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Enabling poor rural people
to overcome poverty

**President's report on a proposed grant under
the global/regional grants window to a
CGIAR-supported international centre -
International Center for Agricultural Research
in the Dry Areas (ICARDA)**

Note to Executive Board representatives

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For: Approval

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Abbreviations and acronyms

ARD	Agricultural Rural development
CA	Central Asia
CACILM	Central Asian Countries Initiative on Land Management
CC	Climate Change
CGIAR	Consultative Group for International Agricultural Research
GEF	Global Environment Facility
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICARDA	International Center for Agricultural Research in the Dry Areas
IFAD	International Fund for Agricultural Development
KM	Knowledge management
MSEC	Multi-country Secretariats (CACILM)
NSEC	National Secretariats (CACILM)
SLM	Sustainable Land Management
SPA	Strategic Partnership Agreement for UNCCD Implementation in Central Asian Countries
UNCCD	United Nations Convention to Combat Desertification

Recommendation for approval

The Executive Board is invited to approve the recommendation for a grant under the global/regional grants window to a CGIAR-supported international centre as contained in paragraph 8.

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

I submit the following report and recommendation on a proposed grant for agricultural research and training to a Consultative Group on International Agricultural Research (CGIAR)-supported international centre in the amount of US\$1.4 million.

Part I – Introduction

1. This report recommends the provision of IFAD support to the research and training programme of the following CGIAR-supported international centre: International Center for Agricultural Research in the Dry Areas (ICARDA).
2. The document of the grant for approval by the Executive Board is contained in the annex to this report:
 - (i) International Center for Agricultural Research in the Dry Areas (ICARDA): Knowledge Management in CACILM II
3. The objectives and content of this applied research programme are in line with the evolving strategic objectives of IFAD and the Fund's policy for grant financing.
4. The overarching strategic goal that drives the Revised IFAD Policy for Grant Financing, which was approved by the Executive Board in December 2009, is to promote successful and/or innovative approaches and technologies, together with enabling policies and institutions, that will support agricultural and rural development, empowering poor rural women and men in developing countries to achieve higher incomes and improved food security.
5. The policy aims to achieve the following outputs: (a) innovative activities promoted and innovative technologies and approaches developed in support of IFAD's target group; (b) awareness, advocacy and policy dialogue on issues of importance to poor rural people promoted by, and on behalf of, this target group; (c) capacity of partner institutions strengthened to deliver a range of services in support of poor rural people; and (d) lesson learning, knowledge management and dissemination of information on issues related to rural poverty reduction promoted among stakeholders within and across regions.
6. The proposed programme is in line with the goal and outputs of the revised IFAD grant policy, in that it contributes directly to the achievement of outputs (a), (b) and (d) thereof.
7. The proposed grant shall be disbursed through the CGIAR Fund, which is a Multi-Donor Trust Fund administered by the World Bank, as Trustee, and governed by the CGIAR Fund Council¹. The CGIAR Fund has been established within the framework of the CGIAR reform. Channelling the grant through the CGIAR Fund Trustee entails the inclusion of an incremental 2% charge payable as a cost-sharing

¹The Fund's Council is the CGIAR's Fund decision making body representing all Fund Donors

contribution to the World Bank, in its capacity as Trustee of the CGIAR Fund, as required by the Fund Council's rules and regulations, in addition to the Recipient's overheads.

Part II – Recommendation

8. I recommend that the Executive Board approve the proposed grant in terms of the following resolution:

RESOLVED: that the Fund, in order to finance, in part, the programme for Knowledge Management in CACILM II, shall provide, through the Trustee of the CGIAR Fund, a grant not exceeding one million four hundred thousand United States dollars (US\$1,400,000) to the International Center for Agricultural Research in the Dry Areas (ICARDA) for a three-year programme upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

Kanayo F. Nwanze
President

International Center for Agricultural Research in the Dry Areas (ICARDA): Knowledge Management in CACILM II

