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Enabling poor rural people
to overcome poverty

President's report

Proposed loan and grant to the Socialist Republic of Viet Nam for the

Developing Business with the Rural Poor Programme

Executive Board — Ninety-second Session
Rome, 11-13 December 2007

For: **Approval**

Note to Executive Board Directors

This document is submitted for approval by the Executive Board.

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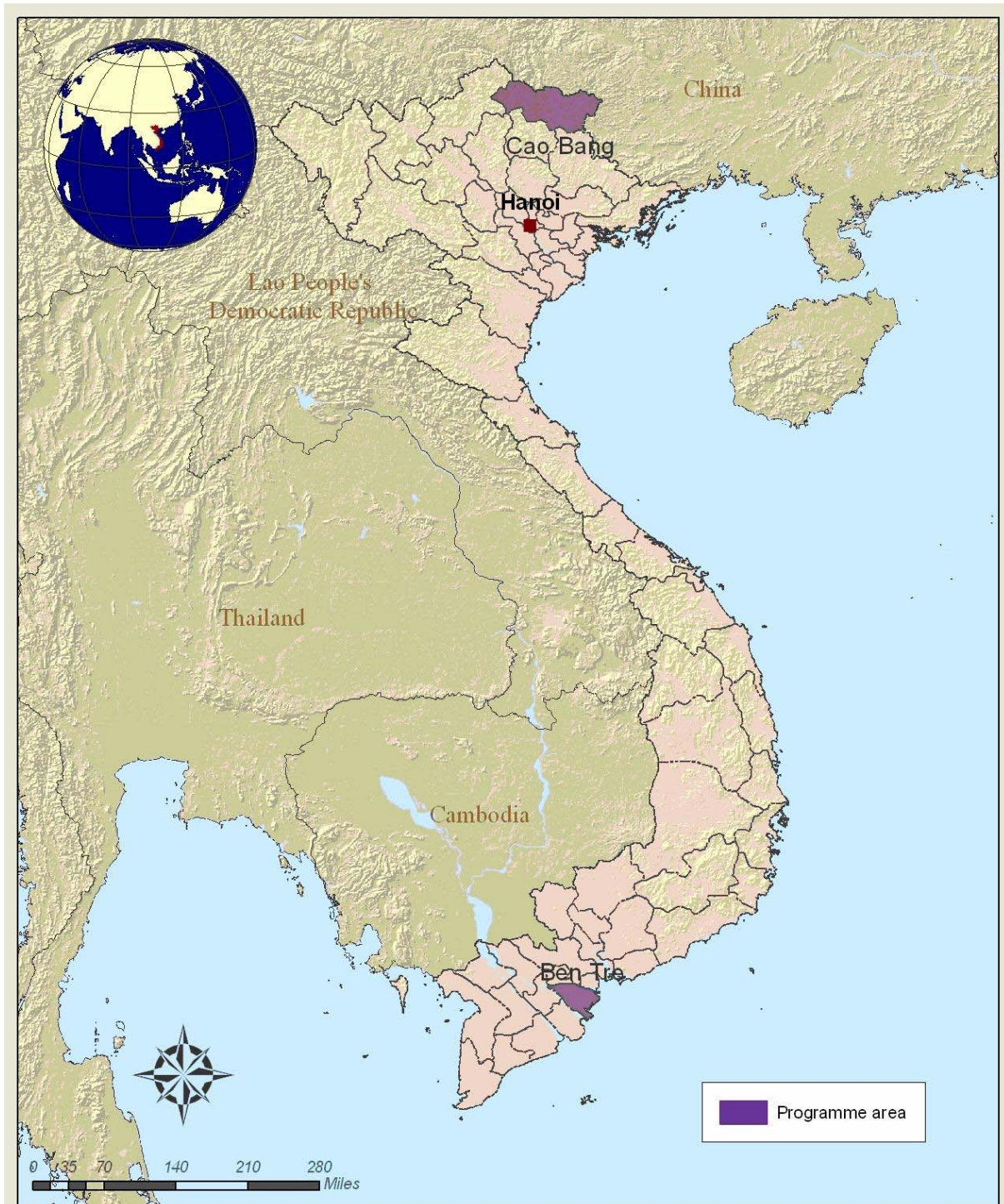
Abbreviations and acronyms

CIF	commune investment fund
KMU	knowledge management unit
MSMEs	microenterprises and small and medium enterprises
ODA	official development assistance
PPMU	provincial project management unit
SEDP	Socio-Economic Development Plan
VBARD	Vietnam Bank for Agriculture and Rural Development

Recommendation for approval

The Executive Board is invited to approve the recommendation for the proposed loan and grant to the Socialist Republic of Viet Nam for the Developing Business with the Rural Poor Programme, as contained in paragraph 39.

