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Enabling poor rural people
to overcome poverty

Dominican Republic

Country strategic opportunities programme

Executive Board — Ninety-ninth Session
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For: **Review**

Note to Executive Board members

This document is submitted for review by the Executive Board.

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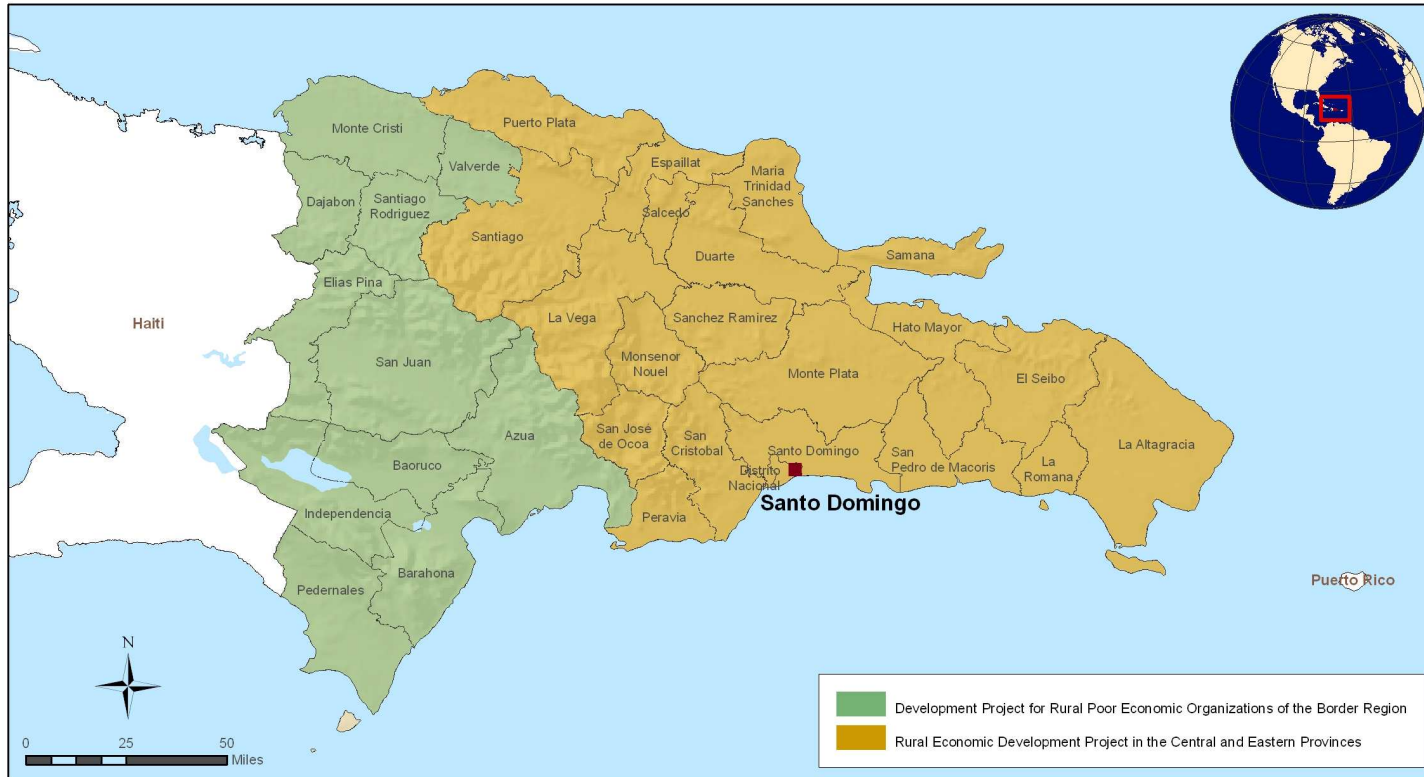
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Abbreviations and acronyms

AECID	Spanish Agency for International Cooperation and Development
COSOP	country strategic opportunities programme
END	National Development Strategy 2010-2030
FAO	Food and Agriculture Organization of the United Nations
IDB	Inter-American Development Bank
IICA	Inter-American Institute for Cooperation on Agriculture
PACTA	Agrifood Competitive Transition Support Project
PBAS	performance-based allocation system
PROPEUR	South Western Region Small Farmers Project
USAID	United States Agency for International Development

Dominican Republic

IFAD-funded operations in the country



23-2-2010



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.

Map compiled by IFAD

Summary of country strategy

1. This is the first country strategic opportunities programme (COSOP) prepared for the Dominican Republic under the guidelines for results-based interventions. The update of IFAD's country strategy is particularly timely as the Fund is in the process of expanding its country programme and the Government has now released the new National Development Strategy 2010-2030.
2. This results-based (RB) COSOP has been prepared in close collaboration with government authorities and other key partners and stakeholders, and is based on IFAD's comparative advantage – a longstanding focus on the poorest segments of the rural population and support to small farmers, who account for the great majority of the country's agricultural producers. Therefore, with agriculture back on the political agenda following the 2008 food prices crisis, the Government of the Dominican Republic is looking to IFAD as a key partner for rural and agricultural development.
3. The agreed strategy aims at enabling poor women and men in rural areas of the Dominican Republic to achieve better incomes and improve food security on a sustainable basis.
4. The following three strategic objectives are being proposed in agreement with Government authorities, and are clearly within the Government's policies for harmonization and alignment:
 - (a) **Strategic objective 1:** Expand organized small farmers' access to dynamic agrifood markets through inclusive and rewarding partnerships with the private sector;
 - (b) **Strategic objective 2:** Improve small farmers' access to market-driven and climate change-adapted farming practices and technology;
 - (c) **Strategic objective 3:** Increase human and social capital and develop off-farm small enterprise and employment opportunities of the rural poor, particularly women and young people, in the most dynamic sectors (e.g. tourism).
5. This RB-COSOP covers the period 2010-2014. Progress on COSOP implementation will be assessed on an annual basis to review the impact of projects and programmes in the country. At COSOP midterm, i.e. after the presidential elections in 2012, the COSOP results framework will be revised and, if necessary, adjusted to reflect any new Government priorities.

Dominican Republic

Country strategic opportunities programme

I. Introduction

1. This is the first country strategic opportunities programme (COSOP) for the Dominican Republic to be prepared under the guidelines for results-based (RB) interventions. During the previous COSOP time span, IFAD implemented one project in the Dominican Republic, the South Western Region Small Farmers Project (PROPELUR), which targeted three of the country's poorest provinces along the western border with Haiti and was completed in December 2007. Recently, a new operation, the Development Project for Rural Poor Economic Organizations of the Border Region, was approved by the Executive Board to target 11 provinces in the same border region. Upon receiving the request for a second project to cover the rest of the country (being presented to the Executive Board at its April 2010 session) IFAD decided to include both operations in an updated strategic framework (the last COSOP was approved in December 2001), aligning the COSOP with the National Development Strategy 2010-2030 released by the Government of the Dominican Republic.
2. During the formulation of this document, IFAD met with senior government authorities from the Ministry of Agriculture, the Ministry of Finance, the Ministry of Economy, Planning and Development, and the Ministry of Environment and Natural Resources. In addition, the RB-COSOP formulation missions¹ met with many other relevant public institutions, key international development agencies and representatives of the private sector, civil society, and producers' associations and federations.

II. Country context

A. Economic, agricultural and rural poverty context

Country economic background

3. The Dominican Republic occupies the eastern two thirds (covering 49,000 km²) of the Island of Hispaniola in the Western Caribbean Sea, bordering to the west with Haiti. According to population growth estimates, based on the national census of 2002, the total population of the country in 2008 was 9.6 million, with 36 per cent settled in rural areas.
4. With gross national income (GNI) per capita of US\$2,910 in 2006 and GDP of US\$31.84 million in 2006,² the Dominican Republic is classified as a middle-income country.
5. Following the serious economic crisis that affected the country in 2003, the Government of the Dominican Republic implemented corrective measures that led to a strong economic recovery. Real GDP growth accelerated from 1.2 per cent in 2004 to 9.5 per cent in 2005, 10.7 per cent in 2006 and 8.5 per cent in 2007, but slowed to 4.8 per cent in 2008. Following natural disasters at end-2007, external shocks (falling nickel prices and rising food and energy prices) led to sharp increases in the fiscal and external current account deficits, as well as inflation.

¹ Marco Camagni, mission leader and country programme manager (CPM) for the Dominican Republic, Jorge Caballero, Food and Agriculture Organization of the United Nations (FAO) senior consultant, Steven Jonckheere, IFAD consultant, and Clara Solis, national consultant, visited the country between 25 May and 8 June 2009. A second mission led by the CPM was carried out from 27 September to 5 October 2009 to validate the preliminary version of this COSOP. A final validation mission took place between 27 January and 5 February 2010.

² World Bank, *World Development Indicators* database CD ROM 2008.

6. To combat the adverse effects of the shocks on the poorest sectors of the population, the Government felt compelled to increase price subsidies for staple foods (rice, beans, milk and poultry) and for energy and public transportation. In this situation, monetary policy served as an anchor to contain inflationary pressures and maintain a relatively stable exchange rate.³ With food and energy prices having fallen sharply since October 2008, pari passu with the global economic slowdown and international financial crisis, inflation has fallen rapidly, and ended the year at 4.5 per cent, the lowest level in seven years.
7. In 2009 the Dominican economy faced a slowdown in growth consistent with lower growth in its main trading partner, the United States. According to the most recent figures, real GDP grew by just 3.5 per cent over the past year.⁴ This situation prompted the Government to request help from the International Monetary Fund (IMF) to address the current account deficit and stimulate economic recovery. During the last quarter of 2009, the Government of the Dominican Republic signed a stand-by agreement⁵ with the IMF for total financing of US\$1,700 million over the period October 2009-February 2012.
8. The Dominican Republic-Central America Free Trade Agreement with the United States (DR-CAFTA) became effective in March 2007. This treaty, while providing access to the United States market and potentially attracting more investment to the region, requires the countries, including the Dominican Republic, to make significant improvements in competitiveness. The same is true of the treaty currently being negotiated with the European Union (EU).
9. According to official statistics, Haiti is the Dominican Republic's fourth largest export market (in 2007, exports to Haiti were worth approximately US\$150 million, i.e. 7 per cent of the total⁶). However, these statistics do not record a large number of informal transactions that take place in border towns. In fact, trade between the two countries is far greater, particularly among the very poor communities of Haitian descendants living along the border.

