



A N N U A L R E P O R T 1 9 9 7







Nineteen ninety-seven was a year in which many of the processes initiated over the last four years came to fruition, creating a new and solid basis on which to intensify efforts to serve IFAD's clients, the rural poor.

The Fourth Replenishment of the Fund's Resources was successfully completed on 20 February 1997 with the adoption of the Resolution on the Fourth Replenishment by the Governing Council. This in turn brought into force the governance reforms that had been negotiated by the Special Committee and adopted two years earlier. The Replenishment provides IFAD with the resources to maintain its level of operations over the next three years, while the governance changes equip the Fund to respond to the shifting international economic and political environment.

The Governing Council also approved two proposals that will strengthen IFAD's financial position. The first will allow the Fund to diversify its investment portfolio into a broader range of financial assets.

Such diversification should significantly raise the income earned on the portfolio over the long run, and thus enhance the resources available to support productive activities by the poor. The second, the Advance Commitment Authority, will give IFAD the flexibility to compensate for temporary fluctuations in the receipt of resources and thus help stabilize the level of programme delivery.

Another major Governing Council decision was to authorize IFAD to undertake direct supervision of 15 of its projects. This proposal has been under discussion for several years and had been recommended in 1994 by the Rapid External Assessment team. Direct supervision will provide IFAD with the opportunity to gain hands-on experience of project implementation. Such experience will enable us to develop new standards and benchmarks for project supervision. As a result, we will be able to work more effectively with our cooperating institutions to enhance the implementation and impact of the projects entrusted to them. Moreover, since the projects selected for direct supervision will be among the most innovative ones, this experience will generate new insights into "implementability" that will strengthen future project design.

With the energy and confidence that the Governing Council decisions have generated, we have now turned to consolidating our operations and designing initiatives to make them even more innovative, participatory and responsive, as well as more cost-effective.

The corporate strategy has been fully elaborated, with the major strategic thrusts and objectives and their implications at the corporate, divisional and unit level spelled out. To underpin this process, scorecards are being developed that set specific tasks and targets at each of these levels over the next four years, linked to agreed measures for monitoring progress.

The budget process has also been adapted to make sure that strategic priorities drive the numbers rather than the other way around. The budget for next year has been prepared to respond to the strategic objectives, while emphasizing the need for cost-effectiveness — 'more for less'. In this regard, I am glad to say that the 1998 budget will be slightly lower in real terms than that of 1997.

The re-engineering of the project development cycle has also been reinforced.

Greater emphasis is being given to implementation issues during appraisal and, more generally, to stressing the impact of projects on the lives of the poor. Streamlining of the cycle has further reduced project development costs while introducing more participatory modalities during formulation, implementation, and monitoring and evaluation. As a result of these reforms the cost of project development has been reduced to a level of about USD 315 000 as compared to about USD 700 000 per project in 1992 before the reforms were initiated.

Individual projects are also being placed in a strategic framework for each country, elaborated in the Country Strategic Opportunities Paper (COSOP), to ensure that the projects respond to the strategic needs of the poor and develop synergy with domestic programmes and the operations of other external donors. In this context, a further emphasis has been given to reinforcing strategic alliances with our sister United Nations agencies and with the World Bank and regional development banks.

I need hardly emphasize that the dimensions of hunger and poverty in the world remain daunting, with over 1.2 billion people still living in conditions of absolute poverty. To make a real dent in these numbers within an acceptable time frame, we have to use our resources and operations to mobilize and stimulate wider processes in civil society in order to give the poor the opportunity to work their way out of poverty. Civil-society institutions, including the private sector, account for the bulk of investments. It will be largely their actions and initiatives that will help shape the speed and extent of social and economic progress.

