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Enabling poor rural people
to overcome poverty

**President's report on a proposed grant
and a proposed grant modification
under the global/regional grants
window to CGIAR-supported
international centres**

Executive Board — Ninety-eighth Session
Rome, 15-17 December 2009

For: **Approval**

Note to Executive Board Directors

This document is submitted for approval by the Executive Board.

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Abbreviations and acronyms

AWM	agricultural water management
CGIAR	Consultative Group on International Agricultural Research
IWMI	International Water Management Institute

Recommendation for approval

The Executive Board is invited to approve the recommendations for grants under the global/regional grants window to CGIAR-supported international centres as contained in paragraph 9

President's report on a proposed grant and a proposed grant modification under the global/regional grants window to CGIAR-supported international centres

I submit the following report and recommendation on a proposed grant and a proposed grant modification for agricultural research and training to Consultative Group on International Agricultural Research (CGIAR)-supported international centres in the amount of US\$1.5 million.

Part I – Introduction

1. This report recommends the provision of IFAD support to the research and training programme of the following CGIAR-supported international centre: the International Water Management Institute (IWMI). The report also recommends the transfer of remaining funds allocated under the Regional Programme in Support of Rural Populations of African Descent in Latin America to the Executive Secretariat of the Andrés Bello Agreement to the International Centre for Tropical Agriculture (CIAT).
2. The documents of the grants for approval by the Executive Board are contained in the annexes to this report:
 - (i) International Water Management Institute: Programme for Improved Management of Agricultural Water in Eastern and Southern Africa, Phase II
 - (ii) International Centre for Tropical Agriculture: Regional Programme in Support of Rural Populations of African Descent in Latin America
3. The objectives and content of these applied research programmes are in line with the evolving strategic objectives of IFAD and the policy and criteria of IFAD's grant programme.
4. The overarching strategic objectives that drive the IFAD Policy for Grant Financing, which was approved by the Executive Board in December 2003, are:
 - (i) Promoting pro-poor research on innovative approaches and technological options to enhance field-level impact; and
 - (ii) Building pro-poor capacities of partner institutions, including community-based organizations and NGOs.
5. Deriving from these objectives and those of the IFAD Strategic Framework 2007-2010, the specific aims of IFAD's grant support relate to: (a) the Fund's target groups and their household food-security strategies, with particular reference to groups in remote and marginalized agroecological areas; (b) technologies that build on traditional local/indigenous knowledge systems, are gender-responsive, and enhance and diversify the productive potential of resource-poor farming systems by improving on- and off-farm productivity and by addressing production bottlenecks; (c) access to productive assets (land and water, a broad range of rural financial services, labour and technology); (d) the sustainable and productive management of natural resources, including sustainable utilization and conservation of such resources; (e) a policy framework at both the local and the national level that provides the rural poor with a conducive incentive structure to improve their productivity and reduce their dependence on transfers; (f) access to transparent and competitive input/product markets and making these work for the poor primary producers involved in remunerative small and medium-sized enterprises and value chains; and (g) an institutional framework within which institutions – formal and informal, public- and private-sector, local and national alike – can provide services to the economically vulnerable, according to their comparative advantage. Within this framework, IFAD's grant financing supports commodity-based approaches for

self-targeting among the rural poor. Finally, IFAD's grant programme fosters the establishment and strengthening of networks for pro-poor knowledge generation and exchange, which in turn enhances the Fund's own capacity to establish long-term strategic linkages with its development partners and to multiply the effect of its grant-financed research and capacity-building programmes.

6. The grants proposed in this document respond to the overarching strategic objective (i) in paragraph 4 above.
7. The Programme for Improved Management of Agricultural Water in Eastern and Southern Africa, Phase II responds to all seven of the specific aims of IFAD's grant support, since it will help empower poor rural women and men to make better use of natural resources through improved agricultural technologies, supported by appropriate policies and programming. Tested, innovative agricultural water management technologies and practices will be targeted more effectively to the rural poor and, with supportive policies and institutions, will be more sustainable and profitable. The programme will achieve its aim through knowledge-sharing, policy reform, capacity-building and more effective linking of research and practice.
8. The Regional Programme in Support of Rural Populations of African Descent in Latin America is also consistent with these core objectives, and will address the specific aims (a), (b) and (c) outlined in paragraph 5 above.

