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Investing in rural people

President's memorandum

Proposed additional grant under the Debt Sustainability Framework and loan to Republic of Chad for the Strengthening the Productivity and Resilience of Agropastoral Family Farms Project

Project ID: 2000002543

Note to Executive Board representatives

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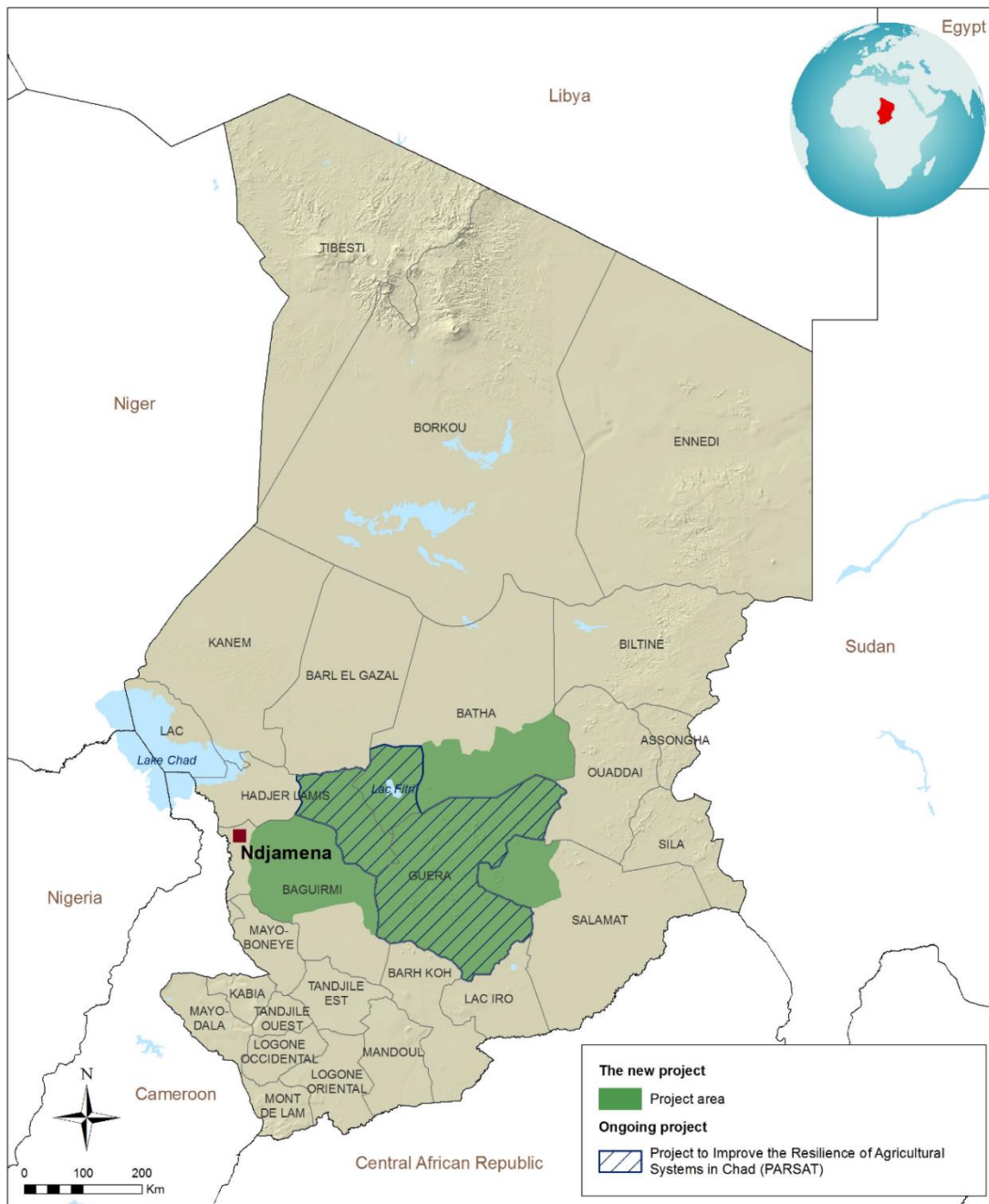
Cadre logique mis à jour, intégrant le financement additionnel

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Abbreviations and acronyms

AWP/B	annual workplan and budget
DSF	Debt Sustainability Framework
PARSAT	Project to Improve the Resilience of Agricultural Systems in Chad
PBAS	performance-based allocation system
RePER	Strengthening the Productivity and Resilience of Agropastoral Family Farms Project

