central Africa	Guinea	9.2	410	Village Communities Support Programme – Phase II* (World Bank-initiated)	Rural development	10.0 (grant)	Mr Nsimpati	May 1999 (being updated)	Sep 2007
STAGE: UNDER APPRAISAL									
Asia and the Pacific	Bangladesh	139.2	440	Finance for Enterprise Development and Employment Creation*	Microfinance/ Microenterprise	To be determined	Mr Brett	Feb 2006	Sep 2007
	Maldives	0.3	2,410	Fisheries and Agriculture Diversification Project*	Agricultural development/ fisheries	To be determined	Mr Jatta	[not applicable]	Sep 2007
Latin America and the Caribbean	Dominican Republic	8.8	2,100	Social and Economic Development Programme for Vulnerable Populations	Rural development	To be determined	Mr Gariglio	Jan 2002	Sep 2007

<i>Region</i>	<i>Country</i>	<i>Population (million) (World Bank Atlas, 2004 data)</i>	<i>GNI per capita (2004) (US\$)</i>	<i>Project/programme name (* indicates that a summary is/will be made available on IFAD's website at: http://www.ifad.org/operations/pipeline/index.htm)</i>	<i>Nature of project/programme</i>	<i>Tentative loan/grant amount (US\$ million)^a</i>	<i>Primary IFAD contact</i>	<i>COSOP/SRESOP reviewed by OSC</i>	<i>Tentative Executive Board presentation date</i>
Near East and North Africa	Djibouti	0.8	950	Agropastoral Communities Support Programme*	Natural resource management/livestock	To be determined	Ms Omar	Nov 2001	Dec 2007 (reserve)
STAGE: FORMULATION/PREPARATION COMPLETED									
Asia and the Pacific	Viet Nam	82.2	540	Programme 135 Phase II	Community development	To be determined	Ms Toda	Oct 2002 (being updated)	To be determined
STAGE: UNDER FORMULATION/PREPARATION									
Western and Central Africa	Burkina Faso	12.8	350	Small-scale Irrigation Programme	Irrigation	To be determined	Mr Messer	May 1998 (being updated)	Dec 2007 (reserve)
	Gabon	1.4	4,080	Agricultural and Rural Development Project*	Agricultural and rural development	To be determined	Mr Barry	Feb 2004	Sep 2007
	Ghana	21.7	380	Northern Ghana Rural Growth Programme ^b	Agricultural development	To be determined	Mr Manssouri	Feb 2006	Dec 2007
	Nigeria	128.7	430	Rural Microenterprise Development Programme	Rural development	To be determined	Mr Haidara	Oct 2000	Dec 2007

Region	Country	Population (million) (World Bank Atlas, 2004 data)	GNI per capita (2004) (US\$)	Project/programme name (* indicates that a summary is/will be made available on IFAD's website at: http://www.ifad.org/operations/pipeline/index.htm)	Nature of project/ programme	Tentative loan/grant amount (US\$ million) ^a	Primary IFAD contact	COSOP/ SRESOP reviewed by OSC	Tentative Executive Board presentation date
Eastern and Southern Africa									
	Angola	15.5	930	Market-oriented Smallholder Agriculture Project (World Bank-initiated project)*	Agricultural development	To be determined	Ms Ferreira	May 2005	Sep 2007
	Lesotho	1.8	730	Rural Financial Intermediation Programme*	Rural finance	To be determined	Ms Nakai	Jun 1999	Sep 2007
	Madagascar	18.1	290	Off-farm Activities and Rural Microenterprise Programme in the Highlands of Madagascar	Rural enterprise development	To be determined	Mr Thierry	Sep 2006	Dec 2007
	Malawi	12.6	160	Rural Livelihoods and Economic Enhancement Programme in the Central Region	Rural development	To be determined	Ms Okong'o	Jun 2005	Dec 2007
	Uganda	27.8	250	Agricultural Marketing and Agroprocessing Support Programme	Marketing	To be determined	Ms Bradley	Jul 2004	To be determined
Asia and the Pacific									
	Bangladesh	139.2	440	National Agricultural Technology Project* (World Bank-initiated)	Agricultural development	25.0	Mr Brett	Feb 2006	Dec 2007
	China	1,296.2	1,500	Inner Mongolia Autonomous Region Rural Advancement Programme ^c	Rural development	To be determined	Mr Rath	Jun 2005	Dec 2007
	Indonesia	217.6	1,140	Papuan Rural Development Project*	Rural development	To be determined	Mr Wang	Nov 1998 (being updated)	Sep 2007
	Pakistan	152.0	600	Programme for Increasing Sustainability and Outreach in Microfinance*	Microfinance	To be determined	Mr Brett	Nov 2002 (being updated)	Sep 2007