Part II – Recommendation

9. I recommend that the Executive Board approve the proposed grants in terms of the following resolutions:

RESOLVED: that the Fund, in order to finance, in part, the Programme for Improved Management of Agricultural Water in Eastern and Southern Africa, Phase II, shall make a grant not exceeding one million five hundred thousand United States dollars (US\$1,500,000) to the International Water Management Institute for a three-year programme upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

FURTHER RESOLVED: that the Fund, in order to ensure continuity of the Regional Programme in Support of Rural Populations of African Descent in Latin America approved by the Executive Board at its ninetieth session in April 2007, approves the change of grant recipient from the Executive Secretariat of the Andrés Bello Agreement to the International Centre for Tropical Agriculture.

Kanayo F. Nwanze
President

International Water Management Institute: Programme for Improved Management of Agricultural Water in Eastern and Southern Africa, Phase II

I. Background

1. IFAD has long recognized that agriculture is the most important driver for economic growth and poverty reduction in sub-Saharan Africa. Promoting agricultural growth requires a multipronged, multidisciplinary long-term strategy, including improved inputs (seeds, fertilizer, information, equipment); good infrastructure for transport, communication and storage of produce; better marketing opportunities; human resources development and capacity-building; and policies, institutions and investment flows. Among the most important – but all too often neglected – resource inputs necessary for increasing agricultural production is water. Access to a reliable source of water is becoming increasingly important as climate change further reduces already unreliable and inadequate rainfall.
2. Formal “irrigation” is a critical component of a comprehensive approach to improving water availability for agriculture. But it is only one dimension. Improving management of water on rainfed lands, complemented by supplementary irrigation during dry spells, can also go far in increasing food security in much of semi-arid sub-Saharan Africa. Taking this comprehensive approach, agricultural water management (AWM) refers to the continuum from rainfall management through to irrigation, and includes both development and management of water for food. In some circumstances, investments to capture/store water and convey it to farmers’ fields are essential (formal irrigation); in other circumstances, harvesting rainwater, storing it on-farm, and managing the land so as to focus rainwater on the root zone of crops can lead to higher and more stable yields. Climate change will generate even higher demand for AWM that is robust and able to cushion increasing variability in rainfall: protecting people from floods, while storing water locally for use during droughts.
3. African countries need to pursue agricultural policies and development strategies that are adapted to their unique circumstances, and that include a “menu” of practices and technologies that farmers can draw upon to increase and stabilize their productivity and therefore their incomes and food security. Better AWM will nearly always be one component, but what this means will vary considerably. For such investments to be successful, it is critical to have in place supportive policies, effective institutions, and adequate capacity both to support farmers and to enable farmers themselves to make productive use of new AWM opportunities.
4. IFAD launched the first phase of the programme in 2006 to enhance the development impact of investments in smallholder AWM in Eastern and Southern Africa. The programme has helped countries adopt better policies, identify “best-bet” AWM investments, improve the effectiveness of IFAD-supported AWM projects and programmes, and enhance regional sharing of AWM-related knowledge and experiences. Its activities have included applied policy and socio-technical assessment research, workshops, training programmes, documentation of AWM technologies, creation of a network for AWM professionals, sharing of knowledge, facilitation of exchange visits among both project personnel and farmers participating in IFAD-funded projects, the organization of two major regional conferences, and technical support to the design and implementation of IFAD AWM investments.

II. Rationale and relevance to IFAD

5. An external evaluation of the programme completed in early 2009 found that it has been very successful. It has raised regional awareness of the critical role of AWM,

based on its broad and inclusive definition. This has widened the scope of potential investments and therefore the capacity to target appropriate technologies and practices depending on local needs and conditions. The programme has also carried out applied studies and produced useful reports, guidelines and training materials. In addition, it has created an active regional network of over 1,000 AWM policymakers, researchers and practitioners for sharing experiences, and as a source of regional expertise that can be used to provide training and technical support.