Map of the project area



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 delimitation of the frontiers or boundaries, or the authorities thereof. Map compiled on 10/10/2017

Financing summary

Initiating institution:	IFAD
Borrower/recipient:	Republic of Chad
Executing agency:	Ministry of Production, Irrigation and Agricultural Equipment
Total project cost:	EUR 81.9 million (equivalent to approximately US\$93.5 million)
Amount of initial IFAD grant under the Debt Sustainability Framework (DSF):	EUR 27.9 million (equivalent to approximately US\$31.8 million)
Terms of initial IFAD financing:	DSF grant
Amount of additional DSF grant:	EUR 21.36 million (equivalent to approximately US\$24.4 million, or 80 per cent of the additional financing)
Amount of IFAD loan:	EUR 5.34 million (equivalent to approximately US\$6.1 million, or 20 per cent of the additional financing)
Amount of IFAD climate finance*	EUR 7.1 million, equivalent to approximately US\$8.1 million, or 26.6 per cent of the additional IFAD financing
Terms of IFAD loan:	The loan will be granted on highly concessional terms, exempt from interest but with a service commission of three quarters of one percentage point (0.75 per cent) per annum and a repayment term of 40 years, including a grace period of 10 years, calculated from the date of loan approval by the Executive Board. The principal amount will be repaid at a rate of 4.5 per cent of total principal per annum commencing in year 11 and up to year 30, and at a rate of 1 per cent of total principal per annum commencing in year 31 and up to year 40.
Cofinancier:	Green Climate Fund
Amount of Green Climate Fund cofinancing:	EUR 17.1 million (equivalent to approximately US\$19.5 million, or 20.9 per cent)
Terms of cofinancing:	Grant
Contribution of the borrower/recipient:	EUR 7.6 million (equivalent to approximately US\$8.7 million, or 9.3 per cent)
Contribution of beneficiaries:	EUR 2.6 million (equivalent to approximately US\$3 million, or 3.2 per cent)
Appraising institution:	IFAD
Cooperating institution:	IFAD

* According to the methodologies used by multilateral development banks to track finance to address climate change and its effects

Recommendation

The Executive Board is invited to approve the recommendation for the proposed additional grant under the Debt Sustainability Framework and loan as contained in paragraph 45.

I. Background and project description

A. Background

1. The Strengthening the Productivity and Resilience of Agropastoral Family Farms Project (RePER) in the Republic of Chad was approved by the Executive Board on 13 September 2018 (EB 2018/124/R.24). The total cost of the project is EUR 81.9 million (approximately US\$93.5 million), which breaks down as follows: (i) an IFAD grant under the Debt Sustainability Fund (DSF) in the amount of EUR 27.9 million (approximately US\$31.8 million, or 34 per cent of the total cost), during the 2016-2018 cycle of the performance-based allocation system (PBAS) under the Tenth Replenishment of IFAD's Resources (IFAD10); (ii) a contribution from the Government of Chad in the amount of EUR 7.6 million (approximately US\$8.7 million, or 9.3 per cent); (iii) a contribution by beneficiaries in the amount of EUR 2.6 million (approximately US\$3.0 million, or 3.2 per cent); (iv) an expected contribution from the Green Climate Fund in the amount of EUR 17.1 million (approximately US\$19.5 million, or 20.9 per cent); and (v) a financing gap of EUR 26.7 million (approximately US\$31.0 million, or 32.6 per cent).
2. The allocation provided for the Republic of Chad under IFAD11 is US\$61.7 million. In accordance with IFAD's new lending conditions, the Government of Chad has requested that part of this amount be used to cover the financing gap of US\$31.0 million for RePER (about EUR 26.7 million), with the remainder earmarked for other priority investments to be determined in 2020 within the framework of the new country strategic opportunities programme for Chad. The project objective, components, subcomponents, costs, cost-benefit analysis, results matrix, M&E system and indicators, and the institutional arrangements, remain unchanged.

B. Original project description

3. **Development objective.** The goal of RePER is to sustainably improve food and nutritional security and incomes for rural households in the project area. The development objective is to improve the performance and resilience of the targeted agropastoral family farmers in the face of climate change. This development objective will be achieved through the following outcomes: (i) reduced production risks and increased productivity for agropastoral family farms; and (ii) better organized agropastoral family farms and support services provided to them.
4. The impact indicators are as follows: (i) number of persons whose economic situation has changed in terms of income, food diversity or nutrition; (ii) number of persons whose resilience has been strengthened (at least 40 per cent); (iii) number of persons and households benefiting from the services promoted or supported by the project; and (iv) number of persons whose market access has improved.