Region	Country	Population (million) (World Bank Atlas, 2004 data)	GNI per capita (2004) (US\$)	Project/programme name (* indicates that a summary is/will be made available on IFAD's website at: http://www.ifad.org/operations/pipeline/index.htm)	Nature of project/programme	Tentative loan/grant amount (US\$ million) ^a	Primary IFAD contact	COSOP/SRESOP reviewed by OSC	Tentative Executive Board presentation date
	Philippines	81.6	1,170	Second Cordillera Highland Agricultural Resource Management Project*	Agribusiness and watershed management	To be determined	Mr Jatta	Oct 1999 (being updated)	Sep 2007
	Tajikistan	6.4	280	Khatlon Livelihoods Support and Land Management Project*	Rural development	To be determined	Mr Tian	Oct 2005	Sep 2007
	Viet Nam	82.2	540	Programme for Development of Market Opportunities for the Poor	Rural development	To be determined	Ms Toda	Oct 2002 (being updated)	Dec 2007
Latin America and the Caribbean	El Salvador	6.7	2,320	Rural Development and Modernization Project for the Central and Paracentral Region*	Rural development	To be determined	Mr. Murguía	Mar 2001	Sep 2007
	Nicaragua	5.4	830	Programme for the Integration of Small Producers into Value Chains ^{da}	Rural development	To be determined	Mr Rubio	Sep 2005	Sep 2007
	Peru	27.6	2,360	Strengthening Assets, Markets and Policies for Rural Development in the Northern Central Highlands	Rural development	To be determined	Mr Haudry	Nov 2001	Dec 2007
Near East and North Africa	Armenia	3.0	1,060	Farmer Market Access Programme*	Rural finance	To be determined	Mr Pedersen	Oct 2003	Sep 2007
	Azerbaijan	8.3	940	Rural Development Project in the North-West	Community development	To be determined	Mr Rahman	Feb 2003	Dec 2007
	Georgia	4.5	1,060	Livestock Development Project*	Livestock	To be determined	Mr Turilli	Feb 2003	Sep 2007
	Jordan	5.4	2,190	Rural and Enterprise Development Programme	Rural development	To be determined	Mr el-Zabri	Oct 2000	To be determined

Region	Country	Population (million) (World Bank Atlas, 2004 data)	GNI per capita (2004) (US\$)	Project/programme name (* indicates that a summary is/will be made available on IFAD's website at: http://www.ifad.org/operations/pipeline/index.htm)	Nature of project/programme	Tentative loan/grant amount (US\$ million) ^a	Primary IFAD contact	COSOP/SRESOP reviewed by OSC	Tentative Executive Board presentation date
	Morocco	29.8	1,570	Rural Development in the Mountain Zones of the Errachidia Project*	Rural development	To be determined	Mr Nourallah	Nov 1999 (being updated)	Sep 2007
	Yemen	20.3	550	Rainfed Agriculture and Livestock Project (World Bank-initiated)*	Agricultural development/livestock	To be determined	Mr Rahman	Mar 2000 (being updated)	Sep 2007
STAGE: INCEPTION/IDENTIFICATION COMPLETED									
Eastern and Southern Africa									
	Mauritius	1.2	4,640	Marine Resources Preservation Programme	Rural development/fisheries	To be determined	Ms Benham-mouche	Oct 2005	To be determined
Asia and the Pacific									
	Viet Nam	82.2	540	Integrated Central Region Rural Development Programme	Rural development	To be determined	Ms Toda	Oct 2002 (being updated)	To be determined
Latin America and the Caribbean									
	Costa Rica	4.3	4,470	National Rural and Entrepreneurial Development Programme	Rural development	To be determined	Mr Murguía	Sep 2004	To be determined
	Venezuela (Bolivarian Republic of)	26.1	4,030	Indigenous Communities Support Project*	Indigenous peoples	To be determined	Mr Gariglio	Jul 2006	Sep 2007