Map of the programme area



Source: IFAD

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

Socialist Republic of Viet Nam

Developing Business with the Rural Poor Programme

Financing summary

Initiating institution:	IFAD
Borrower:	Socialist Republic of Viet Nam
Executing agency:	Provincial People's Committee of Ben Tre Provincial People's Committee of Cao Bang
Total programme cost:	US\$50.50 million
Amount of IFAD loan:	SDR 22.3 million (equivalent to approximately US\$35 million)
Amount of IFAD grant:	SDR 350,000 (equivalent to approximately US\$0.55 million)
Terms of IFAD loan:	40 years, including a grace period of 10 years, with a service charge of three fourths of one per cent (0.75 per cent) per annum
Cofinancier(s):	Government of Germany Government of Luxembourg
Amount of cofinancing:	Government of Germany: US\$1.77 million Government of Luxembourg: US\$3.99 million
Terms of cofinancing:	Grant
Contribution of borrower:	US\$5.1 million
Contribution of Vietnam Bank for Agriculture and Rural Development:	US\$2 million
Contribution of beneficiaries:	US\$1.80 million
Appraising institution:	IFAD
Cooperating institution:	Directly supervised by IFAD

Proposed loan and grant to the Socialist Republic of Viet Nam for the Developing Business with the Rural Poor Programme

I. The programme

A. Main development opportunity addressed by the programme

1. The proposed programme will facilitate the creation and development of market and business opportunities with the rural poor, within a framework of value chain development, to improve their livelihoods.

B. Proposed financing

Terms and conditions

2. It is proposed that IFAD provide to the Socialist Republic of Viet Nam a loan in the amount of SDR 22.3 million (equivalent to approximately US\$35 million), on highly concessional terms, and a grant in the amount of SDR 350,000 (equivalent to approximately US\$0.55 million) to help finance the Developing Business with the Rural Poor Programme in Ben Tre and Cao Bang provinces. The loan will have a term of 40 years, including a grace period of 10 years, with a service charge of three fourths of one per cent (0.75 per cent) per annum.

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

3. The allocation defined for Socialist Republic of Viet Nam under the PBAS is US\$59.4 million over the 2007-2009 allocation cycle.

Country debt burden and absorptive capacity of the State

4. Both official development assistance (ODA) commitments and disbursements continue to rise steadily. Foreign exchange reserves were estimated at US\$14.5 billion at the end of the first quarter of 2007. As at the end of 2006, foreign debt stood at 31 per cent of gross domestic product (GDP) and the debt service ratio at 5.5 percent.

Flow of funds

5. Three special accounts will be established at the Ministry of Finance, one for each programme province and one for the Vietnam Bank for Agriculture and Rural Development (VBARD). Transfers will be made to project accounts established at each provincial treasury, and to the provincial VBARD accounts.

Supervision arrangements

6. IFAD will supervise the programme directly.

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

7. No exceptions are foreseen.

Governance

8. The following measures are proposed to enhance governance aspects: (i) enhanced role of key central agencies in quality management during implementation; (ii) establishment of a provincial project steering committee in each province to provide programme management oversight and guidance; (iii) establishment of a monitoring and evaluation (M&E) system harmonized with government systems for results-based management of the programme; (iv) field presence and outposted country programme manager (CPM) to provide timely support to the programme.

C. Target group and participation

Target group

9. The programme's ultimate target groups will be rural households in Ben Tre and Cao Bang provinces with small land holdings and limited productive assets, with particular emphasis on landless labourers in Ben Tre province, ethnic minorities in Cao Bang province and rural women. The programme will further benefit microenterprises and small and medium enterprises (MSMEs) along value chains that have commercial links with the target group.

Targeting approach

10. In accordance with IFAD's Policy on Targeting, the targeting approach will be a combination of the following: (i) geographic targeting of poor communes within the two provinces; (ii) selection of activities highly relevant to the marketing problems of poorer households; and (iii) ensuring access by poorer households to programme services and to the wider range of opportunities it will create.