II. Rationale for additional financing

A. Rationale

5. The proposed additional DSF grant is intended to cover the initial financing gap of EUR 26.7 million for RePER and is fully aligned with the revised guidelines on supplementary financing for projects under way in the sense that: (i) the project objectives remain identical to those stated in the initial project design report; (ii) Chad is eligible for PBAS resources and such resources are available; (iii) the

proposed activities are consistent with all IFAD policies; and (iv) the Government of Chad has made an official request for additional financing in accordance with the new IFAD financing terms.

6. RePER is at the start-up phase. An initial IFAD financing agreement in the amount of EUR 27.9 million was signed on 28 February 2019 and the project entered into effect on the same date. Activities commenced as of the project effective date thanks to the country programme approach adopted for the IFAD portfolio in Chad, which enabled staff already in place for the Project to Improve the Resilience of Agricultural Systems in Chad (PARSAT) to commence preliminary and start-up activities for the new project. At of this writing, additional staff have been recruited, the first disbursement has been made and the project is now fully operational.

B. Description of geographic area and target groups

7. The RePER project area remains identical to the area defined in the initial design report. RePER will operate in the Sahelian area of Chad, mainly in the 10 departments located in the following five regions: Guéra, Batha, Hadjer Lamis, Chari-Baguirmi and Salamat. It will be implemented in each of the six departments currently covered by PARSAT, in complementarity with that project, and in four new departments in the regions of Chari-Baguirmi (Baguirmi department), Batha (Batha West and Batha East) and Salamat (Aboudeïa department).
8. These areas were selected in agreement with the Government of Chad on the basis of the following criteria: (i) incidence of poverty; (ii) vulnerability to food and nutritional insecurity; (iii) vulnerability of agropastoral family farming systems to climate change; (iv) agricultural potential; and (v) potential for combining several types of interventions (production, storage/conservation/processing, commercialization).
9. Sedentary agropastoral family farmers are the priority target group for RePER (with the exception of the subcomponent on small ruminants vaccination, which will target all households owning livestock). RePER targets a total of 208,500 households (1,084,200 people), or 55 per cent of the estimated 378,947 sedentary households in the 10 departments. However, the expected number of beneficiaries in the 10 departments covered is estimated at 146,000 households (more than 750,000 people), or an average of 38 per cent of the total sedentary population, estimated at 2,115,998 people living in 378,947 sedentary households.

C. Components and activities

10. **Component 1: Productive investment in resilient agropastoral family farms**
The expected outcome of this component is a reduction in production risks and an increase in productivity for agropastoral family farms. This will be achieved by implementing the following three subcomponents: (i) hydro-agricultural improvements and rehabilitation of rural tracks; (ii) intensification and diversification of resilient production systems at agropastoral family farms; and (iii) agropastoral product value addition.
11. Under component 1, the following activities are planned: (i) improvements on some 25,000 hectares to ensure the availability and effective management of water resources; (ii) opening up access to production areas by rehabilitating 150 km of rural tracks; (iii) dissemination and adoption of improved seed and climate-smart techniques; (iv) improving short-cycle livestock raising (small ruminants and local chicken) with vaccination against sheep and goat plague and Newcastle disease, benefiting 208,500 households. RePER will support post-harvest storage and processing activities in emerging agropastoral value chains.

12. **Component 2: Building human capital and professionalizing producers organizations.** The expected outcome is better organized and supported agropastoral family farms. This outcome will be achieved by implementing the following three subcomponents: (i) improving nutrition and access to water, and functional literacy; (ii) structuring peasants organizations and support for territorial development; and (iii) access to financial services.
13. Under component 2, the planned activities relate specifically to nutrition, in particular promoting enriched flour to feed small children and educational campaigns on nutrition, hygiene and sanitation. The project will support the economic empowerment of women, and the professionalization and empowerment of producers organizations to enable them to provide services to their members and organize and represent them better. In addition, it will promote professionalization of the Federation of Credit Unions in the region of Guéra, as well as the development and diversification of the supply of financial services to provide some 20,000 households and 450 organizations of producers and micro-entrepreneurs with access to financial services adapted to their needs.
14. **Component 3: Coordination, monitoring and evaluation and knowledge management**
This component is essentially devoted to implementing human resources and deploying the project's technical and financial implementation arrangements.