^a The financing terms and figures shown are in compliance with the proposed debt sustainability framework submitted to the current Board session for approval, and subject to approval thereof.

^b Previously: Northern Agricultural Support Project

^c Previously: Agricultural Market Access and Rural Financial Services Programme in Inner Mongolia

^d Programme to Support the Establishment of Value Chains in Rural Areas

II. COSOPs/SRESOPs reviewed by the OSC and the Executive Board

(Dates in brackets refer to date of submission to the OSC; an asterisk (*) indicates papers reviewed by the Executive Board)

Western and Central Africa

1. Benin (June 2005, updated version)*
2. Burkina Faso (May 1998)*
3. Cameroon (February 1998)
4. Cape Verde (October 1996)
5. Chad (May 1999)
6. Congo (June 2001, updated version)
7. Côte d'Ivoire (December 1997)
8. Democratic Republic of the Congo (June 2003)*
9. Gabon (February 2004)
10. Gambia (The) (January 2003, updated version)*
11. Ghana (February 2006, updated version)*
12. Guinea (May 1999)
13. Guinea-Bissau (December 2002)*
14. Mali (July 1997)
15. Mauritania (May 2000)
16. Niger (July 2005, updated version)*
17. Nigeria (October 2000)*
18. Sao Tome and Principe (October 1999)
19. Senegal (February 2004, updated version)*
20. Sierra Leone (January 2003, updated version)*

Eastern and Southern Africa

21. Angola (May 2005)*
22. Botswana (Mar 2006)
23. Burundi (March 2003, updated version)*
24. Comoros (January 2002)
25. Eritrea (May 2006, updated version)*
26. Ethiopia (November 1999)
27. Kenya (November 2001)*
28. Lesotho (June 1999)
29. Madagascar (September 2006)*
30. Malawi (June 2005, updated version)*
31. Mauritius (October 2005)*
32. Mozambique (July 2004, updated version)*
33. Namibia (May 2002)
34. Rwanda (July 2001, updated version)*
35. Swaziland (June 2006, updated version)*
36. Uganda (July 2004, updated version)*
37. United Republic of Tanzania (September 2003, updated version)*
38. Zambia (October 2003, updated version)*
39. Zimbabwe (November 1998)

Asia and the Pacific

40. Bangladesh (February 2006, updated version)*
41. Bhutan (July 1996)
42. Cambodia (May 1998)
43. Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan) (October 2005)*
44. China (June 2005, updated version)*
45. Democratic People's Republic of Korea (April 2000)
46. India (October 2005, updated version)*
47. Indonesia (November 1998)
48. Iran (Islamic Republic of) (August 2002)
49. Lao People's Democratic Republic (July 2004, updated version)*
50. Mongolia (November 1998)
51. Nepal (October 2006)*
52. Pacific Islands countries: SRESOP (October 2004)*
53. Pakistan (November 2002, updated version)*
54. Philippines (the) (October 1999)
55. Sri Lanka (November 2002)*
56. Viet Nam (October 2002, updated version)*