Participation

11. The most powerful way to ensure target group participation will be by establishing and structuring the membership of common interest groups, which will strengthen the capacity of rural people to: identify and address market constraints, access market opportunities, market their produce to better effect, voice their needs, influence programme activities and negotiate with enterprises in value chains.

D. Development objectives

Key programme objectives

12. The programme goal is sustainable and equitable reduction in rural poverty, which is in close alignment with the policies and strategies set out in Viet Nam's Socio-Economic Development Plan (SEDP) 2006-2010. The purpose is that the rural poor benefit from improved market participation in Ben Tre and Cao Bang Provinces.

Policy and institutional objectives

13. The programme will improve the business and investment environment by creating a legislative/regulatory framework and institutional capacity to enable profitable enterprise investments and improve business development services along value chains, both to support farmers and to increase the contribution of intermediate enterprises.

IFAD policy and strategy alignment

14. The programme addresses the objectives of ensuring that rural poor people have the skills and organization they need to improve their access to a broad range of financial services, transparent and competitive markets for agricultural inputs and produce, and opportunities for rural off-farm and enterprise development, as well as local and national policy and programming processes in accordance with IFAD's Strategic Framework 2007–2010.

E. Harmonization and alignment

Alignment with national priorities

15. Programme activities are aligned with Viet Nam's SEDP for 2006-2010, which calls for the creation of economic opportunities for all stakeholders and improvement of market mechanisms through establishment of favourable conditions for business and investment and adoption of a common legal framework for all forms of state and private enterprises, cooperatives and other rural collaborative groups.

Harmonization with development partners

16. Development partners are working towards harmonizing with government procedures. The implementation and management arrangements for the proposed programme are fully consistent with the Government's legal framework for ODA programme/project management regulations and procedures and their intent.

F. Components and expenditure categories

Main components

17. The programme has five components: (i) improving the business and investment environment; (ii) rural business development services; (iii) expanding market access for the rural poor; (iv) programme management; and (v) programme quality.
18. Activities under the **improving the business and investment environment** component in Ben Tre Province will focus on policy reform and demonstrating the potential for increasing investment through public/private partnerships. In Cao Bang Province, activities will focus on policy reform, improving the efficiency and impact of equitized enterprises and improving management of the environment.
19. The **rural business development services** component includes the following subcomponents: (i) value chain development services; (ii) farm productivity improvement services; and (iii) rural finance.
20. The **expanding market access for the rural poor** component will build the capacity of the rural poor to participate fully in markets and to plan and manage market-oriented investments, in conjunction with the greater institutional and enterprise capacity created by the first two components.

Expenditure categories

21. There are ten expenditure categories: (i) commune investment funds (CIF) (42 per cent of base costs); (ii) credit and loan assurance (24 per cent); (iii) civil works (1 per cent); (iv) contract services (2.4 per cent); (v) technical assistance, training and studies (14 per cent); (vi) vehicles, equipment and goods (3.8 per cent); (vii) business forums and fairs (2.6 per cent); (viii) salaries (4.1 per cent); (ix) operations and maintenance (2.1 per cent); and (x) unallocated (4 per cent).

G. Management, implementation responsibilities and partnerships

Key implementing partners

22. The Ministry of Planning and Investment will be responsible for coordinating M&E activities and will coordinate with other ministries and donors. The Ministry of Finance, official representative of the State as the borrower, will manage all funds and loan repayments. VBARD, through its office in each province, will be responsible for credit extended as part of the rural finance subcomponent. The provinces will assume overall responsibility for the programme through the provincial people's committee in each province.

Implementation responsibilities

23. A provincial project management unit (PPMU) attached to the Department of Planning and Investment, Investment Promotion Centre will assume responsibility for coordinating public institutions and private business services linking farmers with markets. At the provincial level, the PPMU will mobilize other departments for implementation. At the district level, district project management offices will be established for the programme. The commune people's committee in each participating commune will be responsible for coordinating with the CIF for submission to the district people's committee for approval and for overseeing implementation of projects.