D. Benefits, costs and financing

15. The total cost of the project over a six-year period, including provisions for inflation, is EUR 81.9 million. Base costs are EUR 74.1 million. The provisions for physical and financial contingencies total EUR 7.8 million. Taxes in the amount of EUR 8.8 million are included.
16. Total base costs broken down by component are as follows: (i) productive investment in resilient agropastoral family farms: EUR 47.2 million, or 64 per cent of total base cost; (ii) building human capital and professionalizing producers organizations: EUR 17.3 million, or 23 per cent of total base cost; and (iii) coordination, M&E and knowledge management: EUR 9.6 million, or 13 per cent of total base cost. The table below shows a detailed distribution of project costs by component and subcomponent.
17. Component 1, productive investment in resilient agropastoral family farms, relates in part to climate action. The total amount of IFAD climate finance for this project, according to preliminary calculations, is EUR 7,109,150, or 26.6 per cent of total IFAD financing.
18. The project financing plan is as follows: (i) IFAD, with a total of EUR 54.6 million, corresponding to 66.6 per cent of total costs (including the initial grant of EUR 27.9 million, or 34.0 per cent of total cost; the requested IFAD loan of EUR 5.34 million, or 6.5 per cent of total cost; and the requested additional IFAD grant of EUR 21.36 million, or 26.0 per cent of total cost); (ii) the Green Climate Fund, for an anticipated amount of EUR 17.1 million, or 20.9 per cent of total cost; (iii) the Government of Chad, for an amount of EUR 7.6 million, or 9.3 per cent of total cost; and (iv) beneficiaries, for an amount of EUR 2.6 million, or 3.2 per cent of total cost.

19. The financing from the Government of Chad covers exemptions from tariffs and taxes on items procured under the project. The Government has requested that IFAD financing be denominated in euros for reasons of resource stability.

Table 1

Summary of initial financing and additional financing

(Thousands of euros)

	<i>Initial financing*</i>	<i>Additional financing</i>	<i>Total</i>
IFAD loan	-	5 337	5 337
IFAD DSF loan	27 884	21 349	49 233
Financing gap	26 686	-	-
Other cofinanciers (Green Climate Fund)	17 100	-	17 100
Beneficiaries	2 595	-	2 595
Borrower / counterpart	7 619	-	7 619
Total	81 884	26 686	81 884

* See table 1 of document EB 2018/124/R.24 for further details.

Table 2

Additional financing: project cost by component (and subcomponent) and source of financing

(Thousands of euros)

Component / subcomponent	Additional												Total Amount
	IFAD loan		Additional IFAD DSF grant		Other cofinanciers		Beneficiaries			Borrower / counterpart funding			
	Amount	%	Amount	%	Amount	%	Contributions in cash	Contributions in kind	%	Contributions in cash	Contributions in kind	%	
1. Productive investment in resilient agropastoral family farms													
1.1. Hydro-agricultural improvements and rehabilitation of rural tracks	1 772	7	7 086	26	-	-	-	-	-	-	-	-	8 858
1.2. Intensification and diversification of resilient agropastoral family farming systems	1 210	5	4 840	18	-	-	-	-	-	-	-	-	6 050
1.3. Agricultural product value addition	652	2	2 610	10	-	-	-	-	-	-	-	-	3 262
Subtotal	3 634	14	14 537	54	-	-	-	-	-	-	-	-	18 171
2. Building human capital and professionalizing producers organizations													
2.1. Improving nutrition and access to water, and functional literacy	465	2	1 860	7	-	-	-	-	-	-	-	-	2 325
2.2. Structuring peasant organizations and support for territorial development	195	1	780	3	-	-	-	-	-	-	-	-	975
2.3. Access to financial services	174	1	697	3	-	-	-	-	-	-	-	-	871
Subtotal	834	4	3 337	13	-	-	-	-	-	-	-	-	4 171
3. Coordination, M&E and knowledge management													
3.1. Coordination and project management	656	2	2 622	10	-	-	-	-	-	-	-	-	3 278
3.2. M&E and knowledge management	213	1	852	3	-	-	-	-	-	-	-	-	1 065
Subtotal	869	3	3 474	13	-	-	-	-	-	-	-	-	4 343
Total	5 337	20	21 349	80	-	-	-	-	-	-	-	-	26 686

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Table 3

Additional financing: project cost by category of expenditure and source of financing

(Thousands of euros)

