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Investing in rural people

President's report on a proposed grant under
the global/regional window to the
Confederation of Family Farmers of the
Expanded MERCOSUR (COPROFAM) for the
Policy Dialogue for Rural Transformation
Programme

Note to Executive Board representatives

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For: Approval

Recommendation for approval

The Executive Board is invited to approve the recommendation for the proposed grant as contained in paragraph 24.

President's report on a proposed grant under the global/regional window to the Confederation of Family Farmers of the Expanded MERCOSUR (COPROFAM) for the Policy Dialogue for Rural Transformation Programme

I. Background and compliance with IFAD Policy for Grant Financing

1. The regional context has been experiencing major changes since 2015 owing to: (i) governmental crises in some of the countries involved, and changes in the direction of economic and development policies; (ii) financial deterioration due to an increase in national debts; (iii) deficits and budget restrictions; and (iv) a deterioration in the terms of trade (owing to a fall in agrifood-sector prices). These changes are affecting the resources allocated to policies directed at family farming.
2. In the countries involved in the programme (Argentina, the Plurinational State of Bolivia, Brazil, Chile, Paraguay, Peru and Uruguay), the rate of rural poverty (46.5 per cent) almost duplicates the rate of urban poverty (23.8 per cent). Some nine million family farmers represent a fifth of the total rural population, and half of them are affiliated with the member organizations of the Confederation of Family Farmers of the Expanded MERCOSUR (COPROFAM).
3. The proposed programme is in line with the goal and objectives of the IFAD Policy for Grant Financing (2015),¹ as it will: (i) contribute to development of the regulatory frameworks that promote and protect family farmers; (ii) strengthen the capacities of COPROFAM and its affiliated organizations to participate in the policy process; and (iii) increase the family farming sector's access to markets and its inclusion in ongoing IFAD projects. Gender, youth, indigenous and environmental perspectives will be mandatory during analysis of family farming policies and the subsequent training provided to organizational leaders.
4. The IFAD Policy for Grant Financing recognizes exemptions from the competitive selection of grant recipients for those regional organizations of agricultural and rural producers that have a unique representation mandate. The recipient of the grant – COPROFAM – is one of IFAD's corporate strategic partners in the region. COPROFAM is: (i) the largest representative organization of family farmers in Latin America and the only large-scale confederation of family farmers in the Common Market of the South (MERCOSUR); (ii) a key stakeholder in the creation and operations of MERCOSUR's specialized Commission on Family Farming; and (iii) a member of the steering committee of the IFAD-promoted Farmers' Forum. Thus it is one of the main interlocutors with government officials on family farming issues at the regional level.
5. The programme is aligned with IFAD's medium-term plan 2016-2018 and the IFAD Strategic Framework 2016-2025. The programme is: (i) aimed at developing the participation of family farmers' organizations in identifying and

¹ EB 2015/114/R.2/Rev.1.

formulating policies at regional and national levels; (ii) focused on analysis and development of family farming policies with a gender perspective; and (iii) built on the need for knowledge production and sharing among family farming actors.

II. The proposed programme

6. The overall goal of the programme is to improve the capacity of COPROFAM and its affiliated organizations to influence the formulation and implementation of public policies tailored to family farming, and to link the organizations affiliated with COPROFAM to IFAD projects. The objectives are to increase: (i) impact of COPROFAM's participation in policy forums at regional and international levels; (ii) political participation of organizations affiliated with COPROFAM at national and subnational levels; (iii) organizations' knowledge of gender, youth and indigenous perspectives related to family farming policies; and (iv) participation of COPROFAM's affiliated organizations in projects aiming to enhance their insertion in private markets and in public procurement.
7. The programme area is the expanded MERCOSUR region: Argentina, the Plurinational State of Bolivia, Brazil, Chile, Paraguay, Peru and Uruguay. The direct target group will comprise 500 leaders of COPROFAM and its affiliated organizations, while some activities linked with information-sharing will reach 15,000 family farmers. The indirect target group includes over four million family farmers affiliated with COPROFAM's member organizations. As half of the COPROFAM-affiliated members are women, the programme aims to reach men and women equally.
8. The programme will be implemented over three years and will have the following components: (i) development of public policy proposals; (ii) knowledge management and South-South Cooperation; (iii) competitive integration in differentiated markets; and (iv) technical coordination for implementation and administration.
9. Components 1 and 2 are very closely related, as component 1 will produce some materials with which part of the activities of component 2 are to be developed (such as technical products, workshops, identification of areas of interest, and topics for the exchange and dissemination activities foreseen by component 2). Component 3 has a specific focus on supporting family farming's competitive insertion into markets – bringing COPROFAM organizations closer to development projects (particularly IFAD projects). It will also strengthen the national policy dialogue space on family farming issues in the target countries, allowing a flow of knowledge and experiences from policies to projects and vice versa, to which COPROFAM attaches great value.