Conscious of this we intend to build real partnerships with civil society, particularly at the grass-roots level. Such partnerships have been emphasized as one of the major objectives of our corporate strategy. Significant work is already in hand, for example in the context of the Popular Coalition to Eradicate Hunger and Poverty, launched by the Conference on Hunger and Poverty that IFAD helped organize in Brussels in 1995. A particularly significant initiative is the knowledge networks the Coalition is establishing among civil-society institutions to allow them to share

experience and learn from each other, so that they do not have to face each problem alone. These initiatives will be underpinned by the efforts being made in IFAD to develop a repository of experience and best practices, in response to the challenge posed to the Fund to make IFAD a "knowledge organization" on poverty. Our aim is not only to ensure that IFAD itself remains at the cutting edge of efforts to eradicate poverty, but that it joins others, especially civil-society institutions, to promote wider changes that will raise the poor out of poverty.

At the end of this year IFAD will complete twenty years of operations. On several occasions during the past decade some have questioned whether IFAD, successful though it has been, can mobilize the resources to maintain its operations. These questions have now been decisively settled. Today IFAD is receiving growing recognition as a leading institution against poverty, reflected, for example, by the recent decision of the international community to select IFAD as the host agency for the Global Mechanism for the Convention to Combat Desertification.

We can now look forward to celebrating our Twentieth Anniversary during 1998 with enthusiasm, conscious of the need to redouble our efforts in support of the poor but, at the same time, confident of our skills and capacity to do so. On the basis of the experience of these last twenty years we can look forward to the next twenty, years in which I hope and believe that IFAD will contribute significantly to realizing the noble goal of a World without Hunger.



Fawzi H. Al-Sultan  
President



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## Acronyms and Abbreviations

ACA	Advance Commitment Authority	CI	Cooperating Institution	IFPRI	International Food Policy Research Institute	PRODAR	Cooperative Programme for the Development of Rural Agroindustry in Latin America and the Caribbean
ACC	Administrative Committee on Coordination (UN)	CIFOR	Centre for International Forestry Research	IICA	Inter-American Institute for Cooperation on Agriculture		
ACSAD	Arab Centre for the Studies of Arid Zones and Dry Lands	CIMMYT	International Centre for Maize and Wheat Improvement	IITA	International Institute of Tropical Agriculture	PROFAGEP	Programme for the Reinforcement of Gender Aspects
AfDB	African Development Bank	COMESA	Common Market for Eastern and Southern Africa	IJO	International Jute Organization	PROSAT	Small Farmers Technical Assistance Services Project
AfDF	African Development Fund			ILRI	International Livestock Research Institute	REA	Rapid External Assessment
AFESD	Arab Fund for Economic and Social Development	COP	Conference of the Parties	IMF	International Monetary Fund	REIMP	Regional Environmental Information Management Project
AIDS	Acquired Immune Deficiency Syndrome	COSOP	Country Strategic Opportunities Paper	IPGRI	International Plant Genetic Resources Institute		
AMTA	Agricultural Management Training Programme for Africa	CPE	Country Portfolio Evaluation	IPSOS	Integrated Participatory Seasons' Observatories System	ROAD	Rural Organization and Agriservices Development Programme
AOAD	Arab Organization for Agricultural Development	DCG	Development Cooperation Group (UN)	IsDB	Islamic Development Bank	RUTA	Regional Unit for Technical Assistance
AR&T	Agricultural Research and Training	ECOSOC	Economic and Social Council	JCGP	Joint Consultative Group on Policy	SADC	Southern African Development Community
AsDB	Asian Development Bank	ECP	IFAD/NGO Extended Cooperation Programme	LAC	Latin America and the Caribbean	SDR	Special Drawing Rights
ASIP	Agricultural Sector Investment Programme	EKSYST	Evaluation Knowledge System	LADP	Local Area Development Programme	SOF	Special Operations Facility
BCIE	Central American Bank of Economic Integration	EU	European Union	LDC	Least Developed Country	SPA	Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (or Special Programme for Africa)
BOAD	West African Development Bank	FAO	Food and Agriculture Organization of the United Nations	MERCOSUR	Southern Cone Common Market		
BSF	Belgian Survival Fund for the Third World	FDC	Low-Income Food-Deficit Country	MIS	Management Information System(s)	SSA	Sub-Saharan Africa
BSF.JP	Belgian Survival Fund Joint Programme	GDP	Gross Domestic Product	NAP	National Action Programme	TAG	Technical Assistance Grant
CAF	Andean Development Corporation	GEF	Global Environment Facility	NARS	National Agricultural Research Systems	UN	United Nations
CARE	Cooperative for Assistance and Relief Everywhere	GNP	Gross National Product	NENA	Near East and North Africa	UNDP	United Nations Development Programme
CCD	United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (or Convention to Combat Desertification)	HIPC DI	Heavily Indebted Poor Countries Debt Initiative	NENAMTA	Near East and North Africa Management Training in Agriculture Programme	UNFPA	United Nations Population Fund
CDB	Caribbean Development Bank	IBRD	International Bank for Reconstruction and Development	NGO	Non-Governmental Organization	UNICEF	United Nations Children's Fund
CEDARE	Centre for Environment and Development in the Arab Region and Europe	ICARDA	International Centre for Agricultural Research in the Dry Areas	OPEC	Organization of the Petroleum Exporting Countries	UNOPS	United Nations Office for Project Services
CFA	<i>Communauté financière africaine</i>	ICIPE	International Centre of Insect Physiology and Ecology	USAID	United States Agency for International Development		
CGAP	Consultative Group to Assist the Poorest	IDA	International Development Association	P4K	<i>Pembinaan Peningkatan Pendapatan Petani Kecil</i> (Income-Generating Project for Marginal Farmers and the Landless)	USD	United States Dollar
CGIAR	Consultative Group on International Agricultural Research	IDB	Inter-American Development Bank	PPMS	Project Portfolio Management System	WFP	World Food Programme
		IDRC	International Development Research Centre	PRA	Participatory Rural Appraisal	WHO	World Health Organization
		IEE	Initial Environmental Examination	PREVAL	Programme for Strengthening the Regional Capacity for Evaluation of Rural Poverty Alleviation Projects in Latin America and the Caribbean	WWF	World Wildlife Fund for Nature
		IFI	International Financial Institution				