Category of expenditure	IFAD loan		Additional IFAD DSF grant		Other cofinanciers		Additional						Total Amount	
	Amount	%	Amount	%	Amount	%	Beneficiaries			Borrower / counterpart funding				
							Contributions in cash	Contributions in kind	%	Contributions in cash	Contributions in kind	%		
I. Investment expenses														
1. Civil engineering works	2 011	8	8 046	30	-	-	-	-	-	-	-	-	-	10 057
2. Equipment and materials	409	2	1 634	6	-	-	-	-	-	-	-	-	-	2 043
3. Goods, service and inputs	993	4	3 972	15	-	-	-	-	-	-	-	-	-	4 965
4. Consulting services	157	1	622	2	-	-	-	-	-	-	-	-	-	778
5. Training	578	2	2 312	9	-	-	-	-	-	-	-	-	-	2 890
6. Grants and subsidies	134	1	538	2	-	-	-	-	-	-	-	-	-	672
Subtotal	4 281	16	17 125	64	-	-	-	-	-	-	-	-	-	21 406
II. Current expenses														
1. Operating costs	236	1	945	4	-	-	-	-	-	-	-	-	-	1 181
2. Salaries and benefits	820	3	3 279	12	-	-	-	-	-	-	-	-	-	4 099
Subtotal	1 056	4	4 224	16	-	-	-	-	-	-	-	-	-	5 280
Total	5 337	20	21 349	80	-	-	-	-	-	-	-	-	-	26 686

Table 4
Project cost by component and year of implementation
(Thousands of euros)

Component/ subcomponent	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1. Productive investment in resilient agropastoral family farms													
1.1. Hydro-agricultural improvements and rehabilitation of rural tracks	742	-	2 975	-	9 718	-	5 066	-	973	-	520	-	19 995
1.2. Intensification and diversification of resilient agropastoral family farming systems	1 247	-	3 120	-	4 381	-	4 498	-	3 102	-	1 927	-	18 275
1.3. Agricultural product value addition	722	-	2 075	-	2 246	-	2 105	-	1 632	-	204	-	8 983
Subtotal (58%)	2 711	3	8 170	10	16 345	20	11 669	14	5 707	7	2 652	3	47 254
2. Building human capital and professionalizing producers organizations													
2.1. Improving nutrition and access to water, and functional literacy	303	-	540	-	2 439	-	1 843	-	473	-	140	-	5 738
2.2. Structuring peasant organizations and support for territorial development	252	-	1 491	-	1 431	-	1 699	-	1 511	-	1 149	-	7 533
2.3. Access to financial services	505	-	1 576	-	833	-	410	-	423	-	275	-	4 022
Subtotal (21%)	1 060	1	3 607	4	4 702	6	3 952	5	2 407	3	1 564	2	17 293
3. Coordination, M&E and knowledge management													
3.1. Coordination and project management	2 249	-	793	-	762	-	1 255	-	1 073	-	1 073	-	7 204
3.2. M&E and knowledge management	332	-	395	-	399	-	424	-	394	-	450	-	2 393
Subtotal (12%)	2 581	3	1 188	1	1 162	1	1 678	2	1 466	2	1 523	2	9 598
Total baseline (90%)	6 352	8	12 966	16	22 208	27	17 299	21	9 581	11	5 738	7	74 145
Physical contingencies (2%)	59	-	209	-	589	1	380	1	109	-	42	-	1 389
Inflation (8%)	133	-	565	1	1 691	2	1 819	2	1 259	2	925	1	6 392
Total	6 544	8	13 740	17	24 448	30	19 498	24	10 949	13	6 706	8	81 926

III. Risk management

A. Project risks and mitigation measures

20. The major risks are: (i) macroeconomic instability; (ii) security and socio-political issues; (iii) poor governance and lack of transparency in public fiscal management; (iv) serious climate fluctuations; (v) failure of the Federation of Credit Unions in the region of Guéra; and (vi) weak technical and management capabilities needed for project implementation and monitoring. The probability of these risks materializing is deemed moderate to high, while their degree of severity overall is considered low to moderate once risk mitigation measures have been taken.
21. Although they do not fall under the direct control of the project, macroeconomic and socio-political risk and security issues will be mitigated by the fact that the project favours diversification and takes an overall approach to implementation based on decentralization to the regional and subregional levels, promoting the empowerment and professionalization of peasant organizations to play a leading role in services provided to farmers.
22. Mitigation measures for technical risks include: (i) participatory planning for all project investments and their inclusion in local development plans to encourage ownership by beneficiaries; and (ii) adoption of a country programme approach for more effective project management, coordination and application of lessons learned in implementing past investments by IFAD in Chad such as the Rural Development Support Project in Guéra (PADER-G) and current investments, i.e. PARSAT now under way; (iii) capacity-building for actors and operators responsible for implementation; and (iv) monitoring, supervision and technical support for implementation partners by mobilizing national and technical assistance.