Role of technical assistance

24. Technical cooperation has been strategically designed to facilitate implementation of the programme innovations.

Status of key implementation agreements

25. While the Government of Viet Nam has put the requests for cofinancing from the Governments of Luxembourg and Germany on the ODA list, bilateral negotiations with these partners will not take place till late 2007 or early 2008.

Key financing partners and amounts committed

26. The total programme cost is US\$50.50 million over six years. The sources of financing are: IFAD loan (69.3 per cent); IFAD grant (1.1 per cent); Government of Viet Nam (10.2 per cent); cofinanciers (11.3 per cent); VBARD (4 per cent); beneficiaries (3.6 per cent).

H. Benefits and economic and financial justification

Main categories of benefits generated

27. The main beneficiaries of the proposed programme will be rural poor people who earn their incomes from farming, on- and off-farm employment and ownership/operation of MSMEs. The programme will benefit others along value chains having commercial links with farmers and enterprises providing business development services.

Economic and financial viability

28. Credit and loan assurance (24 per cent) and CIFs (42 per cent) together account for 66 per cent of the total base cost. The financial viability of credit activities will be ensured by VBARD's applying rigorous loan appraisal procedures so that approved investments generate financial rates of return exceeding current market interest rates. A predicted economic rate of return exceeding 10 per cent will be a condition for all projects using CIFs. The financial viability of programme management (6.25 per cent of total cost) beyond the programme period will be assured by minimal recurrent costs to be met by the Government of Viet Nam. The remaining costs (27 per cent of the total) are virtually all for capital items for technical assistance and training, and involve no viability issues.

I. Knowledge management, innovation and scaling up

Knowledge management arrangements

29. The knowledge management unit (KMU) of the Making Markets Work Better for the Poor Project, Phase II (M4P2) funded by the Asian Development Bank and the United Kingdom's Department for International Development, will document and generate knowledge products, e.g. biannual reports summarizing activities, results, achievements and lessons learned, and a "micro-website" within that project's website will serve as an information clearing house. The KMU will support semi-annual formal meetings to bring together stakeholders from the Decentralized Programme for Rural Poverty Reduction to share experiences and present results and lessons learned. The KMU will have one national local full-time staff member based in Hanoi.

Development innovations that the programme will promote

30. Improving the investment climate: the programme will create a market environment to promote private-sector investment and improve market competitiveness in the agricultural sector and to engage the private sector in business development service delivery.
31. Mainstreaming a market-oriented participatory approach into the SEDP: the programme proposes a planning methodology that will make use of market-oriented planning tools such as value chain analysis or business development service techniques.

Scaling-up approach

32. The programme will develop a set of practices, instruments and methods to serve as benchmarks for decentralized market-oriented poverty reduction, which could be applied to other provinces in the country.

J. Main risks

Main risks and mitigation measures

33. The programme faces four main risks: (i) line agencies may be unable to adapt to market-oriented business environments; (ii) the target group may lack the capacity to start up MSMEs; (iii) enterprises and institutions may not have the technical capacity to provide business development services; and (iv) commune administration may lack the capability to manage decentralized implementation of CIFs. The planned mitigation measures include: (i) extensive training courses and workshops to inform key officials of their role as facilitators rather than the sole service provider; (ii) intensive work on value chain assessment to identify the best areas for concentration of support for MSMEs; (iii) extensive training for existing and potential entrepreneurs through short- and long-term consultants; and (iv) substantial training for commune people's committees, their staff and accountants.

Environmental classification

34. Pursuant to IFAD's environmental assessment procedures, the programme has been classified as Category B in that it is not likely to have any significant negative environmental impact.

K. Sustainability

35. Programme benefits will increase over time as a result of continued private investment. Sustainability will be ensured by the public sector's ability to deliver more public services with fewer economic resources.

II. Legal instruments and authority

36. A programme financing agreement between the Socialist Republic of Viet Nam and IFAD will constitute the legal instrument for extending the proposed financing to the borrower. Important assurances included in the negotiated agreement are attached as an annex.
37. The Socialist Republic of Viet Nam is empowered under its laws to borrow from IFAD.
38. I am satisfied that the proposed financing will comply with the Agreement Establishing IFAD.

III. Recommendation

39. I recommend that the Executive Board approve the proposed financing in terms of the following resolution:

RESOLVED: that the Fund shall make a loan to the Socialist Republic of Viet Nam in various currencies in an amount equivalent to twenty-two million three hundred thousand special drawing rights (SDR 22.3 million) to mature on or prior to ... 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.

