

Document: EB 2016/LOT/G.22
Date: 21 November 2016
Distribution: Public
Original: English

E



President's report on a proposed grant under the global/regional grants window to the CGIAR-supported Africa Rice Center for Capitalizing on the Potential of Inland Valleys for Food and Nutrition Security in West Africa

Note to Executive Board representatives

Focal points:

Technical questions:

Malu Ndavi
Lead Technical Specialist
Programme Management Department
Tel.: +39 06 5459 2766
e-mail: m.ndavi@ifad.org

Dispatch of documentation:

William Skinner
Chief
Governing Bodies Office
Tel.: +39 06 5459 2974
e-mail: gb_office@ifad.org

For: Approval

Recommendation for approval

The Executive Board is invited to approve the recommendation for the proposed grant as contained in paragraph 11.

President's report on a proposed grant under the global/regional grants window to the CGIAR-supported Africa Rice Center for Capitalizing on the Potential of Inland Valleys for Food and Nutrition Security in West Africa

I. Background and compliance with IFAD Policy for Grant Financing

1. **Background.** Given their high agricultural-production potential, inland valleys provide opportunities for smallholder farmers in sub-Saharan Africa to improve food and nutrition security, especially those facing the effects of climate change. With an estimated surface area of 190 million hectares, inland valleys are common geographic features in the region. They are used for agricultural production and provide local communities with forests, hunting and fishing resources, water storage, climate hazard buffer zones and biodiversity hot spots. However, only 3.75 million hectares of inland valley land is currently used for rice, with a total production of 7.1 metric tons (4.25 metric tons of milled rice). Indiscriminate development of inland valleys for agricultural production must be avoided, with development focusing on lands that combine agricultural production potential with resilience, and that minimize the degradation of natural resources. Inclusive approaches are required to ensure optimal and equitable use of inland valleys, and their resources by all stakeholders. The proposed project seeks to develop, test and validate a range of methodologies and tools to characterize inland valleys and optimize the use of their resources.
2. **Compliance with IFAD Policy for Grant financing.** The proposed project is in line with the goal and objectives of IFAD's 2015 Policy for Grant Financing.¹ The project will contribute to household food security and rural poverty reduction, promote biodiversity conservation and build farmers' resilience to climate change through the development of innovative, pro-poor agricultural technologies, approaches and strategies. The grant's outputs will be documented and shared with policy makers and as public goods in international forums as part of the scaling-up agenda. This knowledge-generation and dissemination process will allow IFAD to identify factors influencing the development of inland valleys, along with opportunities and constraints to their exploitation. The outputs will inform the future investments of IFAD and other development actors in inland valleys.
3. **The Africa Rice Center (AfricaRice)** was selected because it is a unique centre of the Consultative Group on International Agricultural Research (CGIAR). As a pan-African rice research organization governed by a council of ministers of member states, implementation by AfricaRice will ensure that project outputs are taken up at the country level for sustainability and scaling up. While the Philippines-based International Rice Research Institute (IRRI; another CGIAR centre) and other research institutions in Asia also have the capacity to implement the project, they have no presence in Africa and it would be inefficient for them to

¹ See EB 2015/114/R.2/Rev.1.

establish a presence in the project area specifically for this initiative. Furthermore, IRRRI collaborates with AfricaRice on all research in Africa.

II. The proposed project

4. The goal of this project is to contribute to food security, poverty alleviation, biodiversity conservation and climate resilience in inland valleys within sub-Saharan Africa. Its objective is to capitalize the potential of inland valleys in order to deliver food and ecosystem services to local communities while preserving biodiversity.
5. The direct target group comprises 2,000 households (about 400 per inland valley) who depend on the resources available in these valleys (including smallholders, agropastoralists, fishers, extension staff, landowners, local leaders, village administrators and other private- and public-sector actors). This is equivalent to approximately 10,000 people.
6. Implemented over four years, the project will have the following components:
 - (i) Identification, characterization and assessment of the potential of inland valleys for the development of rice-based agricultural systems at the national level;
 - (ii) Facilitation of collective decision-making and priority setting to co-design and plan land and water use that improves climate resilience in inland valleys and the marketing of inland valley products; and
 - (iii) Project communication, coordination, scaling up, monitoring and evaluation to assist inland valley stakeholders.