B. Environmental and social category

23. RePER is classified in environmental category B, as it is not expected to have any adverse impact on the environment or society. The environmental sustainability of RePER is positive, considering the many benefits deriving from building the resilience of agropastoral farming systems and improving the financial circumstances of rural households. Productive investments under RePER (hydric infrastructure for agriculture, storage warehouses, processing units, vaccination, and distribution of improved varieties) all involve simple technologies that have already demonstrated a positive impact on households and the environment. The strategy to strengthen RePER focuses on ownership, transferring responsibility and accountability to local actors and building their capacity to take charge of project activities during implementation and beyond.

C. Climate risk classification

24. RePER is classified in the high climate risk category as it concerns a Sahelian region highly sensitive to climate change. As indicated in the project design paper, RePER will be subject to a specific climate risk assessment at project start-up and the results will be taken into account in the environmental and social management plan. The procurement process to conduct this assessment and update the management plan is under way. All the initiatives resulting from this plan and the climate risk assessment will be included in the corresponding activities under the project components and will be funded by the IFAD grant. In addition, a request for supplementary financing has been submitted to the Green Climate Fund to strengthen resilience to climate change. RePER is not expected to have any adverse impact on the environment or society.
25. The additional financing does not involve any new activity or geographic expansion of the project area. Accordingly, the Social, Environmental and Climate Procedures note remains unchanged and applies as initially provided for.

IV. Implementation

A. Compliance with IFAD policies

26. As indicated in the section on background, the implementation approaches and principles underlying RePER remain identical to those in the original design. The Government of Chad wishes to replicate and scale up the impact of lessons learned from the experiences and innovations of past and present IFAD-funded operations, in particular the most recent ones, such as PADER-G and PARSAT, in order to optimize the impact on beneficiaries.
27. RePER is aligned with IFAD11 priorities and policies, particularly the following aspects: (i) it addresses issues relating to gender equality, youth, nutrition and climate change, and therefore supports the IFAD11 integration programme; (ii) cofinancing obtained from the Green Climate Fund will contribute to meeting the target set for private cofinancing; (iii) the project disbursement profile is relatively large, based on a substantial initial charge and maintenance during the first few years, which will contribute to raising the disbursement ratio for IFAD; and (iv) the project covers two PBAS cycles and therefore falls within the new vision of designing larger, smarter and more sustainable investments.

B. Organizational framework

28. The implementation methods and principles for RePER draw upon lessons learned during previous IFAD-funded projects in Chad, as well as other IFAD-funded projects elsewhere in the region, and are consistent with the guidelines governing IFAD engagement with countries in fragile situations. The interventions will be based on: (i) a country programme approach to ensure effective management of the project portfolio; (ii) support for and close monitoring of project implementation; and (iii) an effective partnership with the technical units of the ministries covering the subsectors of crop and livestock farming and the environment to ensure quality control and ownership by beneficiaries.
29. The country programme approach taken by RePER includes a country programme coordination and management unit similar to the one for PARSAT and sharing cross-cutting functions such as coordination, fiduciary management, procurement, M&E, communication and knowledge management. Technical responsibilities, however, will remain with each project team.
30. As is the case with PARSAT, RePER will finance the establishment of four regional branches to be located in Ati (Batha), Aboudeïa (Salamat), Dourbali (Chari-Baguirmi) and Mangalmé (Guéra). RePER implementation will be based mainly on outsourcing to service providers and private operators, as well as working together with technical services and producers organizations associated with the project under performance agreements.

C. Financial management, procurement and governance

31. The financial management risk of RePER is considered high before mitigation measures and moderate once the country programme approach and an organizational, accounting and financial management framework have been put in place with transparent controls and tools for management of operational funds. On a functional level, some cross-cutting activities will be shared, such as coordination, fiduciary management, M&E and procurement.
32. Internal auditing will be based on an annual internal audit plan comprising monitoring missions with a frequency (quarterly and yearly) to be determined on the basis of the type of activity and information subsystems. In accordance with IFAD audit guidelines, the project accounts will be subject to an annual audit by an independent, qualified regional accounting firm.
33. In the country programme configuration whereby RePER is implemented by a management and coordination unit shared with PARSAT, at the most recent

supervision mission conducted in May 2019 it was recommended that a permanent internal auditor be hired as part of the country programme arrangements, rather than entering into a performance agreement with an accounting firm as was the case previously. The recruitment process for a permanent auditor is now under way.