III. Expected outcomes/outputs

10. The programme is expected to have the following outcomes: (i) increase COPROFAM's knowledge of previous and ongoing policies directed at family farming in each country, to be used as an instrument to propose innovative policies and participate in policy dialogue platforms; (ii) increase the capacity of COPROFAM-affiliated organizations to participate actively in the creation or improvement of national policies for family farmers; (iii) strengthen COPROFAM-affiliated organizations' management skills, in order to facilitate their negotiation of business agreements with enterprises from both the private and public sectors; and (iv) strengthen COPROFAM's technical and financial capacities to improve networking and cooperation among its affiliated organizations.
11. The programme has identified potential linkages with various initiatives supported by IFAD in Latin America and the Caribbean in terms of knowledge

management activities and South-South Cooperation (e.g. the Regional Rural Dialogue Programme, Knowledge Management in Semi-arid areas of North-east Brazil, the rural dialogue groups promoted by the Latin American Center for Rural Development and the IFAD project with the World Rural Forum, Beyond IYFF 2014: Support to National Committees for Family Farming). Similarly, it proposes linkages with the family farming development projects already underway in all countries with COPROFAM affiliates, to assist them in accessing favourable policies and investments, and in developing linkages with the private sector in the value chains of differentiated products and/or with the agencies responsible for public purchases from family farmers. Linkages with other IFAD initiatives will assist COPROFAM and its affiliates in establishing knowledge-sharing activities that may be maintained after programme completion, based on self-financing and taking advantage of other existing sources of funding available in the region.

IV. Implementation arrangements

12. COPROFAM is the recipient of this grant programme. The Centro Latinoamericano de Economía Humana (CLAEH) will be responsible for the grant's administration. Its responsibilities and obligations will be established in an administration and specific service provision agreement. The agreement will be signed by CLAEH and COPROFAM, subject to IFAD's previous "no objection". The agreement between CLAEH and COPROFAM aims to strengthen the organizations' strategic capacities beyond the programme's lifetime through three mechanisms: (i) the parties' incentive to continue implementing the agreement, as expected results are achieved, measured and disseminated; (ii) the engagement of other organizations – such as donors or partners – by CLAEH; and (iii) the increase of financial contributions by COPROFAM's member organizations and other COPROFAM donors (e.g. the Food and Agriculture Organization of the United Nations, Action Aid, and Oxfam), based on the results achieved.
13. The governance of the programme is provided by: a steering committee (SC); a regional coordination unit (RCU); and an administration unit. The SC will meet at least twice a year. It can also be convened to extraordinary meetings by any of its members or by a member of the RCU. The SC is responsible for approving each year's annual workplan and budget (AWP/B), which will establish the RCU's priorities.
14. The programme will be supported by the Discussion and Support Group created by the FIDA-MERCOSUR programme in 2000, and comprised of social leaders, scholars and public officials.
15. It will be supervised directly by IFAD. Three basic documents will be produced and shared with IFAD: (i) the AWP/B; (ii) a biannual progress report; and (iii) a yearly progress report and budget review.
16. The AWP/B will establish the budget and timeline for planned activities. At the end of the first semester of each year, the RCU will prepare a report detailing the activities and the direct and indirect results achieved.
17. At the end of each year, the RCU will present a report of the activities completed in the year, the direct and indirect results achieved, and the costs actually incurred in each of them (compared with those budgeted, and explaining deviations recorded between planned and executed, if any).
18. For planning, monitoring and evaluation, and learning and knowledge management, relevant information will be collected through: (i) publication of the documents; (ii) training reports; (iii) reports on the debates and exchange events; (iv) the planned survey on successful business development experiences; (v) existing differentiated policies directed at family farming in

each country, with their scope and budget evolutions; (vi) the access of organizations affiliated with COPROFAM to IFAD projects; and (vii) trade agreements of organizations affiliated with COPROFAM with private partners in differentiated product markets and/or with public institutions responsible for public procurement.