Agriculture and rural poverty

10. Agriculture's contribution to GDP, as the fourth largest economic sector, has fallen in the current decade to 6.5 per cent of GDP in 2006, down from 13.3 per cent of GDP in 1993. Since the sector employs 15 per cent of the economically active population, the decline in production has affected the incomes of small farmers and rural workers and is considered one of the structural causes of rural poverty. Within agriculture, crop farming accounts for around 55 per cent of output, livestock 40 per cent, and forestry and fishing 5 per cent. Arable land totals 5 million ha, pasture 2 million ha, and forest and woodland occupy a further 600,000 ha. Traditional agriculture has been declining since the early 1980s, hampered by high real interest rates, price controls, underinvestment, government-subsidized sales of imported agricultural and livestock products, and foreign competition.
11. However, in recent years the agricultural sector has shown promising signs of renewed dynamism, with an annual increase in gross product averaging over 7 per cent in 2005-2006. This positive performance was followed by a slowdown in 2007 (1.2 per cent) and 2008 (-3.4 per cent) owing to a combination of external shocks (natural disasters and rising energy prices), and then a strong recovery last year (14.6 per cent estimated growth in September 2009)⁷, mainly as a result of government support for staple food production. Non-traditional crops (tropical fruits

³ IMF, Dominican Republic: Letter of intent.

⁴ Source: Central Bank of the Dominican Republic.

⁵ This is an IMF lending facility established in 1952 whereby a member country can use IMF financing up to a specified amount to overcome short-term or cyclical balance of payments difficulties. Instalments are normally phased on a quarterly basis, with their release conditional upon the member's meeting performance criteria, such as monetary and budgetary targets.

⁶ Source: Dominican Republic Export and Investment Centre (CEI-RD).

⁷ Source: Central Bank of the Dominican Republic.

and vegetables) and organic products (coffee, bananas and cacao) posted a rising market share in Europe and the United States.

12. Commercial plantations in the Dominican Republic, run by medium- and large-scale farmers, are dedicated mainly to sugar cane, banana, citrus and dairy production. Large avocado plantations, tropical fruits and horticultural farms oriented to the external market have recently broadened the scope of agricultural export production. Small farmers along the western border in the hilly areas of the three sierras specialize in the production of coffee, avocado, beans and guandul (*Cajanus cajan*). In the dry areas of the south and north-west, small farmers combine small plots of rice, beans, cassava, bananas and plantain crops with tropical sheep and goats. In the lower valley areas the predominant crops are rice, bananas and beans. In the central and eastern mountains, cocoa is the main cash crop. Most small farmers cultivate small plots for family consumption by the *conuco* traditional farming system, which combines bananas, plantains, beans, cassava, tropical fruits and other crops.
13. During the last decade the Dominican Republic has emerged as one of the world's foremost exporters of niche (organic, quality, fair trade) products (e.g. organic bananas, quality and organic cocoa and coffee, organic mango). The Dominican Republic now has 14,000 organic growers, one of the largest organic sectors in Latin America. Marketing is often under the responsibility of small farmers' third-tier national federations such as the Southern Region Coffee Growers' Federation (FEDECARES) for coffee and the National Confederation of Dominican Cocoa Producers (CONACADO) for cocoa, as well as private-sector processors and exporters. Several export-oriented organizations have fair trade and/or organic certification and are directly linked to export markets or depend on the private sector for export operations.
14. From a development perspective, the challenge is to expand the conditions whereby small farmers can benefit from these niche market opportunities, improve consistency in product quality and increase volumes on a sustainable basis. The difficulty for poor small farmers in accessing markets and buyers with higher returns is often related to low competitiveness caused by: (i) product quality that does not meet high market standards (export or domestic); (ii) low production and productivity; (iii) limited access to technical assistance services; and (iv) very limited access to adequate and affordable financing.
15. Low agricultural productivity characterizes most poor small farmers throughout the country. Sector research is under the responsibility of the Dominican Institute of Agricultural and Forestry Research (IDIAF), a well-staffed institution with adequate research capacity but an extension service with limited outreach capacity. The Ministry of Agriculture's extension services have been downsized over the past two decades as a result of fiscal constraints. This decline is reflected in a decrease in the number of staff devoted to extension services for farmers and limited resources to cover operating costs. The Agrifood Competitive Transition Support Project (PACTA) financed by the Inter-American Development Bank (IDB) has been strengthening the extension services in its areas of operation by providing transportation equipment and ways of reaching and working with farmers. Private development institutions (NGOs and foundations) provide good quality extension services but benefit a limited number of farmers in their respective operating areas.
16. Financial services in rural areas are provided by informal intermediaries – savings and loans cooperatives, microfinance institutions, NGOs and State-owned financial institutions (Banco Agrícola and BANRESERVAS). The former have a very limited loan portfolio of small farmers, while their primary clients are urban small business and microenterprises. Banco Agrícola provides subsidized credit to a limited number of small farmers of selected crops (primarily rice and beans) while BANRESERVAS extends credit lines to microenterprises. Commercial banks generally perceive the

agriculture sector as too risky for market and climate-related reasons. However, recently, two regulated financial institutions (Banco ADOPEM and Banco ADEMI) have been venturing into the agricultural credit and rural sector markets with positive results. The two banks have signed a letter of intent to participate as financial partners in the project for the central and eastern provinces that is being submitted to the Executive Board at its April 2010 session together with this COSOP.

17. This year the Government formulated new proposed legislation for a crop insurance and natural disaster emergency fund, now pending approval and ratification by National Congress. The purpose of this legislation is to expand these risk-management instruments to provide incentives to the financial sector to enter into agriculture finance and to give farmers an instrument to mitigate their vulnerability to natural hazards.
18. **Rural poverty.** The sustained economic growth posted by the Dominican Republic during the last decade has led to only a limited reduction in urban poverty. Poverty and extreme poverty levels in rural areas have remained unchanged. The current economic model oriented towards tourism, industry and services; the structural limitations of the agricultural sector; and the limited effectiveness of public social and productive investments in rural areas are among the causes of the prevalence of rural poverty and extreme poverty. Additionally, the country's cyclical vulnerability to natural phenomena, hurricanes and tropical storms, exemplified by the damage wrought by tropical storms Noel and Olga in rural areas in 2007, is a major factor in further depressing living conditions for the rural poor.

Table 1

Dominican Republic: Number of poor and extremely poor and incidence by region

Region	Poverty				Extreme poverty			
	Total		Rural		Total		Rural	
	Number	%	Number	%	Number	%	Number	%
National district	705,583	25.9	164,527	28.2	43,811	1.6	8,787	1.5
Valdesia	505,807	53.7	291,131	62.0	97,859	10.4	66,145	14.1
East	454,308	51.8	166,170	73.4	78,760	9.0	44,793	19.8
North-east	323,391	53.3	214,190	65.2	42,992	7.1	30,466	9.3
Cibao Central	316,175	45.0	198,101	54.9	42,600	6.1	28,777	8.0
North-centre	498,200	34.5	282,508	47.1	61,235	4.2	43,706	7.3
North-west	216,323	55.5	107,628	64.0	45,181	11.6	25,577	16.4
Del Valle	353,969	69.0	213,166	81.2	142,434	27.8	98,788	37.7
Herniquillo	233,574	68.3	90,488	80.6	82,363	24.1	40,485	36.1
Total	3,609,330	42.2	1,727,963	55.5	637,271	7.5	389,524	12.5
Total households	897,605	40.9	441,715	55.6	171,308	7.8	108,689	13.7

Source: National Planning Office (ONAPLAN), 2005

19. The latest official poverty assessment in 2005 estimated that 41 per cent of the population were living under the poverty line and 8 per cent under the extreme poverty line, comprising 4.6 and 1.6 million persons, respectively. Results also showed a wide urban-rural poverty gap with 46 per cent urban versus 82 per cent poor rural inhabitants, higher than in most Latin America and Caribbean countries. The number of poor and extremely poor households was estimated at 897,605 and 171,308, respectively (see table 1).
20. The highest incidence of poverty and extreme poverty are present in the Dominican-Haitian border regions, where all past and present IFAD projects have been located. The remaining rural areas are also very poor, with central and eastern provinces

such as El Seibo, Monte Plata, Hato Mayor and San José de Ocoa showing an incidence of rural poverty above the national average. In addition, these latter regions are home to 77 per cent of total rural poor households in the country and about 59 per cent of all agricultural producers, of whom more than 80 per cent are considered small producers.