6. The evaluation concluded that the foundation has been laid to have significant impacts on AWM policies and investments over the next few years. It also noted that there are excellent opportunities to link the next phase of the programme with the recently-launched IFADAFRICA network (www.ifadafrica.org), creating synergies between a specialized AWM knowledge network and a broader knowledge-sharing network across sub-Saharan Africa.
7. The programme's second phase will build on these successes and leverage the resources of other development partners to expand the network's relevance and activities – and achieve impact on a larger scale than is possible with IFAD support alone. It is anticipated that this approach will lead to more rapid scaling up of better AWM in the region, and thereby contribute to achieving the Millennium Development Goals and IFAD's mandate to reduce rural poverty. The evaluation strongly recommended that the programme be scaled up to include all of sub-Saharan Africa and a larger set of partnerships. It found strong indications that the timing is right to consider supporting a much larger and more comprehensive programme to scale up AWM innovations in Africa. These include the Initiative for Agricultural Water in Africa, which is designed to support the Comprehensive Africa Agriculture Development Programme (CAADP) of the New Partnership for Africa's Development (NEPAD), and specifically its first pillar on water management; recent increases in AWM investments by development banks; and the strong interest in AWM apparent among new development partners such as the Alliance for a Green Revolution in Africa (AGRA) and the Bill & Melinda Gates Foundation.
8. Evidence of the increasing demand for the programme has been confirmed and reinforced during the process of preparing this proposal. IFAD has already held substantive discussions with other development partners including the African Development Bank, AGRA, the World Bank and the World Bank Institute. In addition, IFAD has discussed partnerships with African institutions having AWM mandates or interests, for example the Association for Strengthening Agricultural Research in Eastern and Central Africa, the Common Market for Eastern and Southern Africa, and NEPAD. IFAD is working with the proposed programme implementing agency to develop a partnership strategy and support expansion into a multi-partner, sub-Saharan Africa-wide programme. Such an expanded programme with multiple partners will be more sustainable and effective over the long term.

III. The proposed programme

9. The overall goal of the programme is to contribute to enhancing the development and poverty reduction impacts of public and private investments in smallholder AWM. Its development objective is to enable decision makers and implementers to make informed choices by providing knowledge, technical support and capacity-building for mainstreaming pro-poor, gender-equitable AWM into improved policies, practices, institutions and investments. The programme will therefore help development professionals to empower poor rural women and men – IFAD's target group – to make productive use of water and land resources through improved access to knowledge, lessons learned and low-cost agricultural technologies.

10. The programme will be of a three-year duration and will comprise four main components:
- (i) Agricultural water management policy reform and implementation support;
 - (ii) Linking of AWM research with practice through learning alliances;
 - (iii) Support for capacity-strengthening; and
 - (iv) Knowledge management and networking.