Latin America and the Caribbean

57. Argentina (November 2003)*
58. Bolivia (November 1998)
59. Brazil (June 1997)
60. Caribbean region (March 2000)
61. Colombia (April 2003)*
62. Costa Rica (September 2004)*
63. Dominican Republic (January 2002)*
64. Ecuador (October 2003)*
65. El Salvador (March 2001)
66. Guatemala (January 2003)*
67. Haiti (November 1999)
68. Honduras (October 2000)
69. Mexico (May 1999)
70. Nicaragua (September 2005, updated version)*
71. Panama (December 2000)
72. Paraguay (September 2004)*
73. Peru (November 2001)*
74. Uruguay (November 1999)
75. Venezuela (Bolivarian Republic of) (July 2006, updated version)*

Near East and North Africa

76. Albania (February 2005, updated version)*
77. Algeria (October 1999)
78. Armenia (October 2003, updated version)*
79. Azerbaijan (February 2003, updated version)*
80. Bosnia and Herzegovina (June 2005)*
81. Djibouti (November 2001)
82. Egypt (February 2006, updated version)*
83. Gaza and the West Bank (June 1997)
84. Georgia (February 2003, updated version)*
85. Jordan (October 2000)
86. Lebanon (May 2000, updated version)
87. Morocco (November 1999)
88. Republic of Moldova (February 2002, updated version)
89. Romania (June 2002)*
90. Sudan (March 2002)*
91. Syrian Arab Republic (November 2001)
92. The former Yugoslav Republic of Macedonia (November 1999)
93. Tunisia (April 1998)
94. Turkey (April 2006, updated version)*
95. Yemen (March 2000, updated version)

III. COSOPs/SRESOPs planned in 2007

In 2007, regional divisions plan to finalize and/or prepare COSOPs for the following countries:

Western and Central Africa:

- Burkina Faso (updating, continuation of 2004/06 work)
- Cameroon (updating, continuation of 2004/06 work)
- Guinea (updating)¹
- Mali (updating, continuation of 2006 work)
- Mauritania (updating, continuation of 2004/06 work)
- Nigeria (updating)²

Eastern and Southern Africa:

- Ethiopia (updating)
- Kenya (updating, continuation of 2006 work)
- Lesotho (updating)
- Rwanda (updating, continuation of 2004/06 work)
- United Republic of Tanzania (updating, continuation of 2005/06 work)

Asia and the Pacific:

- Cambodia (updating)
- Indonesia (updating, continuation of 2006 work)
- Pakistan (updating)
- Philippines (the) (updating, continuation of 2005/06 work)
- Viet Nam (updating)

Latin America and the Caribbean:

- Bolivia (updating, continuation of 2006 work)
- Brazil (updating)
- Colombia (updating)
- Honduras (updating, continuation of 2006 work) (scheduled for presentation to the April 2007 session of the Executive Board)
- Mexico (updating)
- Panama (updating, continuation of 2006 work)

¹ Depending on country situation.

² Following country programme evaluation.

Near East and North Africa:

- Armenia (updating)
- Lebanon (new)
- Morocco (updating)
- Republic of Moldova (updating)
- Sudan (updating)
- Tunisia (updating)
- Yemen (updating)

Other COSOPs will be identified in the course of 2007.

**SAMPLES OF THE TWO-PAGE INFORMATION NOTES AVAILABLE ON THE
IFAD WEBSITE. OTHERS ARE/WILL BE MADE AVAILABLE ON IFAD'S
WEBSITE AT
(<http://www.ifad.org/operations/pipeline/index.htm>)**

Angola: Market-oriented smallholder agriculture project

Project area. The project will be located in the central highlands and will cover 12 municipalities in the provinces of Bié, Huambo and Malanje. The central highlands are home to some 80 per cent of the nation's total food-insecure population and 68 per cent of its highly vulnerable population.



Target group. The project will target smallholders living in the selected areas who have the potential to become commercially oriented and economically self-sustainable producers. The target group will include, in particular, recently settled and resettled people, and demobilized soldiers. Special attention will be given to woman-headed households. The project expects to benefit 150,000 smallholder households, or about 750,000 people.

Project objectives. The project's main objective will be to generate a broad-based and sustainable increase in the incomes of rural households in the targeted municipalities and communes through better organized and more efficient agricultural production and marketing.