21. The country also suffers from persistent income inequality: the wealthiest 10 per cent of the population owns close to 40 per cent of national wealth, while the bottom half receives less than one fifth of GNP. According to the Human Development Report 2007/2008, Dominican Republic's Gini index is 51.6, one of the highest in the Latin America and Caribbean region.
22. The most vulnerable population includes women, children and young people, and Dominicans of Haitian origin. The demographic and health survey of 2007 found a significant increment in women-headed households, from 28.0 per cent in 2002 to 35.3 per cent in 2007. Rural households headed by women tend to have a higher incidence of poverty than those headed by men. In 2006, unemployment among men stood at 9.3 per cent, compared to 25.5 per cent among women. High unemployment rates cause young people to migrate to urban centres, the capital city or tourist areas in search of job opportunities. Another highly vulnerable category of rural poor includes Haitian descendants and Haitian immigrants, who account for most of the country's farm wage labourers.
23. One key factor holding back the rural poor in the Dominican Republic is a very low level of social and human capital. This situation has often been worsened by uncoordinated and sometimes paternalistic poverty reduction and development interventions which, in some cases, have created a dependency syndrome and have contributed to the politicization of community and farmer organizations. The design of any new development operation needs to acknowledge this challenging context and adopt appropriate coping measures.
24. As reported in the recently updated rural sector performance assessment, which is part of the IFAD performance-based allocation system (PBAS), rural poor have limited access to key productive assets, such as land and water. The land tenure pattern in the Dominican Republic is highly concentrated, with 69.1 per cent of the agricultural land operated by 6.2 per cent of the productive units. By contrast, a total of 79.1 per cent productive units own 7.7 per cent of the agricultural land. Close to 80 per cent of agricultural producers own properties of 5 hectares or less (40 per cent between 0.5 and 2 hectares) so can be classified as smallholders, but they use only 26 per cent of agricultural land. Regarding water resources, irrigation systems are managed by local irrigation councils (*juntas de regantes*) under the supervision of the National Water Resources Institute (INDRHI). The *juntas* are responsible for the management, operation and maintenance of infrastructure at plot level, while INDRHI provides support and supervision, and is responsible for primary irrigation canals.
25. Social and poverty reduction programmes reflect an important increment in government investments in education and health, resulting in satisfactory improvements, but there are still significant challenges ahead in terms of quality and coverage of services. Despite the crisis of 2003 and 2004, the well-being of most Dominicans has improved over the past 10 years: (i) infant mortality dropped from 50 per 1,000 live births in 1990 to 26 per 1,000 live births in 2004; (ii) life expectancy rose from 65.6 years in 1990 to 68 years in 2005; (iii) registration in primary school increased from 57 per cent in 1990 to 86 per cent in 2005; and (iv) the proportion of the population with access to a source of treated water rose from 86 per cent in 1990 to 97 per cent in 2007. According to the Human Development Report 2007/2008, Dominican Republic ranks 79th in the world in terms of the human development index.

26. The Solidarity social development programme was initiated during the present Government with three components: (i) Eating First, a school food programme; (ii) Incentives for School Attendance, direct conditional cash transfers based on registered school attendance of poor families; and (iii) Dominicans with Names and Last Names, a programme facilitating birth certificates and identity documents for poor families. These three components have benefited close to 15 per cent of the extremely poor population. An increase in the target population of the Solidarity programme to 25 per cent is being considered by the Government, subject to the availability of fiscal resources.

B. Policy, strategy and institutional context

National institutional context

27. President Leonel Fernández was re-elected in May 2008 for a second consecutive four-year term. Shortly after his re-election, he participated in the High-Level Conference on World Food Security: the Challenges of Climate Change and Bioenergy, organized by the Food and Agriculture Organization of the United Nations (FAO) in June 2008, giving IFAD the opportunity to engage in a high-level dialogue with the Dominican delegation. This COSOP and IFAD's growing country programme are the tangible results of that fruitful dialogue.
28. The Ministry of Agriculture is presently IFAD's key government counterpart, together with the Ministry of Finance and the Ministry of Economy, Planning and Development. The Ministry of Agriculture will be the lead project agency of both IFAD loan-funded projects and also the implementing agency of the second phase of the other large and complementary agriculture development operation, the IDB-funded PACTA-II project.
29. In addition, the Ministry of Agriculture is the recipient of an IFAD small country grant whose aim is to help the Ministry raise its profile and become a lead player in the policy debate on the smallholder sector. This effort will be supported by other international agencies, in particular the Spanish Agency for International Cooperation and Development (AECID) and the Inter-American Institute for Cooperation on Agriculture (IICA).
30. Since 2004 the agricultural sector has implemented a strategy based on five main thrusts: (i) supporting competitiveness and quality; (ii) furthering productive integration of food and agricultural value chains; (iii) developing peasant agriculture and gender equity; (iv) planning a new institutional framework for the sector; and (v) promoting public-private sector coordination. The lead agency responsible for agriculture and rural development is the Ministry of Agriculture. Its main activities are developing and implementing the national agricultural policy and providing support to agricultural production through (i) technical and financial assistance; (ii) extension and training; and (iii) marketing services. Recently, the Ministry of Agriculture undertook to update this strategy and formulate a plan to develop the sector.
31. With respect to the first thrust, i.e. competitiveness, the Government, through a specialized institution (the National Competitiveness Council) and with the support of a large number of stakeholders (producers and entrepreneurs, business sector, research institutes and public institutions) has formulated a national system-wide competitiveness plan. The plan focuses on the development of economic clusters and value chains as a way to enhance linkages to local, national and export markets.
32. Other key partners for COSOP implementation will be national and regional associations of selected small producers of intensive crops and pro-poor value chains (coffee, organic bananas, cocoa), the private sector (commercial agents of selected value chains, international ethical financiers, national financial intermediaries) and civil society and grass-roots organizations with high levels of participation by women and young people.

National rural poverty reduction strategy

33. Since the re-election of the President Leonel Fernández, the Government has been promoting a participatory consultation process with all sectors to develop a long-term development agenda. This process, led by the Ministry of Economy, Planning and Development, resulted in the formulation of a long-term national development strategy, the National Development Strategy 2010-2030 (END) linked to a multiyear public investment plan, the Multiyear Non-financial Public Sector Plan. The Government's objective is to ensure: (i) a comprehensive and coherent vision to overcome the current fragmentation of sector plans and strategies; and (ii) alignment with fiscal revenues and the budgeting process.
34. The END includes four strategic thrusts: (i) a State with efficient and transparent institutions and a responsible and participatory democracy that leads to development and peaceful coexistence; (ii) a cohesive society with equal opportunity for all and low levels of poverty and inequality; (iii) an articulated, innovative and environmentally sustainable economy that generates growth and employment and is competitive in the global economy; and (iv) sustainable management of natural resources and adequate adaptation to climate change adaptation.
35. Each thrust includes a list of general and specific objectives. The second thrust includes the following specific objectives: (i) strengthen a culture of equality between men and women; (ii) increase human and social capital and economic opportunities for the poor; and (iii) promote the sustainable development of the border region. The third thrust includes the following specific objectives: (i) increase the productivity, competitiveness, and environmental and financial sustainability of agribusiness value chains to contribute to food security, taking advantage of export opportunities and generating income and employment for rural population; and (ii) support the competitiveness, diversification and sustainability of the tourism sector.⁸
36. The END 2010-2030, which was released in November 2009, has been submitted to the Dominican National Congress for its approval.

Harmonization and alignment

37. At a strategic level, IFAD is actively participating in the rural/agricultural sector donor coordination forum, which was recently set up under the leadership of the agencies most involved in rural development operations. This forum includes multilateral organizations (European Union, World Bank, FAO, World Food Programme, IICA) and bilateral agencies (Spain, France, Taiwan and the United States) and aims at (i) improving interagency coordination as well as (ii) developing a common position to establish a dialogue with the Government on possible policy and institutional reforms for the rural sector.
38. At the operational level, IFAD is working with IDB and the Ministry of Agriculture to institutionalize the administrative unit presently managing the first phase of the IDB-funded PACTA project, to make it a permanent national unit administering funds from various sources for agriculture and rural development projects. The benefits of such a unit include harmonizing systems and procedures among various agencies (in the spirit of the Paris Declaration on Aid Effectiveness) and taking advantage of a well-trained and highly experienced team to ensure very high standards of efficiency and transparency. As a result, both IFAD and PACTA-II funds are to be managed by this unit.

⁸ Source: END 2010-2030

III. Lessons from IFAD's experience in the country

A. Past results, impact and performance

39. Since 1980, IFAD has provided six loans to Dominican Republic for a total of approximately SDR 47 million. The most recent loan-funded operation is the Development Project for Rural Poor Economic Organizations of the Border Region, which was approved in April 2009, was signed in June of the same year, and is currently before Congress for ratification.
40. Results and recommendations are not yet available from the evaluation of the last completed project, PROPESUR, which was carried out independently by IFAD's Office of Evaluation in late 2009, but will be fully taken into account in implementing the new operations. PROPESUR was the only project implemented during the previous COSOP period.

B. Lessons learned

41. General lessons learned from past IFAD operations highlight the importance of:
 - (i) selecting local initiatives to be funded by IFAD projects identified by community and beneficiary groups, to ensure their ownership of the initiative and its sustainable use once the IFAD project has been phased out;
 - (ii) involving beneficiary groups as equal partners in the process of identifying, designing and building infrastructure, and ensuring their participation in monitoring the quality of design and execution;
 - (iii) performing a rigorous ex ante analysis of the institutions in charge of managing financial and non-financial services, to ensure professional management and sustainability of such services for the target population;
 - (iv) balancing institutional participation with a mix of public and private institutions and local associations contracted through competitive mechanisms, taking advantage of the extensive experience and local knowledge available; and
 - (v) promoting women's participation and providing equal opportunities for rural women at all levels of project activities and organization.
42. A clear understanding of the social fabric is a key requirement to successfully focus organizational and institutional strengthening for small poor farmers' organizations. An adequate level of social capital is a condition for developing their business in a transparent and democratic way, maximizing the scope for economies of scale and minimizing the risk of conflicts.
43. Capacity-building and continuous support are crucial to promote a sustainable change in attitudes among poor small farmers, to convince them that investing in a more stable long-term relationship with dynamic markets is a more sustainable option than short-term survival selling strategies to intermediaries. Generally, as soon as a few farmers (first movers) start to obtain profitable returns, others will readily follow their example.
44. Identification, prioritization and development of dynamic market-oriented value chains for local products (quality coffee and organic banana) is proving to be key for economic development and income generation. However, improving product quality and value-added for beneficiaries' organizations calls for continuous technical support in order to meet and maintain the quality standards required by the market. Public and private cooperation (NGOs and export business) is a key factor to strengthen and sustain value chains linking small farmers to business opportunities and building their capacity to meet market requirements.
45. Agricultural finance should be fully coordinated with marketing and production within the framework of a well conceived and viable business plan, in order to provide the target population with sustainable access to financing for the short term (working capital) and long term (investment capital) and build a long-term relationship with formal or informal financial intermediaries. Smallholder agriculture is widely perceived as an extremely high-risk activity by the financial sector. Any attempt to

develop a strategy to manage or mitigate such risk should be done in a comprehensive way, clearly differentiating among types of risks (climate, price, etc.) and devising the most effective instruments to address them. Transfers of matching grants to finance collective productive assets or public goods should be based on a clear and well conceived cost effective strategy, to maximize their sustainable use and impact for the target population.