IV. Expected outputs and benefits

11. These are, by component, as follows:
- (i) Agricultural water management policy reform and implementation support
 - At least five interested governments will be supported to develop and adopt strong pro-poor gender-equitable AWM policies.
 - At least 15 IFAD-supported AWM investment projects will be provided with technical support on a cost-sharing basis. The programme will also support the preparation of country strategic opportunities programmes on demand.
 - (ii) Linking of AWM research with practice through learning alliances
 - An active "AWM and Gender Learning Alliance" will be established.
 - Better uptake of knowledge generated by applied research will be promoted through more effective integration of research and development with implementation programmes.
 - Researchers will be linked with innovative ongoing AWM policy reforms and implementation projects to facilitate co-learning through workshops, training events and field visits.
 - (iii) Support for capacity-strengthening
 - The programme will contribute to increasing the availability of short-term, in-service training and other practical capacity-strengthening opportunities by institutionalizing the capacity to offer such training in national and regional institutions. It will develop at least two training manuals and support AWM training in at least three places. These activities will be demand-driven and where possible co-funded by those demanding these services.
 - The programme will also co-organize targeted regional and national thematic workshops.
 - (iv) Knowledge management and networking
 - The current programme's knowledge management system will be expanded and improved to make it more useful, comprehensive and attractive to a broad range of partners. This has two dimensions. First, institutions and AWM professionals will share experience and knowledge, actively work together in teams to provide technical support and training, and contribute information that can be widely shared. Second, the effectiveness of the Web-based system for facilitating knowledge management and sharing will be improved and its performance monitored carefully.
 - Links and partnerships will be developed and strengthened with other relevant AWM networks, and with IFADAFRICA and regional knowledge management institutions, to create a dynamic "network of networks" covering all of sub-Saharan Africa by the third programme year. This will lead to more effective knowledge capture, documentation and sharing, and integration of AWM knowledge with other knowledge streams.

- At least eight knowledge products tailored to specific stakeholders will be produced each year, and by the second programme year there will be a measurable increase in the use of the programme's website and AWM materials.
12. These outputs will have multiple long-term benefits by enabling poor rural women and men to gain access to innovative new AWM technologies and practices, building better capacity to adopt improved AWM, and strengthening governments' and other agencies' capacities to support improved water management. Within five years there will be a measurable reduction in poverty in at least three countries that will be attributable to improved AWM.

V. Implementation arrangements

13. The International Water Management Institute (IWMI) is the proposed implementing agency for the programme's second phase. This represents a change from the first phase, when the Association for Strengthening Agricultural Research in Eastern and Central Africa was the grant recipient, though it delegated management responsibility to the International Crops Research Institute for the Semi-Arid Tropics. IWMI is seen as a more appropriate partner in the second phase. Improving agricultural water management is its central mandate and it has a strong international reputation in AWM policy. In addition, it brings to the table a wide set of research-based knowledge and AWM innovations that are relevant in the region. IWMI shares with IFAD a strong focus on reducing poverty and improving gender equity, empowering rural people, adopting participatory approaches, and using evidence as a basis for policy and implementation.
14. The existing programme management unit will be maintained and will continue to be managed by a senior AWM specialist, though its location will be re-evaluated by IWMI and IFAD after programme year one. IWMI will assign a senior theme leader to provide direct strategic support to the programme manager. A knowledge management specialist, assisted by others in IWMI's communications division, will help expand and strengthen the programme's knowledge management functions, integrating them into IWMI's network and decentralizing them to a network of networks to make them sustainable over the long term. IWMI will designate leaders of related AWM projects to act as a technical support committee to the programme to ensure that there is a high degree of synergy between the programme and these projects. The IWMI Africa Regional Office and subregional offices, as well as IWMI headquarters, will provide full operational and administrative support to the programme.
15. A proactive programme steering committee will oversee and guide the programme, and will give a strong voice to key partners. The committee will include an IFAD representative and selected representatives of key clients and partners, including regional governments, regional economic communities, investment projects and donors. It will be used to ensure responsiveness of the programme to the needs of governments and investment projects, and keep it firmly focused on achieving measurable impacts.

VI. Indicative programme costs and financing

16. The total estimated cost of the programme is US\$2.5 million. IFAD will provide US\$1.5 million. IWMI will draw on specific, related projects to provide matching funds support of US\$1.0 million. These are AWM projects funded by the Bill & Melinda Gates Foundation, the Rockefeller Foundation and IFAD itself, which are producing AWM innovations that have a potentially large impact on poverty reduction in sub-Saharan Africa. Examples of how this support will be provided include synthesis and dissemination of key messages, country policy dialogues and other workshops, travel and publications. This support is further detailed in the full design document for the programme.

17. Financial management and reporting are based on CGIAR guidelines, and IWMI has in place a Web-based financial management system that ensures full accountability and transparency. Full details are provided in the design document.