I. Background

1. The countries of Central Asia - Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan have undergone tremendous economic and social changes following their independence in 1991. Poverty remains widespread throughout the region, with 17.2% of the population in Kazakhstan, 51.9% in Kyrgyzstan, 50.8% in Tajikistan, 49.6% in Turkmenistan, and 76.7% in Uzbekistan having an income of US\$2 or less per day.
2. Agriculture continues to play a vital role in supporting local communities meet their livelihood requirements; increasing land degradation and climate variability in the region however are posing significant challenges to achieving food security. In recognition of these challenges, the Central Asian Countries Initiative for Land Management (CACILM) – a multi-country, multi-donor, 10-year \$1.5 billion investment programme - was launched in 2006 aimed at restoring, maintaining and enhancing the productive functions of land in Central Asia.
3. The CACILM Inception Phase (2006–2009) implemented a set of multi-country and national projects totalling US\$155 million and was concluded on 31 December 2009. Based on the final evaluation, the thrust of the 2nd phase was sharpened to focus on the interactions between food security, poverty alleviation, land degradation, biodiversity conservation and climate change (CC). IFAD's proposed regional grant seeks to support the 2nd phase of CACILM by building a knowledge platform to consolidate knowledge created during the Inception Phase and for scaling-up sustainable land management (SLM) interventions.

II. Rationale and relevance to IFAD

4. The grant is consistent respectively with the corporate strategic objectives, and grant and gender policies as it seeks to establish a climate resilient natural resource and economic asset base for poor rural women and men through the promotion of innovative technologies, advocacy and policy dialogue, and knowledge management.
5. In line with strategic priorities of the Divisional Strategic Work Plan, the programme addresses the issues related to risks and vulnerability of the rural poor associated with climate change and land degradation. IFAD currently manages loan portfolios in Kyrgyzstan and Tajikistan and a grant programme in Kazakhstan. IFAD is also launching its programme activities in Uzbekistan. IFAD's overarching objectives in these countries are to improve the livelihoods of poor rural people by strengthening their organizations and enabling them to access productive technologies and resources. In addition, IFAD is funding the project titled, "Improving Livelihoods of Smallholders and Rural Women through Value-Added Processing and Export of Cashmere, Wool and Mohair", which is being implemented in Kyrgyzstan and Tajikistan through ICARDA. The proposed grant will build upon and enhance these ongoing projects by providing knowledge products on innovative approaches and technologies for SLM and promoting their effective uptake at the community and policy levels.

III. The proposed programme

6. The overall goal of the programme is to make rural livelihoods more lucrative and resilient in the face of land degradation, and climate variability and change. The programme's objectives are to: enhance the CACILM Knowledge Management (KM) component for facilitating widespread dissemination of SLM, improve agricultural systems for enhanced productivity and sustainability, and promote climate change adaptation approaches and technologies.

7. The target groups are: (i) smallholder farmers and herders whose livelihoods depend on agriculture; (ii) rural communities in areas with scarce land and water resources and who contend with land degradation; (iii) national research and extension agencies; (iv) national policy decision makers; and (v) donors of the CACILM partnership and rural development partners for scaling up documented best practice.
8. The programme will be of a 3-year duration and will comprise 3 main components:
 - Knowledge Synthesis and Generation;
 - Knowledge Packaging and Dissemination; and
 - Using Knowledge in Policy Dialogue.

IV. Expected outputs and benefits

9. The expected outputs and benefits are the following:
 - Knowledge of SLM in Central Asian countries will be synthesized, packaged and disseminated in forms that facilitate wide spread uptake by a diverse group of stakeholders. Knowledge on adapting to climate change in the agriculture and rural development sector will be increased and land degradation processes reversed;
 - A knowledge platform to provide updated information on SLM will be made operational and a monitoring system based on outcome mapping will be instituted to assess the rate of adoption of SLM and adaptation to CC approaches and techniques;
 - A KM system that contributes to evidence-based policy formulation and reduced duplication of efforts among CACILM partners will be operationalized.
10. The following are the core activities to be undertaken:
 - (a) Knowledge synthesis (existing knowledge and knowledge gaps identification)
 - Knowledge generated during the CACILM inception phase as well as through development cooperation partner programmes related to poverty alleviation and SLM will be evaluated and synthesized. Also, existing scientific information of CC impacts on the ARD sector will be synthesized as a means to construct a better understanding of anticipated stresses engendered by CC. An overall gap analysis will be undertaken for elaborating further CC research activities and development of adaptation responses and technologies.
 - (b) Knowledge generation about SLM practices (filling knowledge gaps)
 - A limited set of activities will be undertaken to address the gap analysis among others with a view to video documenting the process for developing training materials and scaling-up. An emphasis will be given to factor in gender concerns in these start-up activities for developing gender-sensitive knowledge products on technical aspects of climate-resilient sustainable water management, soil and water conservation, crop improvement and rangeland, forest and agriculture management.
 - (c) Typology of stakeholders and knowledge dissemination pathways
 - A needs identification process will be undertaken to define the KM products and packages that need developing and an out-scaling approach for disseminating the KM products and packages to target communities. This process will draw from the synthesized material in Activity (a) above for designing the KM products and packages. The materials will be both in English and Russian, and where relevant, in

local languages as well. A KM dissemination pathways plan will also be developed for reaching a diverse group of stakeholders.