RESOLVED FURTHER: that the Fund shall provide a grant to the Socialist Republic of Viet Nam in various currencies in an amount equivalent to three hundred and fifty thousand special drawing rights (SDR 350,000) and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Lennart Båge
President

Important assurances included in the negotiated programme financing agreement

(Negotiations concluded on 30 November 2007)

Gender focus

1. Gender equality, gender mainstreaming and specific targeting of women's participation in programme activities, will be pursued through the following measures:
 - (a) Mainstreaming gender in all programme activities, including working towards increased women's participation in the Programme's decision making process;
 - (b) Ensuring that no less than 40 per cent of participants in job/skills training are women;
 - (c) Promotion of women's savings and credit groups;
 - (d) Terms of reference of programme staff to include addressing of gender mainstreaming and gender issues as a cross-cutting area of concern across all activities;
 - (e) Gender disaggregation of the monitoring indicators, as necessary, to allow programme management to assess programme impact on women and men, allowing them to respond to issues, challenges and opportunities; and
 - (f) Provision of a budget to enable programme management to address gender-linked issues and constraints arising during implementation.

Indigenous peoples (IP) concerns

2. The Government of the Socialist Republic of Viet Nam ("The Government") will ensure that the concerns of the IP are given due consideration in implementing the programme and, to this end, will ensure that:
 - (a) The programme is carried out in accordance with the applicable provisions of the relevant IP national legislation;
 - (b) The IP are adequately and fairly represented in all local planning for programme activities;
 - (c) IP rights are duly respected;
 - (d) IP communities participate in policy dialogue and local governance;
 - (e) The terms of Declarations, Covenants and/or Conventions ratified by the Government on the subject are respected; and
 - (f) The programme will not involve encroachment on traditional territories used or occupied by indigenous communities.

Pest management practices

3. The Government will ensure that pesticides procured under the programme do not include any pesticides banned by the FAO or classified as Extremely Hazardous or Highly Hazardous by the WHO.

Monitoring

4. The Provincial Project Management Units (PPMUs) will be responsible for establishing and maintaining a functioning and appropriate monitoring and evaluation system. The M&E system will incorporate IFAD's Framework for Results Impact Monitoring System (RIMS), with the main objective being to assess the impact of programme interventions on the lives of the Target Group.

Independent auditors

5. Each PPMU as regards its respective project, and MPI with respect to the activities falling under the Programme Quality Component will select independent auditors to audit the accounts and statements on the basis of and following a competitive and open bidding exercise in accordance with the procedures set forth in the Agreement. Such selection will be subject to prior review and approval by IFAD.

Insurance of programme personnel

6. The Lead Project Agencies will insure key programme personnel against health and accident risks to the extent consistent with their customary practice in respect of its national civil service.

Staffing

7. The Government will ensure that programme staff at all levels are recruited and retained on the basis of satisfactory employment contracts.

Use of programme vehicles and other equipment

8. The Lead Project Agencies will ensure that:
 - (a) All vehicles and other equipment procured under the programme are allocated to the programme parties for programme implementation;
 - (b) The types of vehicles and other equipment procured under the programme are appropriate to the needs of the programme; and
 - (c) All vehicles and other equipment transferred to or procured under the programme are dedicated solely to programme use.

Fraud and corruption

9. The Government will promptly bring to the attention of IFAD any allegations or concerns of fraud and/or corruption in relation to the implementation of the programme of which it has knowledge or becomes aware.

Suspension

10. (a) IFAD may suspend, in whole or in part, the right of the Government to request withdrawals from the loan account and/or grant account upon the occurrence of any of the events set forth in the General Conditions, or if:
 - (i) The project director(s) has(ve) been removed from the project(s) without the prior concurrence of IFAD;
 - (ii) Upon completion of a joint assessment, IFAD, after consultation with the Government, has determined that the material benefits of the programme are not adequately reaching the Target Group, or are benefiting persons outside the Target Group;
 - (iii) The Government has defaulted in the performance of any covenant set forth in the programme financing agreement, and IFAD has determined that such default has had, or is likely to have, a material adverse effect on the programme;
 - (iv) The Subsidiary Loan Agreement (SLA), or any provision thereof, has been waived, suspended, terminated, amended or otherwise modified without the prior consent of IFAD, and IFAD has determined that such waiver, suspension, termination, amendment or modification has had, or is likely to have, a material adverse effect on the programme;
 - (v) The project implementation manual(s) (PIMs), or any provision thereof, has(ve) been waived, suspended, terminated, amended or modified without the prior consent of IFAD, and IFAD has determined that such

waiver, suspension, termination, amendment or modification has had, or is likely to have, a material adverse effect on the programme;