## The Early Years

*"An International Fund for Agricultural Development should be established immediately to finance agricultural development projects primarily for food production in the developing countries."*

With this resolution, set forth at the 1974 World Food Conference, IFAD was born.

The Agreement Establishing IFAD entered into force in 1977, with the Fund's mandate expressed in Article 2:

*"The objective of the Fund shall be to mobilize additional resources to be made available on concessional terms for agricultural development in developing Member States. In fulfilling this objective, the Fund shall provide financing primarily for projects and programmes specifically designed to introduce, expand or improve food production systems and to strengthen related policies and institutions within the framework of national policies and strategies, taking into consideration: the need to increase food production in the poorest food deficit countries;*

*the potential for increasing food production in other developing countries; and the importance of improving the nutritional level of the poorest populations in developing countries and the conditions of their lives."*

The Fund's initial approach to realizing the interrelated aims of its mandate was laid out one year later, in its document on *Lending Policies and Criteria*.

This document identified in broad but clear terms the Fund's view of who its principal beneficiaries were to be, what its main areas of technical interest were, and those aspects of the institutional environment that were considered conducive to poverty-alleviating development.

The Fund's major target groups, irrespective of the stage of economic development of the country, were to be small and landless farmers.

The promotion of the role of women in food production would also receive attention.

Since no less than one third of the agricultural population in developing countries were landless farmers at the time of IFAD's establishment, the Fund considered it necessary to formulate programmes and projects for increasing their incomes.

Including the landless in the target group meant adopting programmes that selected technologies, products and methods of management that would open up job opportunities and therefore add to their income. Although women as a group were also included as small farmers and the landless, it was thought that a special focus on women would ensure that they received access to the resources needed.

The technical aspects of the Fund's objective were to be pursued initially by overcoming obstacles known to slow productivity: shortages of inputs such as fertilizers, pesticides and reliable water from existing wells and canals; institutional barriers to the dissemination of new technologies; and possible limits to the effectiveness of new high-yielding seed varieties.