Project description. The project will have four components:

- **Institutional development and capacity-building.** This project will strengthen the institutional, managerial and business skills of agricultural producers and their organizations, as well as of extension staff and agricultural service providers along the value chain with which they interact. It will also build the capacity of relevant government institutions at the municipal, provincial and central level, and introduce or reinforce participatory processes that support the decentralization process.
- **Agricultural competitiveness.** This project will establish, restore and improve commodity-specific agricultural value chains that can profitably be developed in the project area, based on smallholder production. This will involve both backward linkages to input suppliers and producers and forward linkages to wholesalers, retailers and consumers. Two subcomponents will be supported: (i) value chain linkages and investment feasibility analysis; and (ii) technical assistance, training and

Facts and figures

- **Region:** Eastern and Southern Africa
- **Project ID number:** 1391
- **Nature of project:** Agricultural development
- **Project cost (provisional):** US\$40 million
- **Estimated IFAD loan:** To be determined
- **Cofinancing gap:** See section on potential cofinanciers
- **Domestic contribution:** To be determined
- **Proposed terms:** Highly concessional
- **Stage of project cycle:** Under formulation
- **Next step in project development:** Appraisal scheduled for April/May 2007
- **Tentative date for consideration by the Executive Board:** September 2007
- **Project duration:** Six years
- **Tentative project start-up date:** January 2008
- **Implementing agency:** Ministry of Agriculture and

extension services.

- **Agricultural investment.** The project will support the recapitalization of agricultural production systems through targeted interventions along three different axes: (i) investment in productive assets and infrastructure; (ii) support to raising working capital in the form of credit; and (iii) support for sustainable mechanisms to restore and maintain soil fertility. Financing will be provided through three different subcomponents: (i) a productive agricultural investment fund; (ii) microcredit; and (iii) a pilot voucher scheme for fertilizers.
- **Project management.** The project will establish a central project implementation unit, which will have a monitoring and evaluation section. This central unit will be complemented by a technical assistance unit in one of the provincial capitals and provincial project implementation units in each of the targeted provinces.



Important features. IFAD gave uninterrupted support to Angola's rural sector during the final decade of civil war and has drawn on this substantial country experience to design the

planned project. In particular, it has addressed issues relating to targeting, to the institutional framework of the sector and to the promotion of demand-driven approaches, keeping in mind the lessons learned in both its Northern Region Foodcrops Development Project and its Northern Fishing Communities Development Programme and through its small grants portfolio. The project will contribute to IFAD's overarching goal in post-conflict Angola by ensuring food security and increasing incomes, particularly among the most vulnerable groups in food-insecure areas of the central highlands. Its strategy is also in line with the basic principles outlined in the food security and rural development section of the Government's poverty reduction strategy.

Potential cofinanciers and domestic contribution. This is a World Bank-initiated project and discussions are under way with other potential donors. The Government's and beneficiaries' contributions are yet to be determined.

Photo caption 1: *Rehabilitation of a bridge in Lombe.*

Photo caption 2: *Meeting with the community of Mandele.*

Rural Development

- **Borrower:** Republic of Angola

Hot links

- [IFAD operations in Angola](#)
- [Planned project activities disclaimer](#)

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Bangladesh: Finance for enterprise development and employment creation project

Project area. The project will be national in scope but with a focus on rural areas.

Target group. The project will directly benefit microenterprise owners, who will be able to borrow project loan funds for investments and who may also take part in training and value chain development initiatives. It expects to provide loans to 84,000 new microentrepreneur borrowers, the majority of whom will be women. (Women in fact account for 88 per cent of the microentrepreneurs currently borrowing from the Palli Karma-Sahayak Foundation – PKSF.) In addition, an estimated 165,000 to 231,000 individuals, mainly from extremely poor households, will gain employment as a result of project activities.

Project objectives. The project's overall goal will be to promote economic growth in order to increase employment opportunities and reduce poverty. This goal will be achieved by expanding existing microenterprises and establishing new ones.