- (d) Knowledge exchange on technical packages
- A KM web-based platform will be established replete with modern networking tools, databases, geo-referencing technologies and audio-visual content. Also, thematic workshops and regional conferences that bring together international and national expertise to discuss state-of-the-art developments on crop varietal improvement for abiotic (supplementary irrigation, drought heat and salinity) and biotic (diseases and insect pests) stresses, integrated crop- range-livestock production systems, soil and water conservation linked to SLM, CC and food security will be held (or supported). The IFAD grant will also enable the linking of CACILM II with the CGIAR Research Program 5 (CRP5) on Land, Water and Ecosystems to gain greater synergies and to leverage positive policy reforms.
- (e) Capacity building and sustainable access to knowledge
- A number of training and capacity building activities will be undertaken to ensure that CACILM partners are able to use the KM infrastructure, including IFADAsia for networking and facilitating broad dissemination of knowledge.
- (f) Enhancing evidence-based knowledge
- The analytical basis will be strengthened for generating evidence-based policies in the agricultural and natural resources sector including designing incentives for adoption of SLM technologies and innovations by farmers. A set of robust analytical papers that examine land, water and pasture management policies, and property rights to name a few will be commissioned.
- (g) Policy dialogue to facilitate adoption of SLM
- A series of national and sub-regional policy dialogue forums informed by the results of the policy analyses will be undertaken. National policy making bodies, ministries of finance and relevant technical institutions will be engaged in these forums for facilitating the uptake of viable policy options. The SPA members and other development cooperation partners will have an opportunity to engage in these forums and to contribute and inform themselves of the specific challenges being grappled with by the Central Asian countries.

V. Implementation arrangements

11. The programme will be implemented in compliance with IFAD financial management procedures and guidelines on procurement and audit, as well as with specific fiduciary arrangements. These will be included in the Contribution Agreement that will be entered into between IFAD and the World Bank (as CGIAR Fund Trustee), setting forth the terms and conditions for the administration of the grant by the Trustee, as well as in the Grant Implementation Agreement to be entered into between IFAD and the Recipient, establishing the implementation modalities of the programme, [as well as detailed fiduciary arrangements](#).
12. Grant funds will be transferred in instalments to the Recipient, through the Trustee, conditional to the signature of both the Contribution Agreement and the Grant Implementation Agreement. Disbursements would be made on the basis of withdrawal applications from the Trustee. For the first advance, this would be supported by an approved Annual Work Plan and Budget (AWPB) and, for subsequent instalments, a statement of expenditures from the Recipient and annual

audited financial statements of the Recipient. The disbursement instalments will include both the amount to be transferred by the Trustee to the Recipient covering the expenditures approved in the relevant AWPB, as well as the 2% portion to be retained by the Trustee. At the end of the programme, the Recipient will provide to IFAD an external audit opinion letter on the final statement of expenditures covering the totality of the grant amount. Any grant balance remaining unutilised at the completion of the programme will be returned by the Recipient directly to IFAD within 4 months from programme completion.