**Summary of budget and financing plan
(in thousands of United States dollars)**

<i>Number</i>	<i>Type of expenditure</i>	<i>IFAD</i>	<i>Cofinancing*</i>	<i>Total</i>
1	Personnel (including subcontractors)	611	500	1 111
2	Partners	300	-	300
3	Travel costs	39	50	89
4	Supplies and operations	32	140	172
5	Knowledge management (capacity-building, workshops, exchange visits, publications, dissemination)	135	120	255
6	Backstopping from regional office	62	70	132
7	Administration and overheads	321	120	441
	Total	1 500	1 000	2 500

* Sources: International Water Management Institute projects funded by the Bill & Melinda Gates Foundation, the Rockefeller Foundation and IFAD.

Results-based logical framework

	Objectives-hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	Contribute to enhancement of the development and poverty-reduction impacts of public and private investments in smallholder agricultural water management.	<ul style="list-style-type: none"> Plans to increase smallholder AWM investments based on new policies in at least 4 countries Gains in poverty reduction traceable to improved AWM by smallholders in at least 3 of the target countries within 5 years More rural women and men adopting and using improved AWM technologies 	<ul style="list-style-type: none"> Government policy papers Available local statistics & surveys against 2009 baselines Project evaluation reports of IFAD and other organizations Project impact pathway monitoring report 	<ul style="list-style-type: none"> There is a direct link between AWM and rural poverty Effective policies & institutions lead to improved AWM Adequate knowledge sharing, technical support and capacity contribute to effectiveness of AWM investments
Objective	Enable decision makers and implementers to make informed choices by providing knowledge, technical support and capacity building for mainstreaming pro-poor, gender-equitable AWM into improved policies, practices, institutions and investments.	<p>Measures of increased capacity and use of AWM knowledge in policy and practice include:</p> <ul style="list-style-type: none"> Pro-poor and gender-equitable AWM elements included in policies and frameworks in at least 5 ESA countries by 2012 Increase in innovative projects (IFAD or others) using AWM research outputs for design and targeting in at least 4 countries Implementation agencies driving more programmes using AWM innovations 	<ul style="list-style-type: none"> Policy documents and media statements by major stakeholders* Government and development partners' budgets and investments Project appraisal reports Investment plans of stakeholders Project monitoring documents 	<ul style="list-style-type: none"> Governments and development partners will reform policies and institutions to promote AWM National commitment to implement the policies and support AWM Continued goodwill by development partners to support agriculture and water initiatives in Africa
Outputs	AWM policy reform and implementation supported	<ul style="list-style-type: none"> 10 facilitated workshops for institutional and policy advice, and focused training workshops 15 IFAD country projects supported with technical inputs 	<ul style="list-style-type: none"> Project reports Policy briefs Workshop reports 	<ul style="list-style-type: none"> Political commitment to AWM Governments, development partners and private sector increase AWM investments
	AWM research linked to practice through learning alliances	<ul style="list-style-type: none"> Strong AWM and gender learning alliance established and active AWM interventions reflect use of innovative knowledge in projects and programmes Demand for technical backstopping from researchers by at least 10 IFAD programmes Learning exchange activities, workshops, training events, peer reviews 	<ul style="list-style-type: none"> Learning Alliance documents Meeting minutes and reports IFAD project documents Project monitoring documents Workshop & training reports and evaluations 	<ul style="list-style-type: none"> Regional researchers, policy makers and practitioners continue to document and share experiences with AWM Programme managers' interest and willingness to share costs IWMI's research producing new AWM innovations
	Capacity strengthened for AWM policy making and implementation	<ul style="list-style-type: none"> At least two training manuals produced and appropriate curricula, and training materials more widely available Stakeholders in at least 3 project areas trained on new AWM technologies and practices At least one national or regional training institution will have greater capacity to provide AWM training Co-organize 2 targeted regional and 4 national thematic workshops and learning forums in response to expressed demand 	<ul style="list-style-type: none"> Training manuals Project supervision, evaluation reports Reports of implementing agencies Reports on appraisal and impact assessment of programmes Workshop reports & evaluations 	<ul style="list-style-type: none"> Regional institutions agree to cooperate and make longer term investments to support AWM capacity Demand for AWM training is substantial
	AWM knowledge management and networking facilitated, expanded and strengthened	<ul style="list-style-type: none"> 8 knowledge products tailored for various stakeholders each year Measurable increase in professionals' use of the website & AWM materials Knowledge mainstreamed in IWMI's and IFAD's knowledge sharing portals, and with other collaborating networks Institutionalized AWM 'network of networks' by end year 3 	<ul style="list-style-type: none"> Working papers, briefs, communication products Websites and knowledge bases Website monitoring Project M&E reports 	<ul style="list-style-type: none"> Strong demand for new knowledge and skills Other networks willing and able to participate