Project description. The project will have three components:

- **Microenterprise lending.** The project will provide resources to PKSF so that it can enlarge its current microenterprise programme. It will extend loans to new microentrepreneurs through PKSF partner organizations (which are NGOs operating in all 64 districts of Bangladesh). It will also support the training of partner organization staff in microenterprise lending and the appraisal of small business ventures.
- **Value chain development services.** The project will improve the access of microenterprises to complementary business development and value chain services, which will enable them to tap new markets and add greater value to the goods and services that they supply. The project expects to support about 60 value chain development initiatives, offering beneficiaries a programme of skills development (entrepreneurship, marketing and production) and also providing training to NGO



Facts and figures

- **Region:** Asia and the Pacific
- **Project ID number:** 1402
- **Nature of project:** Microfinance/microenterprise development
- **Project cost (provisional):** US\$41.3 million
- **Estimated IFAD loan (provisional):** To be determined
- **Cofinancing gap:** None
- **Domestic contribution:** US\$16.1 million
- **Proposed terms:** Highly concessional
- **Stage of project cycle:** Under appraisal
- **Next step in project development:** Loan negotiations scheduled for July 2007
- **Tentative date for consideration by the Executive Board:** September 2007
- **Project duration:** Six years
- **Tentative project start-up date:** January 2008
- **Implementing agency:** Palli Karma-Sahayak Foundation, an autonomous microfinance apex

staff in project implementation.

- **Project management and coordination.** Through this component, the project will influence enterprise development policy and facilitate lesson learning. It will strengthen the capacity of PKSF's microenterprise unit through three locally recruited value chain specialists who will supervise and monitor subsector programmes, training and other non-financial activities. It will also make funds available for improvements in PKSF's monitoring and evaluation unit and for logistical support.



Important features. The project will support IFAD's strategic objectives by providing capacity-building and financial services to entrepreneurs. Microenterprise development through the scaling up of microcredit is a pillar of IFAD's new country strategic opportunities programme for Bangladesh (December 2006); it is

also an important component of pro-poor growth, the main thrust of Bangladesh's poverty reduction strategy paper. The project will build on the well-established system of channelling loans to beneficiaries (microenterprise owners) from microfinance institutions. Funds will be lent by PKSF to its partners organizations for on-lending to microenterprises. To counter the increasing feminization of poverty and the overall vulnerability of women, the project will address strategic gender needs by facilitating women's access to knowledge and technology and developing their leadership and management skills.

Potential cofinanciers and domestic contribution.

No cofinancier is envisaged for this project. PKSF is expected to contribute about US\$15.3 million, and partner NGOs and beneficiaries US\$0.8 million.

Photo caption 1: *IFAD photo by Anwar Hossain Bangladesh, Grameen Bank Project Grameen Bank borrower paying an instalment.*

Photo caption 2: *IFAD photo by Anwar Hossain - Bangladesh, Grameen Bank Project - This young woman, a Grameen Bank loan recipient, has bought goats and poultry with the profits realized by her family's cane and bamboo handicrafts.*

institution reporting to the Finance Division of the Ministry of Finance

- **Borrower:** People's Republic of Bangladesh

Hot links

- [IFAD operations in Bangladesh](#)
- [Planned project activities disclaimer](#)

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El Salvador: Rural Development and Modernization Project for the Central and Paracentral Regions

Project area. The project will focus on 66 municipalities of the departments of Cabañas, Cuscatlán, La Paz, San Salvador and San Vicente, located in the Central and Paracentral regions. These municipalities are zones of extreme poverty, where close to a million people are poor. Special attention will be given to reaching 25 municipalities experiencing extreme poverty, which is either high or severe. Twenty-five municipalities suffer problems of soil erosion and natural resource degradation and will benefit from the rehabilitation and conservation of these resources, while a further 20 have indigenous populations of Nahua-Pipil origin among their inhabitants.



Target group. The target group will comprise rural poor communities involved in smallholder agriculture based on either subsistence or market-oriented production; the landless; wage labourers; microentrepreneurs and operators of small rural businesses; rural women and young people; and indigenous peoples in the identified communities. Approximately 73,000 families will benefit directly and indirectly from the project.