III. Expected outcomes/outputs

7. The project is expected to have the following outputs; activities contributing to each output are listed below each output.

Output 1: Identification, characterization and assessment of the potential of inland valleys.

- (i) Develop a geospatial database with socio-economic and biophysical characteristics of the selected inland valleys.
- (ii) Establish parameters that determine the potential for development of inland valleys.
- (iii) Develop maps of inland valleys with high potential for development.

Output 2: Facilitation of collective decision-making and priority setting to improve climate resilience in inland valleys.

- (i) Develop a decision-making guide on inland valley selection and generate informed compromises among ecosystem services.
- (ii) Promote collective decision-making and priority setting to reach consensus on land- and water-use planning.
- (iii) Establish alternative uses for inland valleys to reduce production and climate risks, and optimize resource use and climate resilience.
- (iv) Evaluate and improve the efficiency of locally adapted, alternative resource uses including good agricultural practices, post-harvest practices, natural resource management and marketing.

Output 3: Project communication, coordination, scaling-up and monitoring and evaluation.

- (i) Conduct multitasker platforms and value chain analyses to understand collective decision-making and priority setting processes for marketing inland valley products.
- (ii) Undertake national and regional consultations, and produce policy briefs to promote the use of inland valleys for agricultural development.
- (iii) Package and promote scalable technologies and approaches.
- (iv) Develop curricula for vocational training of service providers in inland valleys.
- (v) Monitor and evaluate project progress and impact.

IV. Implementation arrangements

8. As the grant recipient responsible to IFAD for both technical and fiduciary matters, AfricaRice will lead project implementation. The project will be implemented in collaboration with local partners in the two countries. The National Agronomic Research Centre in Côte d'Ivoire and the Council for Scientific and Industrial Research – Soil Research Institute in Ghana are the national coordinators. Wageningen University will be responsible for developing training curricula and supervising student research projects. The International Centre for development oriented Research in Agriculture will be responsible for building local partners' capacity by co-producing training materials and videos.
9. There will be no deviations from the standard procedures for financial reporting and audits. AfricaRice will ensure that:
 - (i) The entire project implementation period is covered by audit, including the 2 per cent cost sharing percentage;
 - (ii) Semi-annual unaudited statements of expenditure, including transaction lists, shall be submitted to IFAD within 45 days of the end of the reporting period;
 - (iii) Accounts are audited yearly in accordance with international audit standards and IFAD financial guidelines, and a copy of the audited financial statements is submitted to IFAD within six months after the end of each fiscal year (a final audited report shall be submitted to IFAD before the project closing date); and
 - (iv) The annual audit report submitted to IFAD shall include IFAD funds and cofinancing, and shall consolidate expenditures incurred by sub-grantees, which will be accountable for the use of sub-grant funds and subject to normal audit oversight.

V. Indicative project costs and financing

10. The total project budget is US\$2,848,000, of which the IFAD grant totals US\$2 million and cofinancing in terms of facilities and staff time totals US\$848,000. The project budget by output and expenditure category is presented in the tables below.

Table 1
Costs by component and financier
 (Thousands of United States dollars)

<i>Components</i>	<i>IFAD</i>	<i>Cofinancing</i>	<i>Total</i>
(i) Identify, characterize and assess the potential of inland valleys	460	120	580
(ii) Facilitate collective decision-making and priority setting to co-design and plan land and water use in inland valleys	780	368	1 148
(iii) Scaling up, monitoring and evaluation	760	360	1120
Total	2 000	848	2 848

Table 2
Costs by expenditure category and financier
 (Thousands of United States dollars)

<i>Expenditure category</i>	<i>IFAD</i>	<i>Cofinancing</i>	<i>Total</i>
Salaries and allowances	503	250	753
Equipment and materials	47	20	67
Operating costs	147	9	156
Goods, services and inputs	75	-	75
Travel and allowances	100	-	100
Grants and subsidies	303	472	775
Training	504	-	504
Workshops	136	-	136
Subtotal	1 815	751	2 566
Management Fee (8 per cent)	145	97	242
Cost sharing percentage (2 per cent)	40	-	40
Total	2 000	848	2 848