19. The sources of information will be data collected by: (i) the RCU; (ii) organizations affiliated with COPROFAM; (iii) contracted consultancies planned in component 1; and (iv) an annual survey by the RCU to undertake a qualitative analysis for the COPROFAM board of the changes occurring in the differentiated policies directed at family farming.
20. Relevant information will be shared through COPROFAM's newsletters and will be available on the website and/or in print, as appropriate.
21. The RCU will produce an annual survey of the programme's target group and other stakeholders to collect information on: (i) the level of satisfaction with programme activities; (ii) the level of knowledge produced by the programme; and (iii) an evaluation by leaders of the affiliates of COPROFAM of the results achieved by the programme.
22. CLAEH will be responsible for financial reporting and submission of audits.

V. Indicative programme costs and financing

23. The total cost of the programme amounts to US\$2,671,000, of which US\$2,150,000 will be financed by IFAD, and US\$521,000 by cofinanciers: COPROFAM, CLAEH and others.

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

<i>Components</i>	<i>IFAD</i>	<i>COPROFAM, CLAEH, others</i>	<i>Total</i>
1. Development of public policy proposals	655	243	898
2. Knowledge management and South-South Cooperation	664	142	806
3. Competitive integration in differentiated markets	245	100	345
4. Technical coordination for implementation and administration	586	36	622
Total	2 150	521	2 671

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

<i>Expenditure category</i>	<i>IFAD</i>	<i>COPROFAM, CLAEH, others</i>	<i>Total</i>
1. Consulting services	395	20	415
2. Workshops and meetings	697	258	955
3. Overhead/management fees	227	-	227
4. Salaries and allowances	527	106	633
5. Project management	157	-	157
6. Operating costs	35	-	35
7. Equipment and materials	112	137	249
Total	2 150	521	2 671

VI. Recommendation

24. 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 Policy Dialogue for Rural Transformation Programme, shall provide a grant of two million one hundred fifty thousand United States dollars (US\$2,150,000) to the Confederation of Family Farmers of the Expanded MERCOSUR (COPROFAM) for a three-year period upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

Gilbert F. Hougbo
President

Results-based logical framework

	Objectives hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	To improve the capacity of COPROFAM and its affiliated organizations to influence the formulation and implementation of public policies tailored to family farming, and to link the organizations affiliated with COPROFAM to IFAD projects and private markets.	<p>% increase in differentiated public policies for family farming.</p> <p>% increase in outreach of family farmers on the current policies.</p> <p>% increase in budget allocated to the implementation of family farming public policies.</p>	<p>Programme M&E System.</p> <p>National budgets of involved countries.</p> <p>Quantity of FF assets in each country's Family Farming.</p> <p>National Registries, and REAF's (mandatory) report to MERCOSUR authorities.</p>	
Objectives	<p>1. Increase the impact of COPROFAM's influence in regional and international policy fora.</p> <p>2. Enhance the participation of organizations affiliated with COPROFAM at the national and sub-national levels.</p> <p>3. Enhance the organizations' gender, youth and indigenous perspectives related to FF policies.</p> <p>4. Increase the participation of COPROFAM's affiliated organizations in projects aiming to enhance their links to markets and government procurements.</p>	<p>No. of recommendations submitted to the GMC and CMC by REAF on the proposals made by COPROFAM.</p> <p>No. of agreements at the MERCOSUR level on proposals made by COPROFAM.</p> <p>No. of proposals made by organizations affiliated with COPROFAM at the national level.</p> <p>% of proposals with gender, youth or indigenous perspective.</p> <p>No. of new organizations participating in IFAD projects in the region.</p> <p>No. of new family farmers participating in IFAD projects in the region.</p>	<p>Programme M&E System.</p> <p>UCR's Reports.</p> <p>IFAD project information on beneficiary organizations' instruments in each country, in which COPROFAM's affiliates are identified.</p> <p>REAF's Acts.</p> <p>National Chapters' Acts.</p> <p>MERCOSUR Decisions and Resolutions.</p> <p>COPROFAM's newsletter and website.</p> <p>Final evaluation assessment.</p>	<p>Country governments prioritize family farming as a sector that demands differentiated policies.</p> <p>The policy dialogue spaces related to family farming at the regional and national levels are kept active.</p> <p>The government representatives at the dialogue spaces have decision-making capacities.</p> <p>The organizations affiliated with COPROFAM keep their channels for dialogue open to the local and regional authorities.</p>
Outcomes /Outputs	<p>1. A body of knowledge comprised of 20 documents with diagnoses, analyses and differentiated public policies proposals, with a well-defined strategical framework.</p> <p>2. Over 300 organizational leaders empowered in family farming policies.</p> <p>3. Organizations affiliated with COPROFAM that have business operations and the potential to utilize IFAD project instruments are identified and trained in associative management/cooperativism/access to markets, with the goal of developing businesses that improve their competitive insertion into markets and/or public procurement.</p>	<p>No. of presentations by COPROFAM's leaders of proposals in the regional dialogue spaces.</p> <p>No. of presentations by leaders of organizations affiliated with COPROFAM of proposals to the National Sections.</p> <p>No. of organizations affiliated with COPROFAM that join regional projects to develop businesses and improve their access to private markets and/or public procurement.</p>	<p>Programme M&E System</p> <p>RCU's Reports.</p> <p>Technical progress report.</p> <p>IFAD project information on beneficiary organizations' instruments in each country, in which COPROFAM's affiliates are identified.</p> <p>COPROFAM's newsletter and website.</p> <p>Final evaluation assessment.</p>	<p>The proposals made by COPROFAM and its affiliated organizations are well-received by the other organizations representing family farmers</p> <p>The proposals fit within the political priorities of the national and regional authorities.</p> <p>IFAD projects can incorporate the organizations affiliated with COPROFAM.</p>