- (vi) IFAD has given notice to the Government that credible allegations of corrupt or fraudulent practices in connection with the programme have come to the attention of IFAD and the Government has failed to take timely and appropriate action to address the matters to the satisfaction of IFAD; and
 - (vii) Procurement has not been or is not being carried out in accordance with the Agreement.
- (b) Notwithstanding the above, IFAD will suspend, in whole or in part, the right of the Government to request withdrawals from the loan account and/or grant account if the Audit Report for Ben Tre Province, the Audit Report for Cao Bang Province, and/or the Ministry of Planning and Investment (MPI) Audit Report has/have not been satisfactorily completed within twelve (12) months after the end of the Fiscal Year.

Conditions precedent to withdrawals

11. (a) No withdrawals will be made in respect of expenditures for all Categories of the loan and grant allocation table, until (i) the Annual Work Plans and Budgets for programme year 1, including a first procurement plan for the first eighteen months of the programme, have been submitted to and approved by IFAD; and (ii) the PIM(s) have been approved by IFAD in draft and a copy of the PIMs as adopted by the Lead Project Agencies has been delivered to IFAD;
- (b) No withdrawals will be made in respect of expenditures under Category I (Commune Investment Funds) of the loan and grant allocation table until the Provincial People's Committee (PPC) in each project has issued the necessary authorisations enabling the project communes to apply force account methods for construction.
- (c) No withdrawals will be made in respect of expenditures under Category II (Credit and Loan Assurance) of the loan and grant allocation table, until the SLA, in form and substance acceptable to IFAD, has been entered into by the Government and the Viet Nam Bank for Agriculture and Rural Development (VBARD) and a copy of the signed SLA has been delivered to IFAD; and the Credit Manual has been prepared by VBARD and approved by IFAD.

Conditions precedent to effectiveness

12. The programme financing agreement will become effective subject to the fulfilment of the following conditions precedent:
- (a) The Government, the PPMUs, VBARD and MPI, as appropriate have duly opened the special accounts, grant receiving account and project accounts;
 - (b) The programme financing agreement has been duly signed, and the signature and performance thereof by the Government has been duly authorised and ratified by all necessary administrative and governmental action; and
 - (c) A favourable legal opinion, issued by the legal counsel of the Government authorised to issue such opinions, in form and substance acceptable to IFAD, has been delivered by the Government to IFAD.

Key reference documents

Country reference documents

Socio-Economic Development Plan (SEDP) 2006-2010

IFAD reference documents

Project design document (PDD) and key files

Country strategic opportunities paper (2003)