With regard to the institutional and policy environment, the Fund was to be concerned especially with improvements in land-tenure conditions, and relevant policies concerning pricing, credit, marketing, subsidies and cost recovery.

The 1978 lending policies and criteria anticipated that the successful application of poverty-alleviation policies, programmes and projects would require complementary programmes of agrarian reform, training for rural leaders and other personnel, and adaptive research of relevance to small farmers and the landless. They also anticipated the need to understand the dynamics of each society — the specific social and economic contexts in which poverty is manifested — so that each project or programme could be viewed in a broader perspective, as well as in terms of its interactions with other parts of the system.

The Fund's lending policies and criteria recognized that IFAD can be successful only if the recipient country has a strong commitment to a development strategy that is directed towards the rural poor and is reflected in relevant policies and coordinated action by government agencies. IFAD can act as a catalyst for appropriate government policies and programmes but not as a replacement for them.



During its first years of operation, the Fund followed the terms of Article 2 by selectively financing projects developed by other multilaterals. These agencies also administered the Fund's loans and supervised project implementation. However it gradually became clear that there was a risk of a gap opening up between the letter and the spirit of the terms of Article 2, because the projects offered to the Fund for financing were not shaped by a primary focus on poverty alleviation.

If the conditions of the very poor were to be improved, it had to be done through projects tailored to their particular conditions and concerns, and not through incidental benefits resulting from general development programmes.

As a response, IFAD mounted some 45 special programming missions from 1979 to 1988 in order to define the Fund's approach and strategy with respect to the design and financing of projects for rural poverty alleviation and increased food security among the very poor.

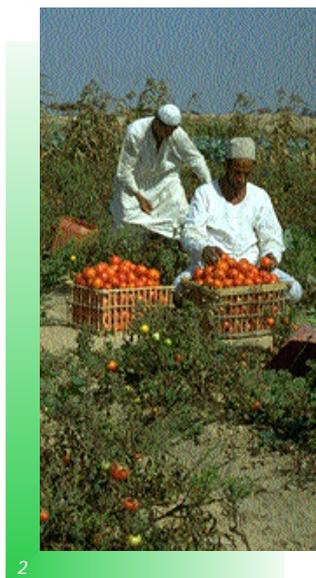
**From the beginning, the nature of the Fund's mandate has given the organization the dimension of a 'learning' organization. Although there was a commitment to increasing food production, improving food security and nutrition and reducing rural poverty, the character of rural poverty and the tools for alleviating it were in fact relatively unknown at the time of the Fund's establishment.**

It would be somewhat misleading to claim that the Fund developed its approach on the basis of an explicit strategy. Rather, it was by taking its fundamental mandate and then asking who and where the rural poor were that the Fund developed a clearer understanding of them and evolved a more articulated poverty alleviation programme. As a consequence, the great majority of the projects it has financed have evolved from on-the-ground experience rather than a priori development theory. Indeed, its grass-roots field work and interactions with the rural poor have shaped its evolving approach to rural poverty.

## IFAD's Specificity

While the Fund learned a great deal about rural poverty during its first years of operations, it was not until the early to mid-1980s that these lessons became regularly and systematically incorporated into the interventions that the Fund financed. This was the period of time when the organization began taking over the design of its own projects and programmes rather than financing initiatives formulated by other development agencies.

By the mid-1980s, the main features of the Fund's distinctive approach to rural poverty alleviation and increased food security included: formulation of projects explicitly targeting benefits to the poorest of the rural poor through locale-specific poverty analysis; concern for technology appropriate to the experience, existing skills and technical, organizational and economic contexts of the rural poor; emphasis on women's development, particularly with respect to improving household food security; a systemic overview leading to the bundling of components reflecting the multifaceted nature of very poor people's



coping strategies; credit for categories of beneficiaries who had historically been presumed to be 'unbankable'; and the promotion of grass-roots organizations and a participatory approach through reorientation of government support services and expanding collaboration with suitable non-governmental organizations (NGOs).