Project objectives. The overall goal of the project is to reduce significantly the current levels of poverty and extreme poverty among the rural population in the target municipalities. Specifically, the project aims to improve the living conditions of the target group by building social capital; enhancing - in a sustainable way - production, processing, marketing processes, and employment opportunities and income; rehabilitating and conserving natural resources, and using such resources rationally; and consolidating the country's rural development implementation structures.

Project description. The project will have five components:

- **Human and social capital development.** A strategy aimed specifically at inclusive development and rural modernization will strengthen the social and economic processes of communities and

Facts and figures

- **Region:** Latin America and the Caribbean
- **Project ID number:** 1416
- **Nature of project:** Rural development
- **Project cost (provisional):** US\$21.5 million
- **Estimated IFAD loan:** To be determined
- **Cofinancing gap:** See section [on potential cofinanciers](#)
- **Domestic contribution (provisional):** US\$6.5 million
- **Proposed terms:** Ordinary terms
- **Stage of project cycle:** Under formulation
- **Next step in project development:** Appraisal scheduled for April 2007
- **Tentative date for consideration by the Executive Board:** September 2007
- **Project duration:** Six years
- **Tentative project start-up date:** March 2008
- **Implementing agency:** Ministry of Agriculture and Livestock
- **Borrower:** Republic of El

organizations. Activities will include social organization and training, participatory local planning, and support to three training and development centres.

- **Sustainable production and the rehabilitation and management of natural resources.** This component will be implemented through two subcomponents: production support services, and rehabilitation and management of natural resources. The overall objective is to increase the productive capacity of organized rural poor groups, while also helping to reverse deforestation, soil erosion and overall natural resource degradation. Activities will include technical services, investments geared towards sustainable production and the rehabilitation and conservation of natural resources.
- **Business and rural microenterprise development.** Using an approach that focuses on local development and the value chain, this component will promote agricultural and non-agricultural businesses by promoting the insertion of producers and exporters - both local and national - into the value chain while minimizing the negative impact of trade liberalization. The component will identify and exploit backward and forward linkages for production and marketing; create business networks and facilitate market access; finance investments to promote rural modernization; and support product research, market studies, trademark development, etc.
- **Rural financial services.** This component aims to facilitate access to financial services by project beneficiaries. Accordingly, it is envisaged that the credit scheme currently being run by the Rural Development Project for the Central Region (PRODAP - II) will continue to be implemented in collaboration with rural financial intermediaries.
- **Project coordination unit and institutional strengthening for rural development.** The project coordination unit will be responsible for overall operations, while an institutional strengthening subcomponent will aim, inter alia, to strengthen the operational capacity of the project coordination office of the Ministry of Agriculture and Livestock in the initial stage of its transformation and upgrading to a general directorate of rural development.

Salvador

Hot links

- [IFAD operations in El Salvador](#)
- [Planned project activities disclaimer](#)

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Important features. The project's main innovative features are: (i) the emphasis on the development of social and human capital, which is evident in the participatory planning and development action envisaged at the local, municipal and microwatershed levels; (ii) the two-pronged strategy that fosters development and rural modernization among communities and regions, using approaches geared to their specific level of development; (iii) the focus on productive chain support and rural business creation; (iv) the actions and results foreseen as a result of the consolidation of the project coordination office and the support provided to the formulation of a national plan for development and rural modernization; (v) the focus on the development potential of rural young people and on the training of young women and men in the skills required by changing labour markets, in order to enhance their ability to initiate their own business ventures; (vi) the strengthening of links between local communities and the Salvadorian diaspora in the United States of America to encourage investment of remittances in rural communities; and (vii) the promotion of natural resource management and environmental conservation at the farm, micro-watershed and municipal levels.

Potential cofinanciers. Interested cofinanciers are invited to contact IFAD.