IV. IFAD country strategic framework

A. IFAD's comparative advantage at the country level

46. Building on almost 30 years of cooperation in the country, IFAD is consolidating its role as a strategic partner of the Government of the Dominican Republic, in areas within its mandate and in line with its Strategic Framework (2007-2010). The Dominican Republic is presently facing a number of challenges and opportunities. First, there is an urgent need to improve economic competitiveness in response to an increasingly globalized world economy, in particular the Dominican Republic-Central America-United States Free Trade Agreement (DR-CAFTA) and the imminent agreement with the European Union. Second, following the 2008 food prices crisis, the Government is committed to improving food security, particularly for the most vulnerable population groups. Third, the global economic crisis has hit the country hard in terms of lower foreign investment, exports and remittance flows. This has resulted in substantial job losses, in particular in the informal sector and tax-free areas (*zonas francas*), and higher unemployment rates among rural women and youth in particular. Fourth, the Government has been reacting in a timely manner in the aftermath of the 12 January 2010 earthquake in Haiti by facilitating emergency relief operations across the border. The next step will be to strengthen cooperation between the two countries to tackle concerns on food security, employment and access to basic services in rural areas on both sides of the border.
47. Within this context, the Government's strategic priorities in the IFAD's mandated areas are as follows: (i) supporting diversification and competitiveness improvements to consolidate market access either nationally (hotels, supermarkets) or internationally (export market niches such as fair trade or organic crops); (ii) ensuring country food security seen by boosting national staple food production and improving the purchasing power of the most vulnerable; (iii) promoting off-farm rural employment opportunities, particularly for young people to offer alternatives to emigration from rural areas; (iv) promoting and exploiting linkages between the tourism industry and rural territory (particularly in the east); and (v) strengthening cooperation with Haiti to contribute to addressing its enormous post-earthquake challenges and development efforts.
48. IFAD's most significant comparative advantage in the Dominican Republic is its continuous focus on rural and agricultural development and targeting of the poorest segments of peasant economies over the past 30 years. With agriculture now high on the political agenda following the 2008 food prices crisis, the Government is looking to IFAD as a key partner on the family farming and smallholder sector, which constitutes the large majority of the country's agricultural producers. As a result, IFAD has re-engaged with the Ministry of Agriculture as its main government counterpart both for operations and policy dialogue on rural and agricultural development.
49. This COSOP represents an important step in scaling up IFAD experience in the country. On one hand it aims to expand the conditions whereby small farmers, women and young people can benefit from niche market opportunities both domestically and abroad, improve consistency in product quality, increase volumes on a sustainable basis and ensure food security. On the other hand, by using the knowledge generated in IFAD-funded operations for policy dialogue, it aims to help the Government by serving as a reference point for developing a more structured strategy for the smallholder and poor rural sector (see section E).

B. Strategic objectives

50. This RB-COSOP strategy, agreed upon with the Government, will have a five-year life span. Within the overarching goal that poor rural women and men in the rural areas of the Dominican Republic are enabled to achieve better incomes and food security on a sustainable basis, the COSOP will have the following three strategic objectives (SOs):
51. **Strategic objective 1: Expand organized small farmers' access to dynamic agrifood markets through inclusive and rewarding partnerships with the private sector.** This strategic objective, taking advantage of the comparative advantages of selected smallholder-intensive or pro-poor value chains both for the national and the export markets, focuses on: (i) strengthening the organizational and management capacity of small farmers' productive groups; (ii) identifying both domestic and export market opportunities, and promoting and supporting inclusive and rewarding partnerships with the private sector (agents within value chains); (iii) promoting access to crop financing through a comprehensive strategy based on sharing risk (e.g. through pilot weather index-based insurance) with the financial and private sectors, tapping into international (ethical lenders) and national financing sources (Banco ADEMI and Banco ADOPEM)⁹ complementing with a selective use of matching grants. Based on an initial participatory diagnostic, IFAD projects will be implementing a dual strategy: while better organized small farmers will be supported immediately in formally engaging with the private sector, less organized farmers will first receive capacity-building and institutional strengthening.
52. **Strategic objective 2: Improve small farmers' access to market-driven and climate change-adapted farming practices and technology.** This strategic objective reflects two of most pressing country priorities: the need to improve competitiveness and adaptation to climate change in the agriculture sector to: (i) generate products that meet market requirements in terms of quality and volumes; (ii) minimize the effects of natural hazards, in particular on the most vulnerable segments of smallholders. To this end, IFAD projects will respectively work on: (i) providing incentives and support to small farmers to diversify and modernize their production systems by adopting new technologies and climate change risk adaptation practices;¹⁰ (ii) improving small farmers' access to technical assistance and extension services and technology through public institutions such as the Ministry of Agriculture and the Dominican Institute of Agricultural and Forestry Research or private service providers (including those recommended by value chain players) or, in some cases, the strongest farmers organizations themselves.
53. **Strategic objective 3: Increase human and social capital and develop off-farm small enterprise and employment opportunities of the rural poor, particularly women and young people, in the most dynamic sectors (e.g. tourism).** Acknowledging that unemployment is relatively higher among young people and women in rural areas and that rural-urban migration is a great concern of the Government, this strategic objective focuses on: (i) developing tailored skills training to build entrepreneurial culture and basic management capacity at the individual and organizational level; (ii) seeking opportunities to develop small business enterprises linked to key local production activities and selected value

⁹ Both banks have agreed to sign a letter of intent to confirm their interest in participating in the IFAD projects. This will represent a "win-win" situation. On one hand, IFAD projects work on organizing and supporting small farmers and entrepreneurs, facilitating their negotiation with private-sector business partners and reducing their risk as potential bank clients. On the other hand, IFAD projects will outsource to the banks part of the technical assessment of business plans presented by the project beneficiaries.

¹⁰ Climate change risks will be addressed by supporting both adaptation and mitigation (i.e. restoring degraded areas through reforestation, introducing drought-resistant crops, storing rainwater, and ensuring sustainable land use and sustainable land management); promoting increased use by producers of weather services oriented toward agriculture, such as early warning systems; developing educational materials for farmers and training campaigns for disaster preparedness, including through community-based disaster risk management, in coordination with other local and regional initiatives (i.e. Caribbean Community Climate Change Centre, Red Cross Caribbean, Caribbean Disaster Mitigation Project).

chains (e.g. production of organic compost); (iii) exploring potential for promoting eco- and cultural tourism in rural areas by replicating and expanding existing pilot initiatives (e.g. coffee and cocoa routes) in partnership with the private sector (tourism operators); and (iv) enhancing cultural identity, branding local products (music, food or handicrafts) and assigning denomination of origin.

C. Opportunities for innovation

54. Innovation is a key competitive advantage for IFAD in middle-income countries such as the Dominican Republic. The proposed strategy involves important innovations: (i) promoting a gender-sensitive and inclusive economic development process based on market-driven productive activities in partnership with the private sector; (ii) exploring opportunities for job creation and income generation to develop linkages between rural territory and its cultural and natural beauty, and the tourist circuit; (iii) a comprehensive rural finance strategy based on a combination of loans, matching grants and pilot risk sharing mechanisms, to build the productive and value-adding assets of beneficiaries' organizations as well as facilitating their sustainable access to local, national and international sources of financing; and (iv) contributing to enhancing an in-depth policy dialogue on how to enable the smallholder rural sector to cope with the challenges and benefit from the opportunities of a small and open economy such as the Dominican Republic.

D. Targeting strategy

55. As agreed with government authorities, IFAD assistance will target the whole country. The proposed targeting strategy is consistent with IFAD's overall targeting policy and will include the use of the three targeting approaches outlined in the policy: (i) geographic targeting; (ii) self-targeting; and (iii) direct targeting.
- (i) **Geographic targeting.** In addition to its nationwide coverage, the programme will give priority to areas with a relatively high incidence of poverty, such as the western border region with Haiti and selected central and eastern provinces.
 - (ii) **Self-targeting.** The key criterion for value chain selection will be the percentage of IFAD target group producers currently or potentially involved on a sustainable basis. For example, it is estimated that over 90 per cent of coffee and 70 per cent of cocoa producers are poor smallholders who live in mountain areas, which present the highest incidence of poverty in the country. Organic banana is also associated with poor farmers, often Haitian descendants, living in very poor villages called *bateyes*.
 - (iii) **Direct targeting.** IFAD-funded interventions will have a set of specific eligibility criteria developed on the basis of the poverty analysis and consultation process carried out during the design process. Special attention will also be paid to rural women and youth and to certain vulnerable groups, such as Haitian immigrants, who represent the large majority of agricultural wage labourers in the country.

E. Policy linkages

56. The previous COSOP aimed to engage the Government authorities in setting up an institutional framework for poverty reduction to overcome the fragmentation of initiatives and improve the targeting and sustainability of institutions, projects and programmes. These issues remain valid although no progress was achieved during the previous COSOP period, mainly because the political will was lacking.
57. However, this COSOP takes a more comprehensive approach that is summarized in the following three **institutional/policy objectives**: (i) identify best practices that contribute to developing and testing new innovative approaches and scaling up the effective ones; (ii) together with other international agencies (i.e. AECID), jointly support the Ministry of Agriculture in operationalizing the END for the rural and

smallholder sector; and (iii) support the National Statistics Office (ONE) in obtaining updated and accurate data on the rural and smallholder sector (IFAD target group) as a baseline and a monitoring tool (see appendix III, COSOP results management framework).

58. While the first institutional and policy objective will derive mainly from results achieved on the ground by the two IFAD loan-funded projects, the second and third objectives will be pursued through the selective use of two small country grants, the first already provided to the Ministry of Agriculture and the second still at concept stage with ONE. In both cases, IFAD grants will complement a much larger effort funded by other international agencies and the Government itself.