During the same period, the Fund sought to incorporate the issue of nutrition in its lending portfolio by supporting projects that included the provision of health facilities and health education. Production and income-generating activities, particularly those undertaken by women,

were extended to traditional food crops; specific components were designed to increase the efficiency of food storage, processing and preservation; and nutrition education was promoted with respect to feeding and hygienic practices.

Perhaps the paradigm of IFAD's approach was the Fund's Special Programme for Africa (SPA)<sup>1</sup>, launched in 1986. While landlessness and the need for off-farm income generation had long been recognized by the Fund as a major feature of Asia's rural poverty structure, the Special Programme for Africa drew attention to similar needs and patterns of African farmers, especially women, in low-potential areas. The SPA not only combined the distinctive elements of IFAD-supported development already mentioned, but reinforced the significance of another element in the Fund's development concerns: natural resource management for sustainable development in fragile environments. With the SPA came an important broadening in the Fund's geographic focus to encompass many low-potential agro-ecologies where, often, the people whom the Fund's support was supposed to reach were to be found.

The economic and agro-ecological character of the areas covered by the SPA also made the Fund aware of the need to take a regional, long-term and programmatic approach to development support in such conditions if sustainable improvements were to be achieved.

On the institutional side, the SPA also pioneered Special Operations Facilities (SOFs) to kick-start projects in difficult institutional contexts, and the use of university research capabilities to produce specialized studies in support of project design and execution. In addition, the SPA initiated an invaluable collaboration with the Belgian Survival Fund, which showed that loan financing in production and grant financing in health, education and nutrition could optimally complement each other.

**In retrospect, it may seem that the early lessons learned about the nature of poverty were rather obvious. However, the fact that such knowledge and understanding is now taken for granted by a wide range of development agencies and indeed a large section of the general public is due in no small measure to the Fund's drawing attention to the issues involved in analysing and combating poverty.**

<sup>1</sup> The full name is the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification. The fund was established in 1986 and projects continued to be approved under this programme until 1995, after which time the SPA was merged into the Regular Programme. SPA financing was done entirely on highly concessional terms. See List of Projects Approved under IFAD's Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification.

One early lesson was the need to acknowledge that significant socio-economic differentiation existed even in low-income countries, which led to the definition of a category known as "the poorest of the poor". The Fund realized that these people had to be its main beneficiaries if its mandate was to be properly fulfilled.

Additionally, the Fund became aware of the complexity of very poor people's efforts to survive. The livelihoods of the poor frequently depended upon their being able to stitch together diverse subsistence activities, which might combine, for example, small-farm production, casual labouring on other farms, off-season crafts and reliance upon remittances. It became clear that development support in such a context needed to be sensitive to the multiple dimensions of these coping strategies and that a unilinear, single-component approach to development support for the very poor was unlikely to achieve significant socio-economic improvements.

As a result of its interventions to improve food security and nutrition, the Fund quickly realized that there was little correlation between national, regional or even area-level surplus food production and the degree of food security in the households of the very poor.



The problem of hunger could be properly addressed only through an understanding gained through gender analysis within the context of the household, which is the key unit of production and consumption. Concern for food security and nutritional improvement sensitized the Fund to the fact that women were disproportionately represented among the poorest of the poor, especially where male emigration, marital instability and economic stress left them as heads of household; thus issues of women's socio-economic development and the eradication of hunger and malnutrition were intimately and inextricably linked.

As the Fund tried to reach poor rural women with appropriate development support, it came to understand just how much they were on the margins of access to public and private services or of participation in extending or directing those services to meet their needs.

As the main producers of food crops, with principal responsibility for assuring household food security, women had an enormous store of knowledge about indigenous crop varieties, cropping systems, and the nutritional attributes of various under-exploited plants, as well as great skill in environmentally sound cultivation techniques and the maintenance of scarce resources.