13. The programme will be managed by ICARDA, responsible for the overall implementation, as well as for financial and technical reporting to IFAD, and will be coordinated through their Regional Office for Central Asia and the Caucasus in Tashkent, Uzbekistan. ICARDA's Financial and Administrative services are fully operational after their relocation to ICARDA's Beirut Office. They have maintained reporting progress to IFAD and all other donors (both technical and financial) in due dates. The well-staffed and fully functional Regional Program for Central Asia and Caucasus will be fully supported technically, financially and administratively by ICARDA's Management, concerned research programs and Finance Department. A 5-person team comprised of ICARDA scientists from the headquarters and Tashkent office will provide implementation, supervision and training support.
14. Among other financial and related functions, special care will be taken with preserving the security and stability of the flow of funds due to the ongoing risks in some of ICARDA's traditional project areas. Consolidated accounting and audit arrangements will also be the object of special planning to ensure adequate resources to achieve the desired outcomes. The compliance of each participating country with fiduciary related covenants, including audit, for on-going operations will be reconfirmed before disbursements are made.
15. A programme manager will be recruited and co-located in the CACILM regional office in Bishkek, Kyrgyzstan to manage and coordinate the activities and ensure timely implementation and reporting. Additionally, up to three new staff, including secretarial services, will be recruited based on a workflow needs assessment to conduct day to day follow-up and coordination.
16. Designated national coordinators will be responsible for implementation of the programme in each country. The programme builds heavily on the outputs of CACILM Phase I and therefore, ICARDA will work together with the Strategic Partnership Agreement (SPA – 10-donor partnership) partners, revamped CACILM multi-country and national secretariats (MSEC and NSECs) and other relevant institutions for implementing the programme.
17. While overall implementation responsibility will reside with ICARDA, strategic guidance will be provided by the CACILM Steering Committee, which is composed of representatives nominated by the countries and SPA members and will be responsible for reviewing and approving the annual work plans and budgets. Execution of activities will be undertaken by the national unit that has the comparative advantage to do so.
18. A regional inception workshop will be held at the start of the programme to establish implementation arrangements and agree on the work plan. Annual coordination and planning meetings will be held to review achievements of the previous year and to formulate work plans.

VI. Indicative programme costs and financing

19. The overall cost of the programme is estimated at US\$2.9 million over three years and, of this amount, IFAD will finance US\$1.4 million in 2012. IFAD will finance activities only in IFAD member state countries while IFAD non-member states will be supported through co-financing. IFAD funding will be supplemented by funding (US\$ 1.5 million in total) from the Global Environment Facility (GEF) and the

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) with whom preliminary discussions have been undertaken and agreement in principle has been reached.

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

<i>Number</i>	<i>Type of expenditure</i>	<i>IFAD</i>	<i>Co-financing</i>
1	Personnel (including subcontractors)	256	300
2	Professional services / Consultancies	93	95
3	Travel costs	126	135
4	Equipment	132	135
5	Operational costs, reporting and publications	257	280
6	Training / Capacity building	356	375
7	ICARDA Overheads	152	180
8	CGIAR Trust Fund cost sharing (2%)	28	
	Total	1 400	1 500

Results-based logical framework

	Objectives-hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	Rural livelihoods are made more lucrative and resilient in the face of land degradation and CC	Agricultural productivity and farmers income increased and stabilized.	Trend of changes in productivity and income before and after the programme	Focus on target areas continues in the medium and long term
Objectives	Enhance the CACILM KM component for facilitating widespread dissemination of SLM, improved agricultural systems for enhanced productivity and sustainability, and CC adaptation approaches and technologies	Institutions in each country adopts the Knowledge platform Countries adopt recommended SLM policies for CC adaptation	Number of institutions using the platform and number of policies adopted by countries	Financial support to national institutions continue
Outputs	Knowledge about SLM and adaptation to CC in CA countries is synthesized, packaged and disseminated in forms that facilitate wide spread uptake by various stakeholders Operational knowledge platform to provide updated information on SLM and adaptation to CC accompanied by clear strategy to assure sustainability and link with worldwide resources KM system established for facilitating coordination and evidence-based policy dialogue	# of SLM and adaptation to CC packages developed # of new SLM and adaptation to CC approaches and technologies discussed through the KM platform for policy action # of policy discussion forums convened	SLM and adaptation to CC knowledge products Policy discussion papers	Financial support and cooperation of partners continue
Key Activities	Knowledge synthesis and generation Review of existing knowledge, and gap analysis Knowledge generation about SLM practices Knowledge packaging and dissemination stakeholders' typology and knowledge dissemination pathways knowledge exchange on technical packages capacity building and sustainability of knowledge platform Using knowledge in policy dialogue Enhancing evidence-based knowledge Policy dialogue to facilitate adoption of SLM and adaptation to CC	# of improved technologies and management options adopted by participating farmers and end-users # of national policy-makers, scientists and other stakeholders are using the knowledge platform	Programme monitoring and Reports New website (knowledge platform) KM website and associated communication tools Workshop reports of, capacity building activities	Continued national commitment to the programme Farmers actively participate in the programme activities