34. **Procurement** will be by the country programme procurement unit, comprising one officer and one assistant. The unit will have all required operational capacity in both planning and conducting the procurement process and contract management. The country programme will make use of regional procurement committees in the RePER expansion regions. These committees will have the authority to approve all contracts up to 100 million CFA francs.
35. **Governance.** The Ministry of Production, Irrigation and Agricultural Equipment is responsible for implementing RePER, and the PARSAT national steering committee has been adapted to the RePER context with the programme coordination unit serving as secretariat.
36. IFAD and the Government of Chad will supervise the country programme and RePER jointly under the coordination of the Ministry of Production, Irrigation and Agricultural Equipment. Two joint supervision missions will take place each year during the project duration. In addition, IFAD will conduct support missions as needed.

D. Monitoring and evaluation, learning, knowledge management and strategic communication

37. **Planning.** RePER is implemented in accordance with the annual workplan and budget (AWP/B) developed in close synergy with PARSAT, in a participatory and bottom-up way involving agropastoral communities and their organizations, local authorities, implementation operators and the government technical services concerned. Each AWP/B includes: (i) a detailed description of activities planned for the coming year, together with implementation arrangements and monitoring indicators; (ii) a disbursement plan; and (iii) a procurement plan. Implementation of the AWP/B and the procurement plan for the first 18 months began in March. Implementation was reviewed during the PARSAT supervision mission in May 2019 to ensure consistency with the country programme. The AWP/Bs and procurement plans for subsequent years will cover 12-month periods.
38. **Monitoring and evaluation.** The M&E for RePER is adapted to the requirements of IFAD's Operational Results Management System and conducted locally by implementation partners, using an electronic platform to input, transmit and analyse data. The team of assistants at regional branches will provide quality control for data and consolidation by department. Officers at branches will be responsible for consolidation of data for analysis and reporting.
39. IFAD and the Government will conduct a midterm review jointly at the end of year three.
40. A flexible knowledge management system including planning, M&E and communication will be developed with the following three objectives: (i) provide ongoing information to improve programme performance (identification, analysis, documentation and dissemination of best practices; (ii) interactive and inclusive communication with project officers and all stakeholders; and (iii) visibility in terms of advocacy and policy dialogue. Lessons learned will be used to improve M&E manuals, concepts and strategies over the long term, and will be disseminated to different target groups, including the public, through the appropriate media.

E. Proposed amendments to the financing agreement

41. The project financing agreement will be amended to include additional financing in the amount of EUR 26.7 million (equivalent to approximately US\$30.5 million, or about 32.6 per cent of total project cost), including an additional DSF grant in the amount of EUR 21.36 million (80 per cent of additional financing) and a loan in the amount of EUR 5.34 million (20 per cent of additional financing).

V. Legal instruments and authority

42. An amended financing agreement between the Republic of Chad and IFAD will constitute the legal instrument on the terms whereby the proposed additional financing will be extended to the recipient.
43. The Republic of Chad is empowered under its laws to receive financing from IFAD.
44. I am satisfied that the proposed additional financing will comply with the Agreement Establishing IFAD and the Policies and Criteria for IFAD Financing.

VI. Recommendation

45. I recommend that the Executive Board approve the proposed additional financing in terms of the following resolution:

RESOLVED: that the Fund shall provide an additional grant under the Debt Sustainability Framework to the Republic of Chad in an amount equivalent to EUR 21,360,000, and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall provide a loan on highly concessional terms to the Republic of Chad in an amount of EUR 5,340,000, and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Gilbert F. Hougbo
President