Direct targeting of women and the associated processes of gender analysis articulated the structural differences among rural households, among women's roles and among women themselves. They underscored the fact that even the most destitute of rural women were not passive welfare recipients but, more often than not, were the prime movers in the development process and vital agents of change, particularly in the search for innovative approaches to food security.

They also highlighted the need to: protect and improve women's access to land; address women's labour constraints and design interventions that could be accommodated by them; and, if possible, reduce their workload through appropriate technologies, goods and services. It became clear that suitable financial services could play a crucial role in women's development, given the extraordinary reliability and trustworthiness of women with respect to the operation of such services.

Early on in its work, the Fund began to explore ways in which the subsistence efforts of the very poor might be boosted through the provision of microcredit. These efforts laid the foundation for an entirely new approach to poverty-oriented banking. Agricultural credit programmes were supported in IFAD's first batch of approved projects, and the Bangladesh Grameen Bank's credit schemes for the landless received Fund support as early as 1980. These programmes showed the feasibility and necessity of providing credit on positive real interest terms and linking it to savings disciplines, even when dealing with the very poor, as an essential part of beneficiary learning about developmental financial management.

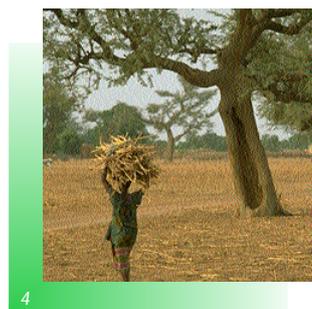
It also became clear that while access to credit and savings facilities is crucial, it is usually not sufficient to ensure the sustainable development of the rural poor. They also need links to a distribution system for their production, including viable roads to marketplaces, access to technology and training, fair prices for inputs and a favourable regulatory climate. In addition, broader financial services are often required, such as transfer capacity and insurance.

Another very important lesson arising from the Fund's early operations was that a participatory approach to development was essential. The Fund's experience with participation has been invaluable in contributing to the efficacy of IFAD-supported projects. Only by understanding poor farmers' constraints was it possible to devise interventions to address them. It soon became customary, therefore, for IFAD's missions to spend considerable time meeting with poor farmers in their villages and on their farms and soliciting their views and aspirations with respect to their development constraints and opportunities.

**The Fund has found that participation releases, in a common-sense way, a wealth of local knowledge to complement innovations, a willingness to learn and experiment, and enthusiasm and commitment to initiate or change grass-roots organizations in support of development.**

For example, participation is essential to the effective operation of development projects involving management of community resources. Progressively, the Fund has been able to incorporate participatory methods into project implementation, monitoring and evaluation. Potential beneficiaries of IFAD-financed projects are able to be involved in most cases in diagnosing the constraints and opportunities facing them, and should be involved in developing the strategies and options to address them and to determine priorities of action. Thereafter, beneficiaries are increasingly encouraged to be involved in the technical and organizational design for realizing strategies and options and in setting provisions to ensure that they do indeed access project resources. However, procedural problems remain regarding the extent to which participation can be introduced into formulation.

At the same time, it has also been the Fund's experience that participation is no substitute for objective and lasting improvement in the socio-economic conditions of the poor. Supply-led participation, such as the formation of groups solely for the purpose of obtaining credit, has sometimes had negative repercussions and led to problems of sustainability. Similarly, cultural acceptability of participatory groupings may often rest upon a clear perception of their role as links between individual producers and the larger economy.



With regard to environmental issues, the proportion of IFAD-initiated projects with a major environmental rationale increased from 20 to 50% in the period 1987 to 1991. The switch from high to low-potential agro-ecologies was accompanied by significant qualitative changes in the Fund's project designs. Large-scale irrigation gave way to small-scale farmer-managed systems.

Livestock initiatives focused on carrying capacity, crop-livestock integration and silvi-pastoralism. Agricultural interventions began to be shaped by a farming systems approach with an emphasis, where appropriate, on agroforestry and crop-nutrient cycling. Presently, all IFAD-financed projects are screened to take note of possible adverse environmental effects. In those where there is a potential for negative environmental consequences, IFAD performs an environmental assessment of the project, which is then integrated into the project's design. IFAD is actively involved in developing a pipeline of projects for financing on a grant basis by the Global Environment Facility (GEF) and liaises with a number of other donors (the World Bank, the United Nations Environment Programme) on environmental matters.