V. Programme management

A. COSOP management

59. This RB-COSOP will cover the period 2010-2014. Through the small country grant to ONE, baseline data on IFAD target group will be developed and COSOP results framework targets finalized immediately following COSOP approval. Progress on COSOP implementation will be assessed on an annual basis to review the impact of projects and programmes in the country. Client surveys will be used to measure the impact of strategic objectives. At COSOP midterm, i.e. after the presidential elections in 2012, the COSOP results framework will be revised and, if necessary, adjusted to reflect any new government priorities.

B. Country programme management

60. IFAD's programme in the Dominican Republic will be managed by the Rome-based country programme manager in close and continuous contact with a country programme management team that will include the IFAD project directors, officials from the Ministry of Agriculture, the Ministry of Finance and the Ministry of Economy, Planning and Development, and other selected stakeholders. The overall programme and specific projects will be supervised directly by IFAD in accordance with IFAD direct supervision guidelines approved in 2008. Following the Haiti tragedy, IFAD country programme on the Hispaniola island will be managed in an integrated way, pursuing synergies and strengthening cooperation between the two countries.
61. **Monitoring and evaluation.** Implementation of the comprehensive country programme places greater emphasis on monitoring. The executing agency's institutional capacity will be monitored continuously to ensure good performance. Indicators will be constructed by analysing variations in the tangible and intangible assets of the poor. IFAD will contribute to strengthen the monitoring and evaluation capacity of the executing agency (i.e. the Ministry of Agriculture), the project management units and their implementation partners.
62. **Financial management and procurement.** The Ministry of Agriculture's financial management capacity tended to be weak when it was the implementing agency for two IFAD projects in the 1980s and 1990s. In addition, the recent experience of the IDB-funded PACTA project shows that national procurement systems and procedures can be quite cumbersome and lengthy. This was a constant problem for PACTA, even after the size and number of contracts was reduced, but could represent a major bottleneck for typical demand-driven projects characterized by a large number of small contracts. Therefore, as part of the process of setting up the national administration unit mentioned in paragraph 38, IFAD is contracting a specialized study to analyse the national procurement system and related procedures. The purpose is to make a proposal to the Ministry of Agriculture which, if approved, will equip the new unit with a new set of streamlined procurement procedures and substantially reduce the time needed to process contracts, without conflicting with key procurement principles and best practices.

C. Partnerships

63. IDB, the World Bank and the European Union are the biggest multilateral agencies, while the United States Agency for International Development (USAID), the Japan International Cooperation Agency (JICA) and the Spanish Agency for International Development and Cooperation (AECID) are the main bilateral agencies operating in the country. Recently IFAD joined the inter-agency donor group on rural and agriculture development with the aim of contributing to the harmonization of donor interventions, sharing knowledge and becoming a credible counterpart for the Government for policy dialogue and institutional reform in this sector. Within this context, AECID is emerging as a key strategic partner for IFAD in the support to the Ministry of Agriculture and the development of a strategy for the smallholder sector.
64. In the past IFAD cofinanced a project with IDB. Today, as described in paragraph 38, the key operational partner in the agriculture sector is again IDB, which is currently preparing a second phase of the PACTA project. Both agencies are committed to support the Ministry of Agriculture's proposal to establish a national agriculture project administration unit by scaling up the existing PACTA I unit.
65. Good coordination also exists with USAID, in particular with its rural economic diversification project (AGRORED) – the lessons learned in supporting access to markets through clusters and value chain development have been taken into consideration in the design of last two IFAD loan-funded projects.
66. IFAD's strategic approach in the Dominican Republic is increasingly involving the private sector as a key partner at various levels. Some operational features include: (i) demand-led rural services outsourced from local development players; (ii) focus on economic clusters and value chains and enhanced linkages to local, national and export markets; and (iii) innovative mechanisms for financial risk management and financing in partnership with the financial sector and international social lenders.
67. Finally, the last IFAD project developed a good partnership with Unity and Cooperation for People's Development (UCODEP), World Vision and other international or national NGOs that have operated in the country for years and have good local knowledge and specific experience as a service provider in selected thematic areas.¹¹

D. Knowledge management and communication

68. Knowledge management represents the best instrument for IFAD to position itself in the policy dialogue, provided that it is able to extract valuable lessons from its operations and effectively disseminate this knowledge. At the IFAD country programme level, knowledge management will be an integral part of the monitoring and evaluation systems of each IFAD project and a key aspect of COSOP annual reviews. In addition, multistakeholder networks will be established to share knowledge at the country level with other donors and programmes and identify good practices for scaling up. Finally, exchange visits and South-South cooperation will be promoted with other countries in the Latin America and Caribbean region, taking advantage of programmes such as the learning routes promoted by the former Latin America and the Caribbean Division grant-funded Corporation for Regional Rural Development Training (PROCASUR). In particular, regular knowledge sharing events between the project staff, beneficiaries and stakeholders of IFAD-cofunded projects in Haiti and the Dominican Republic will be organized.
69. Communication will be an integral part of the knowledge management strategy. With the partial exception of PROPELUR, past IFAD operations generally lacked visibility, in some cases despite their good results on the ground. Building on this experience,

¹¹ Last year, using Italian supplementary funds, IFAD was able to hire the Italian NGO UCODEP to prepare a preparatory study on the potential target group to be used as an input in the design of the border region project approved by the Executive Board in April 2009.

the organizational structure of IFAD projects has been designed to ensure the presence of a national IFAD project director in the capital city combined with decentralized operational offices in the project regions. Each IFAD project will implement a clear communication strategy tailored to different types of users, and key messages from the IFAD country programme will be conveyed at the national level.

E. PBAS financing framework

70. IFAD funding available for the RB-COSOP implementation period is based on the annual allocation established under the PBAS. The allocation for the Dominican Republic over the three-year PBAS cycle 2010-2012 is based on the Eighth Replenishment exercise. This amount will be used for a second loan-funded project for the central and eastern provinces, which is being presented to the Executive Board at its April 2010 session, and two small country grants.
71. As shown in table 2 below, the PBAS-related rural sector performance assessment shows three areas whose scores are substantially lower than the overall average: access to land, access to water for agriculture, and accountability, transparency and corruption. This COSOP aims at addressing these critical areas respectively by (i) working in partnership with the International Land Coalition on a bottom-up approach to the issue of access to land; (ii) strengthening water users' associations, which are responsible for water management on the local level; and (iii) establishing strict control on funds management through the new national administration unit (see paragraph 38).

Table 2

PBAS calculation for RB-COSOP year 1 (preliminary scores)

<i>Indicators</i>		<i>RB-COSOP year 1</i>
Rural sector scores		
A(i)	Policy and legal framework for rural organizations	4.13
A(ii)	Dialogue between Government and rural organizations	4.25
B(i)	Access to land	3.88
B(ii)	Access to water for agricultural use	3.88
B(iii)	Access to agricultural research and extension services	4.00
C(i)	Enabling conditions for rural financial services development	4.50
C(ii)	Investment climate for rural business	4.00
C(iii)	Access to agricultural inputs and produce markets	4.67
D(i)	Access to education in rural areas	5.00
D(ii)	Women representatives	4.17
E(i)	Allocation and management of public resources for rural development	4.13
E(ii)	Accountability, transparency and corruption in rural areas	3.88
Sum of overall point values		
Average of overall point values		4.20
Projects-at-risk (PAR) score		
Country score		
Annual allocation (US\$)		

Table 3

Relationship between performance indicators and country score

<i>Financing scenario</i>	<i>PAR rating (+/- 1)</i>	<i>Rural sector performance score (+/- 0.3)</i>	<i>Percentage change in PBAS country score from base scenario</i>
Hypothetical low case	5	3.90	-23%
Base case	6	4.20	0%
Hypothetical high case	6	4.50	7%

F. Risks and risk management

72. Based on IFAD past experience in the country, there are risks associated with each of the three COSOP strategic objectives. Major risks in terms of probability and impact on the IFAD country programme are as follows:
- **Breach of contract** between the private sector (buyers, traders, intermediaries) and the IFAD target group (small farmers, women and young microentrepreneurs). As a risk reduction strategy, IFAD will work on sensitizing all business parties about the importance of mutual dependence and honouring negotiated prices. Additionally, IFAD will promote the use of memorandums of understanding outlining contract conditions and dispute settlement mechanisms;
 - **Exclusion and elite capture:** Poorly organized and extremely poor population groups may be excluded by a purely private sector-led and market-driven economic development process. To mitigate this risk, the IFAD projects will place a strong focus on building up the capacities of the rural extremely poor and poor and their organizations, as well as local stakeholders (e.g. local/regional public authorities, private sector, civil society organizations) to design, implement, monitor and audit pro-poor development actions and ensure ownership and sustainability;
 - **Political commitment:** The main risk is that the Government agenda for rural and agricultural development is not maintained at its current level of priority due to staff turnover in key Government counterparts or changes of government (presidential elections are scheduled for spring 2012). To mitigate this risk, IFAD, with the support of other donors, will relaunch the policy dialogue involving all stakeholders in the discussion, including representatives of its target group;
 - **Cumbersome procedures affecting the flow of project funds and financial management:** PROPEUR experienced delays in the transfer of loan and Government counterpart financial resources to the project account. This situation caused unnecessary delays in the implementation of project activities. A revised and more agile flow of funds and streamlined procurement procedures will be applied when setting up the national administration unit in agreement with the Ministry of Agriculture;
 - **Land tenure:** Land tenure is a critical factor in the development of agricultural projects. Uncertain land ownership can discourage needed long-term productive and environmental investment, as well as restrict farmers' access to credit. To mitigate this risk, IFAD will work with the International Land Coalition to identify bottom-up solutions to be proposed to the Government as part of IFAD policy dialogue;
 - **Global market price fluctuations and agriculture production-related risks:** The following measure should mitigate this risk: capacity-building for small farmers in market intelligence to enable them to monitor market trends and take timely action to adjust their marketing strategies and diversify their buyers;
 - **Natural disasters:** Because of its geographic position in the middle of the Caribbean Sea, the Dominican Republic is exposed to natural hazards whose frequency seems to have increased in past years. Mitigating actions including innovative instruments for risk management (such as crop insurance) will be piloted to reduce the vulnerability of IFAD's target group to external shocks.

