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Investing in rural people

President's report on a proposed grant under the global/regional window to the International Network for Bamboo and Rattan (INBAR) (a non-CGIAR institution) for the Intra-African Bamboo Smallholder Livelihood Development 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 under the global/regional window as contained in paragraph 10.

President's report on a proposed grant under the global/regional window to the International Network for Bamboo and Rattan (INBAR) (a non-CGIAR institution) for the Intra-African Bamboo Smallholder Livelihood Development Programme

I. Background and compliance with IFAD Policy on Grant Financing

1. The grant is anchored in South-South Cooperation between China and Africa and within Africa to scale up climate-smart, smallholder-based bamboo value chains in Africa. This approach builds on 20 years of IFAD investments with INBAR, which have tested and validated smallholder bamboo value chain models and technologies and have created 250,000 new rural jobs, primarily benefiting women and youth. The approach also takes into account China's huge bamboo industry growth since the 1980s: the sector now employs 8 million people and has enhanced millions of smallholder farmers' capacities for adaptation to climate change. IFAD's investments, combined with China's experience, clearly show that bamboo is a strategic natural resource for poverty alleviation, employment of youth and women, and environmental protection, in line with the United Nations Sustainable Development Goals (SDGs). The grant aims to consolidate learning and platforms put in place in Ethiopia and Madagascar from previous collaborations and partnerships with IFAD loan projects, as well as to support intra-African South-South Cooperation through sharing of learning and experiences. Moreover, it will benefit from linkages to Chinese bamboo-sector expertise through INBAR's headquarters in Beijing.
2. The programme is in line with the goal and objectives of the IFAD Policy for Grant Financing.¹ The grant will: promote innovative, pro-poor bamboo farming-system approaches and technologies with the potential to be scaled up for greater impact; strengthen the institutional and policy capacity – for sustainable bamboo resource management and pro-poor value chain development – of key national line ministries, research agencies and local civil society and private-sector stakeholders; enhance advocacy and policy engagement, creating an enabling policy environment for bamboo-sector development; and generate and share knowledge for development impact on bamboo farming systems, climate resilience, and pro-poor value chain and market development. At the corporate level, the grant will directly contribute to all three of IFAD's strategic objectives (SOs): increasing both poor rural peoples' productive capacities (SO1) and their benefits from market participation (SO2), and strengthening the environmental sustainability and climate resilience of their economic activities (SO3). This will be achieved by driving change to realize each of IFAD's three main corporate expected outcomes: enabling policy and regulatory frameworks at national and international levels; increased levels of investment in the rural sector (through generating strong

¹ EB 2015/114/R.2/Rev.1.

linkages with key government line ministries); and improved country-level capacity for rural policy and programme development, implementation and evaluation.

II. The proposed programme

3. The overall goal is to enhance incomes, livelihoods and the climate-change adaptive capacities of communities with the potential to produce and trade in bamboo and bamboo products. The objectives are to:
 - (i) scale up and diversify existing target-country bamboo value chains and promote industrialization;
 - (ii) restore degraded areas;
 - (iii) integrate bamboo into country development plans, particularly for climate change; and
 - (iv) enhance South-South Cooperation within Africa and between Africa and China.

4. The target group comprises 30,000 smallholder farmers, 15,000 women and 3,000 youth, who will have access to new employment or entrepreneurial opportunities. Indirect beneficiaries total 150,000 people living in poor rural households that include direct grant beneficiaries.

5. The programme will be implemented over three years and will have the following components:

Component 1: Reduce poverty and increase employment through enhanced integration of bamboo smallholders in formal markets as part of private-sector value chains. The focus is on: (i) scaling up existing production systems and technologies for bamboo that have been successfully tested in local action research sites for mature products, such as furniture, bamboo charcoal and bamboo biomass gasification in Ethiopia and Madagascar; and (ii) site-twinning between Ethiopia-Ghana and Madagascar-Cameroon for enhanced uptake of technologies. Key activities are:

- (i) forest and on-farm resource assessments;
- (ii) bamboo smallholder and youth market integration;
- (iii) participatory bamboo agroforestry system development; and
- (iv) research in developing bamboo silvopastoral systems.

Component 2: Reduce land degradation, with 10,000 hectares of degraded land restored. Support will be provided for establishment and scaling up of bamboo farming systems on degraded and environmentally fragile ecosystems. It will focus on rehabilitation and livelihood diversification for poor rural smallholders in forest/savannah transition zones and riparian systems (Ghana) and in four regions identified by the Government in Cameroon. Key activities are:

- (i) technical assistance in bamboo site-species-matching for restoration;
- (ii) strengthening of the capacity of national planting-material delivery systems and community bamboo resource management; and
- (iii) quantifying of bamboo ecosystem services in restoration.

Component 3: Mainstream bamboo in SDGs, relevant national policies and development programmes. This component will ensure that bamboo is embedded in the long-term development plans of the four beneficiary countries. Key activities are:

- (i) bamboo policy/programme integration; and
- (ii) cross-ministerial and multi-stakeholder coordination.

Component 4: Enhance intra-African and Sino-African South-South Cooperation. To tie activities from the above three components together and foster cross-learning and exchanges within regions in the same country, between beneficiary countries and from China, this component will act as the grant's main vehicle for the generation of global public good knowledge products and their dissemination to stakeholders. Key activities are:

- (i) establishment and coordination of communities of practice; and
- (ii) study tours and South-South training courses.