Administrative Procedures on Environmental Assessment

Targeting Policy: Reaching the Rural Poor

Procurement Guidelines

Learning Notes

Logical framework

Objectives (Programme Narrative)	Indicators	Means of Verification	Assumptions
Goal			
Overall Goal (Impact) To achieve sustainable and equitable poverty reduction and improve livelihoods of the rural poor	<ul style="list-style-type: none"> - Number of household with improvements in household assets ownership index* - Reduction in the prevalence of child malnutrition, by gender (h/a, w/a, w/h)* - Change in position of the province in the National Human Development Index - Reduction in the prevalence of people below the poverty line in targeted areas 	<ul style="list-style-type: none"> - Baseline, mid-term, and Completion assessment - DOLISA statistics - National Human Development Statistics 	Climate and environmental condition changes do not offset increases in productivity
Programme Purpose			
Programme Purpose (Immediate Objective) Rural poor benefit from improved market participation in Ben Tre and Cao Bang provinces	<ul style="list-style-type: none"> - Number of rural poor households experiencing improved food security* - Decrease in the rate of unemployment in the province - Share of production sold, by commodity, for rural poor households - Quantity of product sold, by commodity, for rural poor households - Farm gate prices for strategic commodities 	<ul style="list-style-type: none"> - DOLISA statistics - VBARD reports - National Human Development Statistics - Annual survey of sample of beneficiaries (MSMEs/individuals) - Participatory Monitoring and Evaluation (PME) - Marketing Monitoring System 	<ul style="list-style-type: none"> - Continued political commitment to decentralization of the development process and poverty reduction - Demand and purchasing capacity of markets can absorb increased offer of agro-industry commodities
Outcome Component 1 (Improving Business and Investment Environment)			
<i>Direct benefit:</i> Investment and business environment is improved and pro-poor	<ul style="list-style-type: none"> - Improvement in provincial performance in PCI - Private Sector Development Service sub-index of PCI - % increase in private investment in strategic rural sectors - Number of enterprises registered for investors from outside the province - Number of new joint ventures/cooperatives/ MSMEs registered - Number of MSMEs of target groups registered - Number of PPP initiatives developed - Ratio of production of non-traditional/commercial commodities to traditional commodities in provincial GFP (gross farm production) - Number of new trade mark and copy right claims for food/agro-processing products - Private sector equity share in former state owned companies - Increase in enterprises' profits - Target groups' perceptions on the participation of private sector and commune representatives in business related government decision-making process 	<ul style="list-style-type: none"> - Provincial level PCI statistics - Provincial level register of enterprises (Department of Planning and Investment) - Records from business facilitation agencies - PME 	<ul style="list-style-type: none"> - Line departments are ready to cooperate to promote a sound business environment - Private stakeholders are interested and have resources available to invest in PPP
Outcome Component 2 (Rural Business Development Services)			
<i>Direct Benefit:</i> Productivity and competitiveness of poor farmers, MSMEs, and other producer/processor groups at various stages of value chain increased	<ul style="list-style-type: none"> - Number of (full time) job opportunities created by supported agro-processing MSMEs - Number and % of vocational training graduates that have a stable employment 6 months after they received the training - Labour Training Sub Index of PCI - Land productivity (kg/ha), by commodity - Average decrease in post-harvesting production loss, by commodity - Annual percentage increase of VBARD portfolio (savings/credits) in targeted communes - Number of certifications of food products in (Farmers/MSMEs) 	<ul style="list-style-type: none"> - Annual surveys of sample of beneficiaries (Individuals and MSMEs) - Provincial statistics/market information system on inputs costs and commodity prices - PME - Follow up on vocational training graduates by VTCs/Women's Union/Farmers' Union - Chamber of Commerce and Industry - Data and Information from VBARD - Mid-term and completion assessments 	<ul style="list-style-type: none"> - Rural producers reactive to the possibility of improving the quality of their production and of their business - Rural producers reactive to the possibility of certifying the quality of their production - Enterprises and institutions might not have the technical capability to provide services
Outcome Component 3 (Market Oriented Planning and Investment)			
<i>Direct Benefit:</i> Rural poor participate in markets and market oriented public investments	<ul style="list-style-type: none"> - % increase in the total value of production outputs in targeted communes - % increase in the value of marketed production in targeted communes - % of group members think that common interest groups (CIGs) have positively influenced their productivity and market opportunities (by type of CIG, type of project support, type and quantification of benefit) - Total number of persons (m/w; p/np) benefiting from commune projects and initiatives financed by the Commune Investment Funds (CIFs) (by type of project, type of benefit, m/w, p/np) - % of the poor stating that CIF financed projects meet their needs and are beneficial 	<ul style="list-style-type: none"> - Commune level statistics on production x farm gate prices appraised by PMU - Annual surveys of sample of beneficiaries (Individuals, CIGs and MSMEs; Progress and completion reports submitted by CIFs - Compilation of report data by PMUs and regular multi-stake holder evaluation workshops at all level - PMU survey 	<ul style="list-style-type: none"> - Target groups are prepared to take ownership of the market-development process - Communes/villages accept ownership of all commune programmes implemented and assume full responsibility for maintenance
Outcome Component 4 (Programme Management)			
<i>Direct Benefit:</i> Efficient coordination structures and management practices for this and future programmes and projects developed in both provinces	<ul style="list-style-type: none"> - Delivery of project inputs - Rate of disbursement 	<ul style="list-style-type: none"> - Monitoring records - Project disbursement statistics - MTR and completion assessment 	There might be insufficient manpower to staff the PPMU and district project management offices adequately