Proceso de consulta del COSOP

1. La formulación del COSOP se ha llevado a cabo en paralelo a la preparación del Proyecto de Desarrollo Económico Rural para el Centro y Este que será presentado a la Junta Ejecutiva de abril 2010. El proceso se ha desarrollado con un alto nivel de participación de los principales actores involucrados en las políticas y programas de reducción de pobreza y desarrollo rural del país a todos los niveles: las comunidades pobres rurales, las organizaciones de pequeños productores, las instituciones gubernamentales, el sector privado, las organizaciones de la sociedad civil y otros organismos de cooperación al desarrollo.

2. La formulación del COSOP se ha desarrollado bajo la responsabilidad del Gerente de Programas para la República Dominicana del FIDA, en estrecha consulta con sus contrapartes en el Gobierno dominicano, sobre todo el Ministerio de Agricultura, el Ministerio de Hacienda y el Ministerio de Economía, Planificación y Desarrollo. El trabajo de formulación de los documentos preparatorios del COSOP se llevó a cabo con el apoyo de consultores nacionales e internacionales mientras que el informe principal del COSOP ha sido escrito por el mismo Gerente de Programas del FIDA.

3. El proceso de formulación del COSOP ha tenido una duración aproximada de 11 meses, de conformidad con el siguiente cronograma:

Cronograma de formulación del COSOP

Paso	Actividad	Mes
1	Planificación del proceso de preparación del COSOP	Marzo 2009
2	Recopilación de información secundaria y estudios preparatorios	Abril 2009
3	Misión de formulación del COSOP	Mayo-Junio 2009
4	Preparación del informe borrador del COSOP	Julio-Septiembre 2009
5	Reunión de discusión y validación en país con el Gobierno y otros actores relevantes	Octubre 2009
6	Revisión de calidad del informe borrador del COSOP por parte del FIDA	Noviembre 2009
7	Preparación del informe final	Enero- Febrero 2010
8	Presentación a la Junta Ejecutiva del FIDA	Abril 2010

Paso 2: Recopilación de información secundaria y estudios preparatorios

4. Debido a limitaciones en tiempo y recursos en la medida de lo posible el COSOP se ha basado en la información secundaria ya existente, que es amplia y de muy buena calidad, en la República Dominicana. Adicionalmente, se contrataron estudios específicos para profundizar el análisis sobre temas claves para el programa país del FIDA: (i) caracterización de la población pobre en el medio rural y de sus necesidades, incluyendo las mujeres, los jóvenes y los grupos más vulnerables; (ii) mapeo de oportunidades y desafíos para el desarrollo económico del sector agropecuario y rural y su papel en la economía dominicana en el contexto de la actual crisis mundial y de los acuerdos de apertura comercial (DR-CAFTA); (iii) análisis del rol y capacidad institucional de los diferentes actores, del sector público y privado, que operan en el medio rural y en el sector agropecuario y nivel de eficacia en ejecutar políticas y programas de reducción de la pobreza en el medio rural.

Paso 3: Misión de formulación del COSOP

5. La misión inicial de formulación del COSOP se llevó a cabo entre mayo y junio del 2009 con el propósito de confirmar el nicho estratégico del FIDA en la República Dominicana y un marco de resultados e inversiones para los sucesivos cinco años.

6. Para tal efecto se llevó a cabo un proceso de consulta amplio y participativo de los principales actores involucrados en procesos de desarrollo y reducción de la pobreza en el medio rural: Gobierno central y gobiernos locales, sociedad civil organizada, sector privado, comunidades rurales y organizaciones de productores y otros organismos de cooperación al desarrollo.

I. Sector publico

- Secretaria de Estado de Agricultura (SEA)
- Instituto Agrario Dominicano (IAD)
- Secretaria de Estado de Hacienda (Dirección General de Crédito Publico)
- Secretaria de Estado de Economía, Planificación y Desarrollo (SEEPYD).
- Subsecretaria de Planificación y Desarrollo-SEEPYD
- Subsecretaria de Cooperación Internacional - SEEPYD
- Secretaria de Estado de Medio Ambiente
- Secretaria de Estado de Turismo
- Banco de Desarrollo Agrícola de la República Dominicana
- Consejo Nacional de Competitividad (CNC)
- IDIAF
- CEDAF
- Comisión agropecuaria del Congreso Nacional

II. Sector privado

- Junta Agroempresarial Dominicana (JAD)
- Consejo Nacional de la Empresa Privada (CONEP)
- Asociación de Jóvenes Empresarios

III. Agencias internacionales

- Agencias de Naciones Unidas (PNUD, FAO, PMA, UNICEF)
- Banco Mundial
- Banco Inter-Americano de Desarrollo (BID)
- Comisión Europea
- Agencias Bilaterales (España, EEUU, Italia)

IV. ONG

- OXFAM Intermon
- Visión Mundial
- Sur Futuro
- Junta Agroempresarial Dominicana
- Confederacion Nacional de Mujeres Campesinas
- Mujeres en Desarrollo

V. Comunidades rurales: In Monte Plata la comunidad de El Deán, El Deán II y San Vicente. En El Seybo la comunidad de Pedro Sánchez y Pedro Sánchez II. En San José de Ocoa la comunidad de La Cienaga. La misión estuvo visitando el Centro de Capacitación (CECARA) del IAD, la Junta de Regantes y la Asociación de Parceleros "Padre Calero" en La Vega y participó en el lanzamiento del proyecto de Desarrollo Territorial Rural (DTR) del IAD en Nagua.

VI. Organizaciones de segundo o tercer nivel de productores: FEDECARES (café), CONACADO (cacao), BANELINO (banano orgánico).

Pasos 4 - 5: Preparación del informe borrador del COSOP y validación en el país

7. Después de la misión de mayo, la consulta ha sido completada durante el proceso de formulación del nuevo proyecto para las provincias del Centro y Este que se llevó a cabo durante el mes de julio 2009. Sucesivamente el Gerente de Programas del FIDA se encargó de preparar un primer borrador del informe de COSOP.

8. En octubre 2009, el primer borrador de la estrategia país del FIDA en la República Dominicana (COSOP) fue presentado y discutido con un amplio conjunto de actores, empezando por las tres instituciones de contraparte en el gobierno, es decir SEA, SEEPYD y SEH, continuando con las otras agencias internacionales que pertenecen a la mesa rural del grupo Interagencial (entre otras AECID, BID, IICA, USAID) y terminando con un taller con representantes de la sociedad civil (MUDE, Fundación Pro Desarrollo y PRORENARE), del sector público (Consejo Nacional de Competitividad, Oficina Nacional de Estadística y de la SEA), del sector privado (Junta Agroempresarial Dominicana) y financiero (Banco ADEMI), de la población meta (FEDECARES) y del proyecto PATCA.

9. El resultado de la consulta fue altamente positivo. Por un lado la estrategia fue valorada por todos los actores como adecuada al actual contexto del país, alineada a las prioridades del gobierno y a las necesidades de la población meta. Por otro lado hubo un general reconocimiento al FIDA por la manera participativa de llevar a cabo el proceso, a través de una amplia consulta y concertación con los actores a todos los niveles.

Paso 6: Revisión de calidad del informe borrador del COSOP por parte del FIDA

10. Después haber pasado por un proceso de Peer Review, el borrador de COSOP fue presentado ante un OSC del FIDA el 5 de noviembre 2009, que lo aprobó y autorizó su finalización.

Pasos 7 - 8: Preparación del informe final y aprobación por parte de la JE de FIDA

11. Después una misión final de validación en el país (enero 2010), el borrador de COSOP ha sido finalizado, incorporando las recomendaciones del OSC, y sometido al proceso de aprobación final, para su presentación ante la Junta Ejecutiva del FIDA de abril del 2010.

Country economic background Dominican Republic

Land area (km² thousand) 2006 1/	48	GNI per capita (USD) 2006 1/	2 910
Total population (million) 2006 1/	9.61	GDP per capita growth (annual %) 2006 1/	9
Population density (people per km²) 2006 1/	199	Inflation, consumer prices (annual %) 2006 1/	8
Local currency Dominican Peso (DOP)		Exchange rate: USD 1 = DOP ***ADD RATE***	
Social Indicators		Economic Indicators	
Population (average annual population growth rate) 2000-2006 1/	1.6	GDP (USD million) 2006 1/	1 846
Crude birth rate (per thousand people) 2006 1/	24	GDP growth (annual %) 1/	
Crude death rate (per thousand people) 2006 1/	6	2000	8.1
Infant mortality rate (per thousand live births) 2006 1/	25	2006	10.7
Life expectancy at birth (years) 2006 1/	72		
Number of rural poor (million) (estimate) 1/	n/a	Sectoral distribution of GDP 2006 1/	
Poor as % of total rural population 1/	n/a	% agriculture	12
Total labour force (million) 2006 1/	4.11	% industry	26
Female labour force as % of total 2006 1/	36	% manufacturing	14
		% services	62
		Consumption 2006 1/	
		General government final consumption expenditure (as % of GDP)	7
		Household final consumption expenditure, etc. (as % of GDP)	80
		Gross domestic savings (as % of GDP)	14
		Balance of Payments (USD million)	
		Merchandise exports 2006 1/	6 440
		Merchandise imports 2006 1/	1 190
			-4
		Balance of merchandise trade	750
		Current account balances (USD million)	
		before official transfers 2006 1/	4 031
		after official transfers 2006 1/	-786
		Foreign direct investment, net 2006 1/	1 183
		Government Finance	
		Cash surplus/deficit (as % of GDP) 2006 1/	-1
		Total expenditure (% of GDP) 2006 1/	n/a
		Total external debt (USD million) 2006 1/	8 905
		Present value of debt (as % of GNI) 2006 1/	35
		Total debt service (% of GNI) 2006 1/	4
		Lending interest rate (%) 2006 1/	19
		Deposit interest rate (%) 2006 1/	10
Education			
School enrolment, primary (% gross) 2006 1/	98		
Adult illiteracy rate (% age 15 and above) 2006 1/	n/a		
Nutrition			
Daily calorie supply per capita	n/a		
Malnutrition prevalence, height for age (% of children under 5) 2006 2/	9		
Malnutrition prevalence, weight for age (% of children under 5) 2006 2/	5		
Health			
Health expenditure, total (as % of GDP) 2006 1/	5 a/		
Physicians (per thousand people)	n/a		
Population using improved water sources (%) 2004 2/	95		
Population with access to essential drugs (%) 2/	n/a		
Population using adequate sanitation facilities (%) 2004 2/	78		
Agriculture and Food			
Food imports (% of merchandise imports) 2006 1/	n/a		
Fertilizer consumption (hundreds of grams per ha of arable land) 2006 1/	n/a		
Food production index (1999-01=100) 2006 1/	127		
Cereal yield (kg per ha) 2006 1/	4 343		
Land Use			
Arable land as % of land area 2006 1/	17 a/		
Forest area as % of total land area 2006 1/	28 a/		
Irrigated land as % of cropland 2006 1/	n/a		

a/ Data are for years or periods other than those specified.