III. Expected outcomes

- 6. The programme is expected to have the following outcomes:
 - (i) reduced poverty and increased employment and energy security for 30,000 smallholders (including 18,000 women and youth);
 - (ii) measurable reduction in degradation, with 10,000 hectares of degraded land restored;
 - (iii) bamboo increasingly mainstreamed in national poverty, employment, bioenergy, climate change and restoration planning in the four target countries, as well as in international-donor-supported programmes; and
 - (iv) a measurable increase in intra-African and Sino-African bamboo-sector exchange, trade and investment.

IV. Implementation arrangements

- 7. The grant recipient is INBAR, which will be responsible to IFAD for both technical and fiduciary matters and will lead overall programme implementation. Implementation will be carried out in collaboration with local partners in each of the four beneficiary countries, which are all INBAR member states. Implementation arrangements are in place with local partners in each country, as well as with Chinese South-South implementation partners:
 - (i) Ghana: Government partners, private-sector entities such as Kwamoka Farms & Processing Limited and Bamboo Bikes Bright-Generation Community Foundation Ghana, and the NGO SNV Netherlands Development Organisation;
 - (ii) Cameroon: Government partners and the NGO Forests and Rural Development;
 - (iii) Ethiopia: Government partners, one IFAD loan project (Community-based Integrated Natural Resources Management [CBINReMP]), and the private-sector entities Adal Industrial Plc and Amhara Pulp and Paper Factory;
 - (iv) Madagascar: Two IFAD loan projects (Rural Microenterprise Poles and Regional Economies [PROSPERER] and Vocational Training and Agricultural Productivity Improvement Programme [FORMAPROD]), and NGOs such as the Centre for Indian Bamboo Resource and Technology (CIBART); and
 - (v) China: Government partners, standards organizations and research centres.
- 8. There are no deviations from the standard procedures for financial reporting and audits.

V. Indicative programme costs and financing

- 9. Total programme costs for three years are estimated at US\$5.3 million, including the proposed IFAD grant financing of US\$2.5 million, to be complemented by cofinancing of approximately US\$2.8 million. Tables 1 and 2 provide a breakdown of expected costs by component and by expenditure category.

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

<i>Component</i>	<i>IFAD</i>	<i>Cofinancing</i>	<i>Total</i>
1. Reduce poverty and increase employment	1 262	1 455	2 717
2. Reduce land degradation	535	624	1 159
3. Mainstream bamboo in SDGs, relevant national policies and development programmes	239	287	526
4. Enhance intra-African and Sino-African South-South Cooperation	464	431	895
Total	2 500	2 797	5 297

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>
1. Salaries and allowances	655	309	964
2. Equipment and materials	270	819	1 089
3. Operating costs	57	86	143
4. Goods, services and inputs	223	370	593
5. Travel and allowances	204	240	444
6. Consultancies	65	75	140
7. Training	715	787	1 502
8. Workshops	126	111	237
9. Overhead	185	-	185
Total	2 500	2 797	5 297

VI. Recommendation

10. 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 Intra-African Bamboo Smallholder Livelihood Development Programme, shall provide a grant of two million five hundred thousand United States dollars (US\$2,500,000) to INBAR for three years 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	Enhance incomes, livelihoods and climate change adaptive capacities of African smallholder farmers, women and youth	<ul style="list-style-type: none"> 30,000 people have improved livelihoods and increased incomes of up by 25% 	National Government Statistics; UN SDG and Rio Convention Country Reporting Data	
Objectives	<ol style="list-style-type: none"> Upscale and diversify existing target country bamboo value chains and promote industrialisation Facilitate restoration of degraded areas Integrate bamboo into country development plans Enhance intra-Africa and Sino-Africa South-South Cooperation 	<ul style="list-style-type: none"> 4 national bamboo development programmes/policies referenced and linked to programmes for climate change, energy and sustainable land management At least US\$5 million Chinese investment in African bamboo sector development; bamboo trade increases by 10% 	<ul style="list-style-type: none"> Surveys; modelling and cost-benefit analysis Remote Sensing and participatory stewardship ICT; verification field visits Cooperation agreements; UN COMTRADE database 	<ul style="list-style-type: none"> Market demand for bamboo products remains strong; pricing remains competitive Extreme climatic events, such as fire Changes in government do not affect development priorities; Chinese and African economies continue to grow
Outcomes /Outputs	<ol style="list-style-type: none"> Reduced poverty and increased employment and energy security for smallholder farmers, women and youth Degraded land restored Bamboo mainstreamed into national UN SDG-related policies and development programmes Increased intra-Africa and Sino-Africa bamboo sector exchange, trade and investment 	<ul style="list-style-type: none"> 12,000 smallholders, 15,000 women 3,000 youth participate and benefit from bamboo 4 national agencies deliver more effective and equitable bamboo planting material 4 national bamboo policies/programme decision-makers are partaking in co-design and generation of grant knowledge products Policymakers, researchers, civil society and private sector stakeholders from Africa and China are collaborating through communities of practice 	<ul style="list-style-type: none"> Participatory stewards ICT data; CPTC business records; surveys and verification visits Government agency records; Published policies/programmes and evaluation reports Published voluntary guideline standards; journal publications 	<ul style="list-style-type: none"> Development projects and private companies willing to invest in bamboo/cooperate with the grant Smallholder farmers have secure land tenure or user rights to bamboo resources