* Stakeholders are: Rural smallholders, policy makers, programme implementers, donor organizations, NARES, development partners, international organizations, regional organizations.

International Centre for Tropical Agriculture: Regional Programme in Support of Rural Populations of African Descent in Latin America

I. Background

1. In April 2007, the Executive Board approved a grant of US\$1.5 million to the Executive Secretariat of the Andrés Bello Agreement (SECAB) based in Colombia (document EB 2007/90/R.20). The programme's goal is to reduce the social exclusion and marginalization of Afro-Latino rural populations by identifying and supporting their best initiatives and building their capacities. The programme has two main components: (i) Enhancing social assets and promoting capacities. Best practices in rural and local development are selected through a competitive awards system and receive incentives, including the direct transfer of resources, to extend their successful activities; (ii) Strengthening Afro-world networks based on knowledge exchange. This component is expected to contribute to identifying opportunities and potential for designing development tools according to their needs.

Summary of budget and financing plan (in thousands of United States dollars)

<i>Number</i>	<i>Type of expenditure</i>	<i>Allocation</i>
1	Salaries	320
2	Consultancy services contracts	290
3	Equipment	10
4	Operative expenses (travel, communications, audits)	170
5	Assigned funds by competitive system	300
6	Meetings and workshops	320
7	Administrative costs	90
	Total	1 500

2. The SECAB entered a severe financial crisis in 2009 and stopped payments to its entire programme, which significantly affected the IFAD operation. The SECAB Board has decided to restructure the agency under the Ministry of Education of Colombia.¹ The current institutional framework of SECAB makes it unfeasible to continue implementing the Regional Programme in Support of Rural Populations of African Descent in Latin America (ACUA).
3. To ensure continuity of the ACUA programme and to avoid adverse effects on the families of African descent who are beneficiaries of the IFAD grant, and having analyzed the advantages and disadvantages of transferring the programme to another institution, IFAD proposes that this programme be transferred to the International Centre for Tropical Agriculture (CIAT).

II. Rationale and relevance to IFAD

Proposed new executing agency

4. CIAT is an international organization dedicated to poverty alleviation and environmental protection in the tropics through agricultural research and development efforts. The centre has operated for nearly 40 years and has a proven

¹ (Presidency of the Republic of Colombia, Press Release, October 9, 2009)
<http://web.presidencia.gov.co/sp/2009/octubre/09/18092009.html>

ability in research in rural areas of Latin America. It also has a strong administrative history in managing small and large grants from various donors, including the successful implementation of five IFAD grants. Currently it is implementing two IFAD-financed grants, cumulatively worth US\$4 million.

5. CIAT has been an active agent in the area of agribusiness development in Latin America since the mid-1980s. CIAT has also worked in the development of generic methodologies and tools for building bridges between smallholder farmers and markets since 1995. Its methods have been used successfully in 35 countries in Latin America, Africa and Asia. As a result, CIAT is recognized as a global leader in the field of agribusiness.
6. Given the foregoing, it is recommended that the Executive Board consider replacing the Executive Secretariat of the Andrés Bello Agreement with the International Centre for Tropical Agriculture as the recipient of the outstanding grant balance of approximately US\$0.97 million to complete the execution of the programme.