1/ World Bank, *World Development Indicators* database CD ROM 2008

2/ UNDP, *Human Development Report*, 2007/2008

COSOP results management framework

Country Alignment	Key Results			Institutional/Policy Objectives
	Strategic Objectives	Outcome Indicators	Milestone Indicators	
<p>Thrust 2: “A cohesive society with equal level of opportunities and low levels of poverty and inequality”</p> <ul style="list-style-type: none"> strengthen a culture of equality between men and women; increase human and social capital as well economic opportunities for poor population; promote the sustainable development of the border region <p>Thrust 3: “An articulated, innovative and environmentally sustainable economy that generates growth and employment and is competitive in the global economy”</p> <ul style="list-style-type: none"> increase the productivity, competitiveness and financial sustainability of agribusiness value chains with the aim of contributing to food security, taking advantage of export opportunities and generating income and employment for rural population support the competitiveness, diversification and sustainability of the tourism sector 	<p>SO1: Expand organized small farmers access to dynamic agro food markets through inclusive and rewarding partnerships with the private sector (in IFAD projects area)</p>	<p>At least 10% of increase in volume of sales to domestic or export markets by supported small farmers</p> <p>20% reduction in the prevalence of child malnutrition in the IFAD target population</p>	<p>Inclusive and rewarding partnerships with the private sector are established:</p> <ul style="list-style-type: none"> a. 70% of supported small producers are able to enter into formal agreements with commercial partners after 3 years b. 50% of business agreements between supported small producers and commercial partners still in place after three years 	<p>Good practices arising from IFAD projects contribute to developing and testing new innovative approaches and scaling up the effective ones</p> <p>A roadmap for operationalizing the National Development Strategy for the rural and smallholder sector led Ministry of Agriculture (SEA) to is developed with IFAD assistance and approved</p> <p>Updated and more precise data on the rural and smallholder sector is provided by The National Statistics Office (ONE) as a baseline and a monitoring tool</p>
	<p>SO2: Improve small farmers' access to market-driven and climate change-adapted farming practices, and technology (in IFAD projects area)</p>	<p>At least 50% of supported small farmers reporting production or yields increase</p>	<p>Technical assistance is accessible to 100% of supported small farmers</p> <p>60% of supported small farmers that have adopted recommended practices after ...years</p> <p>70% of supported small producers meet market standards</p>	
	<p>SO3 Increase human and social capital and develop off-farm small enterprise and employment opportunities of the rural poor, particularly women and young people in the most dynamic sectors (e.g. tourism) (in IFAD projects area)</p>	<p>At least 10% increase in rural households assets due to supported non-farm small entrepreneurial activities and employment among women and youth</p>	<p>100% of small entrepreneurs in IFAD project area have improved access to business development services</p> <p>70% of supported small entrepreneurs with improved access to financing</p> <p>50% of supported small enterprises still actively engaged with dynamic sectors operators after three years</p>	

Both Outcome and Milestone indicators will be broken down by gender. Baselines will be defined and targets will be refined –with appropriate linkages to national monitoring systems- as follow up to COSOP approval, and on occasion of project design work and related support to the national statistics Office (ONE).

Key file 1: Rural poverty and rural sector issues

Priority areas	Affected group	Major issues	Actions needed
Rural poverty and extreme poverty	Poor small scale; agricultural producers; Women headed households.	About 55% of the rural population live below the poverty line and 12% live under the extreme poverty line. Overall poverty percentage is 42%. Most rural poor are landless or own very small plots of agricultural land. Have low salaries and few income opportunities Low human and social capital as well as physical and financial. Poor water, electricity and sanitation services and limited productive services available. Lack of social rural infrastructure. A large proportion of income is derived from non-agricultural activities among poor. Strong young migration to urban areas and abroad, especially young people. Many areas in the project area have population decrements between inter census periods but some coastal zones show increments. High vulnerability to climatic phenomena	Improve rural education and health services. Expand programmes that aim at discovering business opportunities for on and off-farm activities. Improve functioning of rural markets and invest in rural infrastructure and production support services, including financing. Promote more business focused producers organisations. Implement productive and labour skills training, entrepreneurial training as well as improved leadership capacities. Identify new and innovative sources of rural income. Implement conditional cash and food transfer programs for the extremely poor.
No access to valuable markets, low productivity and insufficient product quality.	Poor agricultural producers and micro entrepreneurs; Women headed households.	Limited marketing capacities and little articulation to regional or national markets. Spot sales. Low human capital due to limited access to educational services. Minimal productive assets and low capacities. Weak economic organizations. Very limited access to technical or financial support services. 20% of farmers are women. 35% of households are headed by women. High vulnerability to climatic phenomena.	Improve market linkages. Implement technical and financial support services. Support marketing and export support services. Support inclusive value chains. Establish concrete alliances between producers and buyers, packing and export enterprises. Consider non-agricultural income generating activities including rural, eco and ethno tourism. Support initiatives organic and special products. Reduce market bottlenecks for competitiveness and improve value chain governance. Improvement of leadership capacities Strengthen producers' organization.
Environmental deterioration	Rural communities	Deforestation aimed at expanding the agricultural frontier. Slope farming of annual crops. Poor management of liquid and solid wastes in rural communities. High vulnerability to climatic phenomena.	Use of sustainable agricultural and non-agricultural environment friendly technologies. Incentives for not farming in high watershed sloped areas. Create environmental consciousness in rural communities and organizations.

Key file 2: Organization capabilities matrix

ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Enablers				
Ministry of Agriculture (former Secretariat of State of Agriculture – SEA)	Coordination with different ministries. Qualified technical staff in the field. Collaboration with private sector and cooperation. Solution oriented approach Successful projects, e.g. PATCA.	Limited resources. Low staff motivation. Limited logistics (communication, transport). Poor services connected to limited resources, motivation and logistics. Weak link between research centers and technicians. System of extension services has almost collapsed. Very centralized organizational structure. Large number of sub-secretaries with unclear functions. Weak presence in rural areas.	Free trade agreement with Central America, United States and Europe requires strong SEA. Collaboration with the private sector and cooperation.	Politicization. Centralization. Funding.
Ministry of Economy, Planning and Development (former Secretariat of State) of Economy, Planning and Development – SEEPYD Sub-secretariat of Planning (formerly ONAPLAN)	Planning and budgeting.	In competition with the Secretaria de Hacienda, which seems to be more powerful.	Budgeting coordination with other public institutions.	Counterpart funding.
Ministry of the Environment and Natural Resources (former Secretariat of State of the Environment and Natural Resources – SEERN)	Law 64-00 (on environment and natural resources) incorporates the Rio '92 principles, resolves institutional competition through the creation of the Secretariat, defines the environmental orientation, focuses on relevant issues. Holistic view on natural resources. Collaboration with research centers.	Difficulties in implementing Law 64-00. Lack of financial resources.	Environmental issues are a transversal theme in Vision 2030.	Environmental consciousness is very limited (population and government). Little respect of the rules. Cooperation between agencies can still be improved.
Consejo Nacional de Competitividad (CNC)	Plan Nacional de Competitividad. Qualified staff. Modern vision. Private sector support. Strong support from the current government.	Limited financial resources. Very dependent on donors. No private sector investment.	Take advantage of market niches. Growing importance of clusters. Free trade agreements with Central America and United States.	Dominance of short term profit interests and programmes.
Instituto Agrario Dominicano (IAD)	Close relationship with the land reform producers Focus on small scale agriculture Seeking to organize producers in associations Wider scope on rural development Increased efforts towards capacity building	Weak technical services Very centralized organizational structure Lack of continuity due to political changes Expertise in agrarian reform, not rural development Very slow agrarian reform (very few with land titles) Large organizational atomization	Food security high on political agenda due to international food crisis Benefit from tourism Access to external and internal markets Likely institutional transformation of IAD	Land markets tend to exclude small producers No sectoral strategy Slow agrarian reform Not enough money for institutional transformation of IAD Weak producers' organizations Political support may change

ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
		Very high number of dependents Offer-oriented approach Absence of evaluation mechanisms More than 90% of financial resources go to remunerations		
Banco Agricola	Main public credit provider in rural areas.	No focus on small scale farmer.	With secure markets producer is willing to invest more.	Smallholder can not pay back due to set backs (natural hazards, price volatility, etc.). Risk of politicization.
Private Financial Institutions	Some private Financial Institutions are gradually increasing their presence in rural finance for small farmers. They have their own resources that can be channelled to rural population.	The major weaknesses relate to poor (rural) micro finance technology for risk assessment and identifying good investment opportunities in the rural, particularly agricultural sector.	Two FIs (i.e. Banco ADEMI, Banco ADOPEM) have formally expressed interest in funding through credit (preferably short term) activities promoted by IFAD projects target group. This requires that the projects put in place mechanisms to support those FIs in risk analysis and adequate technology for these type of clients.	A slow progress of the proposed national Guarantee Fund and Agricultural Insurance may hinder FIs opportunities for channeling their own resources to IFAD target group.
Non Government Organizations	Multi-sectoral, experience with commercialization of small-scale farming, rural tourism, strengthening rural organizations, etc. New law of 2005 obliges NGOs to register and sets high standards. Promotion of social corporate responsibility.	Very large number of small NGOs. Very variable levels of capacity/ quality of services. Limited outreach of projects. Dependent on external funding. Weak interaction with the government and among different NGOs. No culture of monitoring, evaluation and accountability neither towards public, private, national and international donors, nor towards the beneficiaries.	Capacity to develop and disseminate new approaches Good vehicle to work with local governments train the government and private sector in specific areas of expertise	Reliance on NGOs with limited capacity and changing focus based on donor funding and priorities may adversely affect implementation. Risk of limited local capacity-building and creating dependency on NGO services, with subsequent lack of sustainability.