VI. Recommendation

11. 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 project Capitalizing on the Potential of Inland Valleys for Food and Nutrition Security in West Africa shall provide a grant of two million United States dollars (US\$2,000,000) to the Africa Rice Center for four years 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

Results-based logical framework

	Objectives-hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	Contribute to enhanced food security, poverty alleviation, biodiversity conservation and climate resiliency of local communities in SSA	<ul style="list-style-type: none"> • Proportion of poor households among IV households decreased • Proportion of land under biodiversity conservation plans increased • Stability of ecosystem services and agricultural production increased 	<ul style="list-style-type: none"> - Base-line and end-of-project surveys on ecosystem services, agricultural production, markets and household economy - M&E report - Impact assessment report 	<ul style="list-style-type: none"> - National agricultural and food policies and regulations do not change negatively - No civil unrest will not disturb project continuation and success
Objectives	<p>To capitalize the potential of IVs, delivering food and important ecosystem services for local communities and preserve biodiversity; to:</p> <ol style="list-style-type: none"> 1) ensure rational and broadly supported selection of IVs for development or conservation 2) Optimize, sustainable and climate-resilient IV land-use planning and NRM 3) Increase the productivity, sustainability and climate resilience of IVs 4) Improve post-harvest processes and value chains of IV products 	<ul style="list-style-type: none"> • 1 methodology for IV selection developed • 30% of the arable area/selected IV under improved practices • 20% IV area protected for non-agricultural biodiversity/ecosystem services 	<ul style="list-style-type: none"> - National IV-atlas - Publications - Mid-term evaluation report - Base-line report - M&E report - Modules - Training modules/curricula - Videos - PhD theses 	<ul style="list-style-type: none"> - Human resources of lead center and partners remains - Local actors and stakeholders are pro-active - Intervention areas remain accessible for project staff - Politically stability remains to CGIAR-supported
Outputs	<ol style="list-style-type: none"> 1. Integrated methodologies for national and local land-use planning of IVs. 2. Sustainable IV NRM plans, based on climate scenarios and local stakeholder assessments. 3. Technological and organizational innovations to increase the productivity, sustainability and climate resilience of IV. 4. Guidelines for multi-stakeholder processes towards community-based NRM and value chain establishment 	<ul style="list-style-type: none"> • A comprehensive methodology, for IV development • A comprehensive plan for the development of the IV • 2 policy recommendation to guide the development of IVs • 1 IV NRM or organizational innovation model developed • 4 Guidelines developed for multitasker stakeholders for 	<ul style="list-style-type: none"> - Peer-reviewed scientific publications -Progress reports - Mid-term evaluation report - Base-line report - M&E report - Policy brief 	

	Objectives-hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
	around IVs. 5. Recommendations to policy- and decision-makers / training curricula.	community NRM <ul style="list-style-type: none"> • 4 Guidelines developed for the development of value chains • One training curricula developed for the IVs • Processing facility per IV 		
<u>Key Activities</u>	IV selection conducted Develop maps of IVs with high potential for development	4 IV's NRM plans developed Map of selected IV produced		
	<ul style="list-style-type: none"> • IV NRM plans generated • Develop a decision-making guide on IV selection • Promote collective decision-making and priority setting to reach consensus on land- and water-use planning through MSP and land-use modeling approaches 	4 NRM Reports for each IV <ol style="list-style-type: none"> 1 IV guide produced/IV 2 1MSP/IV established 		
	<ul style="list-style-type: none"> • Value chain enhanced • MSPs and value chain analyses 	1 Value Chain /IV analysed 4 MSP/selected IV established		
	<ul style="list-style-type: none"> • Knowledge, tools and policies disseminated • Develop curricula for vocational training of IV stakeholders 	1 integrated policy recommendation formulated/country 1 comprehensive training curriculum 1 comprehensive multi-language video on IV management developed		