Photo caption 1: *IFAD photo by Lucilla Salimei - El Salvador - Rehabilitation and Development Project for War-torn Areas in the Department of Chalatenango. A woman carries a straw basket full of produce at the local market.*

Photo caption 2: *IFAD photo by Louis Dematteis - El Salvador - Smallholders' Agricultural Development Project in the Paracentral Region. In Cabañas, small farm owner Domingo Alvarado clears the area around fruit trees provided by the project. He has planted the trees on the hillside to prevent soil erosion.*

Morocco: Rural Development Project in the Mountain Zones of Errachidia Province



Project area. The project area is located in the province of Errachidia, which is part of the Meknès-Tafilalet Region. This is one of the country's poorest provinces, suffering from inadequate socio-economic services, rudimentary infrastructure, and limited income opportunities as a result of the mismanagement of land and water resources.

Target group. The project will target poorer groups among the 157,028 inhabitants of the project area, with special emphasis on the most disadvantaged (small farmers and herders, women, young people and the landless).

Project objectives. The project's overall objective is to help reduce poverty through the diversification and sustainable growth of income among the target groups and to introduce measures to rehabilitate and improve the management of the natural resources that constitute the basis of their livelihoods. In particular, the project will seek to (i) strengthen the capacity of target groups to plan and manage rural development, for example, through microprojects specifically tailored to the needs of the most vulnerable; (ii) guarantee sustainability of development interventions (e.g. small-scale irrigation schemes) by reducing water loss and managing water resources more efficiently, intensifying and diversifying agricultural production, and adopting measures to address land degradation; and (iii) promote, on a sustainable basis, the access of target groups (in particular women and young people) to financial services in order to support income-generating activities.

Project description. The project will have seven components some of these may be merged and a decision will be taken on this during formulation/appraisal:

- local capacity-building
- intensification and diversification of agricultural production

Facts and figures

- **Region:** Near East and North Africa
- **Country:** Morocco
- **Project ID number:** 1388
- **Nature of project:** Rural development
- **Project cost (provisional):** US\$35 million – US\$40 million
- **Estimated IFAD loan:** To be determined
- **Cofinancing gap:** None envisaged
- **Domestic contribution:** To be determined
- **Proposed terms:** Intermediate
- **Stage of project cycle:** Under formulation
- **Next step in project development:** Appraisal scheduled for the second quarter of 2007
- **Tentative date for consideration by the Executive Board:** September 2007
- **Project duration:** Eight years
- **Tentative project start-up date:** End of 2008
- **Implementing agency:** Ministry of Agriculture, Rural Development and

- catchment of surface water and rehabilitation of small-scale irrigation infrastructure
- rural infrastructure
- drinking water supply
- support for rural financial services and microenterprise development
 - project management and coordination



Important features. The proposed project will be implemented in the mountain zones – an agro-ecological area targeted by the Fund's strategy (as outlined in the country strategic opportunities paper). This region has received little support from the international community to date. In fact, IFAD will be the first international financial institution to attempt to respond to the problems of poverty and marginalization in this mountainous area and to make an impact in the region. The proposed intervention is part of a long-term poverty reduction programme for the mountain areas of Morocco. During design, particular attention will be paid to promoting participatory mechanisms, such as participatory rural appraisals, in order to ensure that interventions address the main needs of the beneficiaries. Given the scenic topography of the project area, ecotourism will be promoted under the microenterprise development subcomponent.

Potential cofinanciers. Interested cofinanciers are invited to contact IFAD.

Photo caption 1: *IFAD photo by Alberto Conti - Morocco, Livestock and Pasture Development Project in the Eastern Region - Workers weed seedlings at a nursery in Bouarfa. The project provides seeds to be nurtured and used for reforestation of degraded areas.*

Photo caption 2: *IFAD photo by Alberto Conti - Morocco, Livestock and Pasture Development Project in the Eastern Region - A young boy loads up on plastic containers before going to collect water.*

Marine Fisheries

- **Borrower:** Kingdom of Morocco

Hot links

- [IFAD operations in Morocco](#)
- [Planned project activities disclaimer](#)

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