Cadre logique mis à jour, intégrant le financement additionnel

Logique d'intervention	Indicateurs clés				Moyens de vérification			Suppositions
	Intitulé	Référence ¹	Mi-parcours	Cible finale	Source	Fréquence	Responsabilité	
Objectif global: Amélioration durable de la sécurité alimentaire et nutritionnelle et des revenus des ménages ruraux dans la zone du Projet	Nombre de ménages dont la situation économique a évolué du point de vue des revenus, de la diversité alimentaire ou de la nutrition (*)	12 000	77 000	146 000	Etudes de référence Enquête de ménages	Début, mi-parcours, achèvement	UCGP	Stabilité socio-politique et sécuritaire Redressement économique progressif
Objectif de développement: Amélioration de la productivité et de la résilience climatique des exploitations agro-pastorales familiales visées	1. Nombre de ménages recevant des services promus et/ou soutenus par le projet (*) (1)	20 000	180 000	208 500	Etudes de référence Enquête de ménages	Début, mi-parcours, achèvement	UCGP	Bonne gouvernance Pas de catastrophes naturelles majeures
	2. Pourcentage de ménages dont la résilience s'est renforcée (*)	14	32	51	Enquêtes des ménages			
Effet 1: La productivité et la réduction des risques productifs des exploitations agro-pastorales familiales ont augmenté	3. Pourcentage de ménages déclarant une amélioration de la production (*) (1.2.4)	7	50	70	Enquêtes de rendement et de production	Annuelle	UCGP	Pas de catastrophes naturelles majeures
	4. Nombre des ménages déclarant une amélioration de l'accès physique aux marchés et aux installations de transformation et de stockage (2.2.6)	4 000	30 000	90 000	Rapport techniques spécifiques et rapports d'activités	Annuelle	UCGP	
Effet 2: Les exploitations familiales agro-pastorales sont mieux organisées et appuyées.	5. Pourcentage de femmes déclarant une amélioration qualitative de leurs régimes alimentaires (1.2.8)	10	50	70	Rapport techniques spécifiques et rapports d'activités			Redressement économique progressif
	6. Pourcentage d'autonomie opérationnelle de l'Union des caisses d'épargne et de crédit (1.2.7)	58	97	109	Rapport techniques spécifiques et rapports d'activités	Annuelle		
	7. Pourcentage de membres d'organisations de producteurs ruraux soutenus déclarant la fourniture par leur organisation des services nouveaux et/ou améliorés (2.2.3)	10	30	70	Rapport techniques spécifiques et rapports d'activités	Annuelle		
Produit 1.1. Les infrastructures et les équipements de production, stockage, transformation et	8. Nombre d'hectares de terres soumises à une gestion résiliente au climat (3.1.4)	10 000	20 000	25 000	Rapport d'activités	Semestrielle	UCGP	Les ressources du projet sont effectivement mobilisées

¹ La situation de référence est tirée des réalisations du PARSAT à mi-parcours en 2019, année qui correspond au démarrage du RePER.

Logique d'intervention	Indicateurs clés				Moyens de vérification			Suppositions
	Intitulé	Référence ¹	Mi-parcours	Cible finale	Source	Fréquence	Responsabilité	
commercialisation sont mises en place	9. Nombre de ménages soutenus dans la gestion durable des ressources naturelles et des risques liés au climat (3.1.1)	12 000	70 000	120 000		Annuelle		
	10. Nombre d'installations de production commercialisation, transformation et stockage construites ou remises en état (2.1.6)	40	120	160	Rapport d'activités	Semestrielle	UCGP	Appropriation et pérennisation des infrastructures et des investissements productifs
	11. Nombre de Km de routes réhabilités, refaites ou améliorées (2.1.5)	100	175	250	Rapport d'activités	Semestrielle	UCGP	
Produit 1.2. Les itinéraires techniques résilients d'intensification et diversification de la production sont adoptés	12. Nombre de ménages bénéficiant de couverture vaccinale annuelle chez les petits ruminants et poulets villageois (*)	0	150 000	208 500	Rapport d'activités	Semestrielle		Mobilisation des partenaires pour le financement de la stratégie nationale d'éradication de la peste des petits ruminants
	13. Pourcentage augmentation de la production moyenne des filières agro-pastorales émergentes	20	40	60	Enquêtes de rendement et de production	Annuelle		
Produit 1.3. Les produits agro-pastoraux sont mieux valorisés	14. Nombre des ménages formés à des activités génératrices des revenus ou à la gestion des entreprises (*) (2.1.2)	600	17 500	27 500	Rapport d'activités	Semestrielle	UCGP	
Produit 2.1. Les pratiques nutritionnelles et l'accès à l'eau potable sont améliorés	15. Nombre de ménages recevant des appuis ciblés pour améliorer leur nutrition (1.1.8)(*)	2 500	80 000	120 000	Rapport d'activités	Semestrielle	UCGP	Les comportements et habitudes alimentaires changent Un plus grand pourcentage des forages positifs
Produit 2.2. Les exploitants agro-pastoraux sont mieux organisés, structurés et représentés	16. Nombre d'organisations de producteurs ruraux soutenus (2.1.3)	0	250	450	Rapport d'activités	Semestrielle	UCGP	Les producteurs portent leur confiance aux OP
Produit 2.3. Les exploitants agro-pastoraux ont un meilleur accès aux services financiers	17. Nombre de ménages ayant accès aux services financiers dans les zones rurales (*) (1.1.5)	30 000	50 000	70 000	Rapport d'activités	Semestrielle	UCGP	Les établissements des microfinances s'intéressent aux activités agricoles