

Document: EB 2008/93/INF.10/Rev.1  
Date: 25 April 2008  
Distribution: Public  
Original: English

**E**



Enabling poor rural people  
to overcome poverty

## **Summary of project, programme and grant proposals discussed by the Executive Board**

Executive Board — Ninety-third Session  
Rome, 24-25 April 2008

---

For: **Information**



## Summary of project, programme and grant proposals discussed by the Executive Board

### Project/programme proposals

1. The following project/programme proposals were approved by the ninety-third session of the Executive Board, and are in line with the Fund's approved Debt Sustainability Framework.

#### A. Western and Central Africa

##### **Republic of Cape Verde: Rural Poverty Alleviation Programme (EB 2008/93/R.7+Add.1+Sup.1) (now EB 2008/93/R.7/Rev.1)**

2. The Executive Board unanimously approved a supplementary loan of SDR 2.60 million to the Republic of Cape Verde for the expansion of the Rural Poverty Alleviation Programme (PLPR), funded under the Flexible Lending Mechanism. It expressed its appreciation of the Government's strong commitment to rural poverty reduction and its substantial contribution to the financing of the programme. The Board was informed that the programme would strengthen the human and social capital of rural poor people, enabling them to integrate more fully into the fast-growing economy. Its activities would be scaled up to cover all rural areas of Cape Verde, using legal, institutional and financial mechanisms that had been developed over its first two cycles and had proved effective in reducing rural poverty. The Board requested further clarification on the programme's cost breakdown and financing, the improvements to be made to the monitoring and evaluation (M&E) system, and the programme's risk management strategy. It was informed that the programme's share of personnel and operating costs was in line with existing practice for community-driven development programmes. With regard to improvements to the M&E system, these would be brought about by linking M&E activities at community, regional partners' commission and programme levels, and by integrating programme M&E more effectively with the national poverty monitoring system. Concerning risk management, it was brought to the Board's attention that the main risk faced by the programme related to the sustainability of the institutional architecture. This would be mitigated through the increased involvement of the Government and the various local and international partners in the programme, and through the design and implementation of a strong consolidation and exit strategy. These measures would allow the programme to become a fully integrated delivery mechanism for Cape Verde's Growth and Poverty Reduction Strategy.

#### B. Eastern and Southern Africa

##### **President's memorandum**

##### **Kenya: Central Kenya Dry Area Smallholder and Community Services Development Project – Amendment to the loan agreement and reallocation of loan proceeds (EB 2008/93/R.8)**

3. The Executive Board approved the amendment to the loan agreement to allow the removal of the poverty alleviation initiatives component from the project and the reallocation of SDR 4.6 million to the remaining project components. The Board also approved the extension of the loan closing date and the project completion date to 31 December 2010 and 30 June 2011 respectively. A no-cost extension had already been granted by the Belgian Government for the components financed by the Belgian Survival Fund. However, prior to Board approval, the Director for the United States expressed concern about the limited documentation presented to the Board and requested further justification for the reallocation of funds and the extension of the project completion date. It was explained that the project had lost two and a half years of implementation time between effectiveness and start-up mainly

because the project management unit had been based in Nairobi and could not effectively coordinate implementation of field activities from that location. The unit was only relocated to the provincial capital of Nyeri in 2004. This extension would partly serve to recover that lost implementation time.

**Republic of Mauritius: Marine and Agricultural Resources Support Programme**

**(EB 2008/93/R.9+Add.1+Sup.1) (now EB 2008/93/R.9/Rev.1)**

4. The Executive Board unanimously approved a loan of SDR 3.45 million and a grant of SDR 0.25 million to the Republic of Mauritius to finance the Marine and Agricultural Resources Support Programme. During its deliberations, the Board recognized the need to exercise due care when proposing that fishers be "weaned off" public welfare payments, which would be an important step towards moving this economic sector from its current position of unsustainability to one of sustainability. Board members were informed that IFAD had established an ongoing policy dialogue that was inclusive of all sector stakeholders. They were also advised that the European Commission had expressed interest in joining the programme, potentially providing additional cofinancing of about €3 million.

**President's memorandum**

**Request for a waiver of the policy on taxes for: (1) Agricultural Services Support Programme (loan no. 642-TZ) in the United Republic of Tanzania; (2) Agricultural Sector Development Programme - Livestock: Support for Pastoral and Agro-Pastoral Development (loan no. 672-TZ) in the United Republic of Tanzania; and (3) Agricultural Support Programme (loan no. 690-MZ) in Mozambique (EB 2008/93/R.28)**

5. The Executive Board unanimously approved the waiver of the policy on taxes for the above-mentioned three loans. The Board was reminded that these loans formed part of sector-wide Government-sponsored agricultural programmes rather than traditional projects. Moreover, these sector-wide approaches typically required the use of national systems and harmonization of procedures among donors – principles that were fully in line with those underlying the Paris Declaration on Aid Effectiveness.

**C. Asia and the Pacific**

**Republic of India: Mitigating Poverty in Western Rajasthan Project (EB 2008/93/R.10+Add.1+Sup.1) (now EB 2008/93/R.10/Rev.1)**

6. The Executive Board unanimously approved a loan of SDR 18.46 million and a grant of SDR 0.37 million to the Republic of India to finance the Mitigating Poverty in Western Rajasthan Project. In approving the project, the Board queried the amount allocated for the purchase of vehicles and pointed out the limited description in the logical framework. It was clarified that only a small provision for the hiring of vehicles had been agreed at loan negotiations. The importance of using the logical framework to enhance ownership of project objectives among all implementing partners was also stressed. Finally, the Board was given detailed information on how direct supervision and knowledge management functions would be carried out through the Country Presence Office in New Delhi.