Key file 3: Complementary donor initiatives/potential partnerships

Agency	Priority sectors and areas of focus		Period of current country strategy	Complementarities/Synergy Potential
World Bank	To protect the poor while enhancing competitiveness and strengthening public institutions for performance accountability.	Social cohesion, competitiveness, public expenditure quality and institutional development.	2010– 2013	The new Partnership Strategy between the World Bank and the Dominican Republic (2010-2013) is aligned with the objectives of the National Development Strategy recently defined by the Dominican Government particularly with regard to reducing the country's vulnerability to external factors and to obtain tangible results which benefit all Dominicans. The new strategy will give special emphasis to protecting the poor while enhancing competitiveness and strengthening public institutions for performance accountability in the country. It has innovative elements which support an agenda of reforms necessary for the country, while it contributes to strengthening the necessary capacities in public institutions. The strategy has the following four strategic objectives: strengthen social cohesion and improve access to and quality of social services; promote competitiveness in a sustainable and resilient economic environment; enhance quality of public expenditures and institutional development; and build capacity and constituencies for reform. The strategy favours the actions of non lending technical assistance, the work of the Congress, civil society and the private sector. Further, it establishes as a priority the work carried out jointly with other international development agencies operating in the Dominican Republic. It provides support for up to US\$500 million for the country during the next four years.
Inter American Development Bank	Support sustainable economic growth; Reduce the poverty level;	Governance Competitiveness in the agricultural sector Social development	2004 – 2008	The objective of the Bank's country strategy is to support government efforts to reduce poverty. The Bank's activities has focused on four strategic pillars: (i) Competitiveness, particularly reducing critical barriers to private investment and sustainable growth; (ii) Governance, especially making public administration more efficient and transparent; (iii) supporting institutional strengthening and promoting democracy and citizen participation; and (iv) social issues, specifically promoting human development and increasing the efficiency of social spending. IADB is implementing the PATCA project which includes actions in support of technical assistance, food health, support to SEA institutional and marketing reform and geo-referenced land and producers survey. A second phase will be designed.
European Union	Regional integration Social cohesion	Economic development Support to rural communities Human rights Environment Education and health Rural infrastructure	2007 - 2013	The EU is supporting the following programmes in the country: Support to State Reform; Sanitation in Marginal Communities; Support to Small Enterprises; Public Health Reform; Technical Education; Rural Infrastructure in the Border Area; Improvement of the Dajabón Haiti – Dominican Republic Market; Repair and reconstruction of Weather Affected Schools, Bridges and Roads
USAID	Expanding trade Investment Economic opportunities	Economic development Environmental protection Improve quality of basic education Democracy and government	2005 - 2008	USAID strategy in the country is focused in the support to improve economic opportunity for all Dominicans to create an environment for expanding trade, investment, and thus, economic opportunities. El proyecto RED Dominicana de la USAID (Agrored) provee una oportunidad para impactar la pobreza rural y la competitividad agrícola. Mediante un enfoque basado en la demanda para orientar los recursos del proyecto, busca superar obstáculos y aprovechar oportunidades que permitan el crecimiento potencial de la agricultura no-tradicional en la República Dominicana. RED promueve la participación de todos los actores de las cadenas productivas incluyendo: Empresas Privadas &

Agency	Priority sectors and areas of focus		Period of current country strategy	Complementarities/Synergy Potential
				Asociaciones Empresariales, Gobierno de la República Dominicana, Clusters Agroindustriales y ONGs. El proyecto se enfoca en: El Desarrollo de alianzas público-privadas o clusters, Manejo de Recursos Naturales, Desarrollo de la Agricultura Orgánica, Manejo Post-cosecha y Agregación de Valor y el Desarrollo de Mercados.
Japan – JICA	Poverty reduction Economic growth Sustainable development	Agricultural development programmes Rural Health Training and human resources development	2005 - 2009	JICA activities are located in the poorest areas of Dominican Republic. On-going projects include: Technological Improvement of Irrigated Agriculture; Agricultural Development in Mountainous Areas; Medical training; Improving the human capital of the Secretariat of the Environment and Natural Resources; Project Design Matrix of the organic horticultural production in Barahona; and Primary Health Programme in Samaná
Spain – AECID	Poverty reduction Sustainable development	Improvement of Dominican republic's cultural landmarks infrastructure Reform and modernization of political parties Environmental protection and tourism development	2004 - 2008	AECID has a set of support programmes in the Dominican republic through a partnership with FAO-FODEPAL; ILO; UNDP; PHO; INSTRAW in areas related to agricultural planning and development, labour, public health and gender equality. Direct programmes in the country include an environmental protection programme in the Enriquillo Basin; education, water supply and waste disposal projects,
Italian Cooperation	Rural development, and rural education	Human resources Protection of children and youth Agro-industrial transformation of rice Small agro-tourist initiatives		The Italian cooperation support the activities of Italian (UCODEP, San Benedetto al Porto, ACRA-ICEI) and local NGOs through an small grants programme
French Cooperation	Coffee export development	Small social investments Financial support to coffee producers SEA institutional strengthening		The French cooperation is financing the second PROCA project, managed by CODOCAFE and designed to support financial resources for coffee producers and cooperatives The French Cooperation is financing the "Social Development Fund" providing resources to small social investment projects The French Cooperation is also financing the institutional strengthening of SEA
German Cooperation – GTZ	Sustainable social development Environmental conservation	Development of human resources in environmental protection Protection and management of natural resources		Protection against desertification Improved management of protected areas Support to more efficient territorial planning Protection against natural and climatic phenomenon Solid waste management in rural areas
UNDP	Strengthening public policies Promotion of equity and social inclusion Democratic governance	Poverty reduction and income distribution improvement Basic social guarantees to exert human rights Modernization of the state and public sector reform Decentralization and participative planning	2007 - 2011	Support to an integral approach to an equitable economic development, strengthening public policies and the corresponding implementation mechanisms Art GOLD is a new development initiative, initiated in August 2008 oriented to support local development and empowerment UNDP country programme has de concurrence of UN associate institutions (UNICEF, UNFPA, UNIFEM, FAO, GEF, WFP) all of which act in coordination
FAO	Food security programme	Food security Rural development	2005 - 2009	There are systematic communication channels with FAO representation in the Dominican Republic. FAO local offices supported SEA in the preparation of the first profile of the present project
IICA	Technical cooperation Project management and administration	Technical assistance to SEA Rural and export markets development support	2005– 2009	Studies and projects in support to organic production, analysis of value added chains promotion of agricultural exports, support to agricultural health services, technology and innovation.

Key file 4: Target group priority needs and project response

Typology	Poverty Characteristics	Coping actions	Priority needs	Project response
Poor rural households	Own less than 5 ha of land. Affected by topographic features and difficult agro ecological conditions. Limited employment opportunities. Weak social and organizational capital Lack of entrepreneurial culture. Lack access to financial and non financial services. Low level of technology Lack of land tenure security Limited access to markets.	Market their products through local middlemen or producers' organisations Temporary wage employment during harvest time; Female and male youth migration in search of employment opportunities; Borrow from private money lenders. Run micro and small rural businesses.	Improvement of product quality and productivity. Improved entrepreneurial capacity and attitude. Access to more valuable markets. Incorporation in dynamic producers organisations. Access to credit and technical assistance. Livelihoods diversification through access to non-farm employment opportunities.	Capacity-building for entrepreneurial and organisational development. Technical assistance for improvement of quality and productivity. Building linkages to valuable markets by establishing strategic alliances with buyers. Employment generation through agro-processing and value-addition. Improved access to financial and non-financial services
Rural women	Heavy workload conspires against social and productive activities. Weak recognition of their productive role. Lower level of education. Limited participation in producers organisations and decision-making bodies. Limited access to financial and non financial services.. Weak linkages with profitable markets. Lack of property rights.	Poorest women participate in agricultural labours, especially in harvest and post-harvest activities. Run micro-business and small-scale commerce. Engage in domestic services and raise a few animals. Work in agro-processing and manufacturing sectors. Daily domestic activities.	Alleviation of workload. Access to financial, physical and social assets. Improving access to markets. Improved capacity to participate in producers organisations and decision-making bodies Access to technical assistance. Decent employment.	Capacity-building for strengthening women's participation in producers' organisations and business. Child-care services and other labour savings measures. Technical assistance for Improvement of quality and productivity. Improved access to financial and non-financial services. Employment generation through agro-processing and rural tourism.
Rural youth	High unemployment rates Lack skills, land and assets to enter the labour market or start their own business. Risk of becoming involved in illegal activities and prostitution.	Wage work in agro-processing, manufacturing and service sector. Young girls run home-based micro enterprises Very poor girls get married at early age. Migration in search of employment opportunities.	Employment opportunities. Improved business and entrepreneurial skills.	Capacity-building for business skills development. Promotion of employment opportunities in agro-processing, rural tourism and production and marketing services.