	Objectives hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
2	<p>Key activities by component</p> <p><i>Component I - Development of public policy proposals</i></p> <ol style="list-style-type: none"> 1. Analysis of current and previous public policies directed at family farming. 2. Development of documents with regional and national public policy proposals. 3. Meetings with the IFAD-MERCOSUR Discussion and Support Group. 4. Participation in REAF. 5. Organization of workshops to develop a regional and international institutional strategy for COPROFAM. 	<p>No. of documents produced with diagnosis of differentiated public policies on each country, their budgets, and family farmers reached.</p> <p>No. of in-depth analyses of policies selected by COPROFAM, with at least five years of implementation.</p> <p>No. of documents with public policy proposals aimed at family farming for each country</p> <p>No. of meetings with the 'Support and Reflection Group'.</p> <p>Extent of COPROFAM's participation at REAF.</p> <p>No. of workshops organized to develop strategy.</p> <p>No. of documents on COPROFAM's institutional strategy.</p>	<p>Programme M&E System.</p> <p>RCU's Reports.</p> <p>Technical progress report</p> <p>COPROFAM's newsletter and website.</p> <p>Final evaluation assessment.</p> <p>Quantity of family farming assets in each country's Family Farming National Registries, and REAF's (mandatory) report to MERCOSUR authorities on the number of beneficiaries of differentiated public policies implemented in each State within the regional bloc.</p>	<p>The organizations affiliated with COPROFAM participate actively in the political dialogue spaces.</p> <p>COPROFAM manages to participate at REAF's regional conference.</p> <p>COPROFAM attracts other LAC family farming trade associations (at least to the PDRR) that are of interest to the Farmers' Forum, to establish common positions that will be presented in their biannual sessions in Rome.</p>
	<p><i>Component II - Knowledge management and South-South Cooperation</i></p> <ol style="list-style-type: none"> 1. Trainings (two per country) with COPROFAM's organizations leaders (at least 300). 2. Events for the exchange of experiences among at least 70 organizational leaders 3. A coordination/capacity complementing platform is created between COPROFAM and (at least) the Central American and Dominican PDRRs, and it brings regional (LAC) proposals to the Farmers' Forum 4. Presentation website of successful experiences relating to differentiated public policies at REAF and through COPROFAM's website 	<p>No. of trainings organized</p> <p>No. of organizational leaders participating in the trainings</p> <p>No. of events organized for the exchange of experiences</p> <p>No. of organizational leaders participating in the exchange events</p> <p>No. of presentations of successful experiences at REAF and through COPROFAM's website</p> <p>A working partnership is created between COPROFAM and the PDRR (at least; other LAC agencies that are relevant to the Farmers' Forum may also participate) that coordinates general, regional positions to be presented at the Farmers' Forum's biannual sessions in Rome</p>	<p>Complementarity Agreement between COPROFAM and PDRR (at least), to extend work beyond the PDRT's activities, and its positioning in relation to the Farmers' Forum organized by IFAD.</p>	
	<p><i>Component III - Competitive integration in differentiated markets</i></p> <ol style="list-style-type: none"> 1. Inform organizations of IFAD projects in the region 2. Support organizations' participation in IFAD projects 3. At least 200 organizational leaders are trained on how to gain access to markets and be linked to IFAD's projects. 	<p>No. of newsletters sent with information on IFAD projects to encourage their involvement</p> <p>No. of newsletter recipients</p> <p>No. of exchange meetings with IFAD's CPOs and CPMs</p> <p>No. of organizations supported</p> <p>No. of leaders trained</p>		