**Republic of the Philippines: Second Cordillera Highland Agricultural Resource Management Project**

**(EB 2008/93/R.11+Add.1+Sup.1) (now EB 2008/93/R.11/Rev.1)**

7. The Executive Board approved a financing package of SDR 16.49 million to the Republic of the Philippines, comprising a loan of SDR 16.15 million and a grant of SDR 341,000, in support of the Second Cordillera Highland Agricultural Resource Management Project. In doing so, it noted that the project had been assigned a Category A classification because of its location in a fragile ecosystem. The Board therefore welcomed the fact that IFAD had already carried out an environmental

impact assessment and emphasized that, in addition, an effective environmental management and monitoring plan needed to be carried out throughout the project implementation period. The Board also encouraged working closely, to the extent feasible, with the Asian Development Bank (AsDB), the OPEC Fund for International Development, and others, to capitalize on the synergies and comparative advantages of each. In particular, the Board noted the complementarity between AsDB's focus on large rural infrastructure and IFAD's on community development, rural livelihood improvements and poverty reduction.

## **D. Latin America and the Caribbean**

### **Panama: Participative Development and Rural Modernization Project (EB 2008/93/R.12+Add.1+Sup.1) (now EB 2008/93/R.12/Rev.1)**

8. The Executive Board unanimously approved a loan of SDR 2.6 million to the Republic of Panama to finance the Participative Development and Rural Modernization Project. It expressed particular appreciation for the project's targeting, its participative approach, its linkages with the Government's poverty reduction strategies and the coordination foreseen with bilateral donors and international financial institutions. Board members recognized the project's close alignment with Panama's results-based country strategic opportunity programme, which they had reviewed in September 2007, and the role of IFAD's country presence in Panama. Clarifications were provided regarding the project's focus on competitiveness and the links with export markets specified under the development of economic initiatives component. The Board was informed that the project would focus on poor and extremely poor people in Veraguas Province. Through a stepwise development strategy, it would offer beneficiaries increasingly challenging opportunities to improve their production and marketing skills, with at least some participants expected to "graduate" to other linked projects focusing on the more demanding and competitive markets.

## **Grant proposals**

9. The following grant proposals were approved by the ninety-third session of the Executive Board:
- (a) Grants under the global/regional grants window to CGIAR-supported international centres (EB 2008/93/R.13)**
10. The following grants were approved under this category:
- (i) International Center for Tropical Agriculture (CIAT): Programme for Linking Livelihoods of Poor Smallholder Farmers to Emerging Environmentally Progressive Agro-industrial Markets**
11. A grant of US\$1,500,000 was approved.
- (ii) World Agroforestry Centre (ICRAF): Programme on Rewards for, Use of and Shared Investment in Pro-poor Environmental Services (RUPES-II)**
12. A grant of US\$1,500,000 was approved.
- (b) Grants under the global/regional grants window to non-CGIAR-supported international centres and organizations (EB 2008/93/R.14)**
13. The following grants were approved under this category:
- (i) Food and Agriculture Organization of the United Nations (FAO): Regional Capacity-building and Knowledge Management for Gender Equality**
14. A grant of US\$1,500,000 was approved.

**(ii) Food and Agriculture Organization of the United Nations (FAO) and the Self Employed Women's Association (SEWA): Medium-term Cooperation Programme with Farmers' Organizations in Asia and the Pacific Region**

15. A grant of US\$1,420,000 was approved, of which US\$1,083,000 to FAO and US\$337,000 to SEWA.

**(iii) West Africa Rural Foundation [Fondation Rurale de l'Afrique de l'Ouest] (FRAO): FIDAFRIQUE-IFADAFRICA Network – Programme for Promoting Knowledge-sharing and Innovation for Rural Poverty Reduction in sub-Saharan Africa**

16. A grant of US\$2,000,000 was approved.

**(iv) International Development Research Centre (IDRC): Regional Research and Dissemination Programme on Campesino Innovations: A Joint IFAD-IDRC Initiative (Scaling up Rural Innovations)**

17. A grant of US\$1,000,000 was approved.

**(v) International Network for Bamboo and Rattan (INBAR): Programme for Enhanced Bamboo-based Smallholder Livelihood Opportunities – Phase II**

18. A grant of US\$1,250,000 was approved.

**(vi) Traidcraft Exchange: Local Market Services Development Project**

19. A grant of US\$1,000,000 was approved

20. In approving the grants for Consultative Group on International Agriculture Research (CGIAR) centres, the Director for the United States recognized the high quality of the proposals presented and especially their well-structured results management frameworks. It was noted that the non-CGIAR proposals needed some improvements in some cases with respect to the baselines for the indicators. IFAD's strategic engagement with the CGIAR was explained and it was pointed out that the Director of the Technical Advisory Division currently chaired the Change Steering Team overseeing change management across the CGIAR system. The issue of overheads to FAO was also clarified: they were incremental indirect costs and therefore did not represent any double-counting with the other expenditure categories. Finally, it was stated that the specific grant that had been cited by the Director for the United States – Regional Capacity-building and Knowledge Management for Gender Equality – was an example of IFAD's commissioning FAO in an area where FAO had particularly strong expertise.

**(c) Grants under the global/regional grants window to the Global Mechanism of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa for the Programme for Designing Integrated Financing Strategies for UNCCD Implementation in Selected Countries of Asia and the Pacific, and Latin America and the Caribbean  
(EB 2008/93/R.15+Corr.1) (now EB 2008/93/R.15/Rev.1)**

21. A grant of US\$1,250,000 was approved.

22. The mandate, scope and operational content of the grant were explained in response to a question raised by the Director for the United States.