While targeting has been essential in enabling the Fund to direct its resources in accordance with its mandate, important lessons have been learned about the modalities of doing so. It has been the Fund's experience that eligibility criteria for project benefits, such as gender or poverty, can be self-defeatingly divisive if they slice across local webs of social and economic cohesion.

Consequently, a more productive way forward is the targeting of communities or sub-communities as a whole rather than attempting to go directly to individuals or households and, wherever possible, encouraging local consensus-building and bringing targeting under the management of the beneficiary communities themselves. The Fund is moving closer to a situation in which it provides development support to poor communities and interest groups that have organized themselves to implement a project upon which they have decided.

Finally, an important consequence of the Fund's concern with poverty, targeting, low-potential agriculture and participation has been that it has acquired unique experience in sensitive development assistance to so-called 'indigenous peoples' or 'ethnic minorities'. These clients of the Fund are not only very poor but are often physically, institutionally and above all culturally marginal to the geopolitical states of which they are formally citizens. In such circumstances, development support needs to be delicately attuned to both national and local perspectives.

## Recent Developments and Directions

**B**y the early 1990s, the Fund found itself needing to address a number of important management issues, of which four perhaps deserve particular mention.

Firstly, although the Fund had generated its own style of poverty-alleviating development and had also assumed principal responsibility for the formulation and appraisal of the projects it financed, it was still the case that responsibility for implementation and supervision of these projects remained primarily with cooperating institutions (CIs), which might not fully understand or subscribe to the Fund's development perspective and approach.

Secondly, the Fund's fuller understanding of the complexity and particularity of rural poverty had led to a greater proportion of its budget being spent on designing and developing its own operations during a period that coincided with substantial falls in the overall availability of official development assistance.

Thirdly, it became apparent that there was increasing global acceptance of the idea that the market rather than the state was more efficient at resource allocation.



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This certainly did not mean acceptance of the market as an unqualified medium for economic success in general and poverty eradication in particular, but it did mean recognition that the effects of structural adjustment were going to be long-lasting and that poverty issues would need to be addressed predominantly in a market context, in which the role of the state had been diminished.

**Finally, after a lengthy period throughout the 1980s when most other major multilateral development agencies (especially the international financial institutions) had concentrated on interventions shaped by macroeconomic and growth considerations, focus began to shift towards poverty-oriented programmes. Consequently, the Fund found itself no longer alone in its concern and action with respect to rural poverty eradication.**

Indeed, it is arguable that the Fund's demonstrations that an investment-based approach to development among the very poor could show an acceptable economic return and have a positive impact on equity were to some degree instrumental in kindling other agencies' interest in anti-poverty development.

In the context of these changed financial and institutional circumstances, the Fund embarked on a major re-engineering of its structure and operations. Significant aims of this exercise included: taking steps to assure that IFAD's approach was fully realized in the field through the projects it financed; overhauling project formulation and appraisal procedures to improve cost-effectiveness; and exploring new forms of institutional cooperation that reflected both the changing roles of public and private sectors in social and economic development and the increasing entry of other organizations into the work of poverty alleviation.

Among the measures taken were a Rapid External Assessment (REA), carried out at the request of some of the Fund's donors in 1994, and the issuing of a statement of IFAD's Vision in 1995. During 1996/97, a strategy was developed whose principal elements were: streamlining budget formulation and putting in place a financial information system; setting up a human resource management system with clear performance criteria; further streamlining the project cycle; reorganizing information and document management systems; and reorienting IFAD to the goal of becoming a knowledge organization.

The internal reorganization of the Fund has made a considerable contribution to cost-effectiveness. For example, administrative costs were reduced by over 23% during the period 1993 to 1997, while the loan volume over the same period increased by approximately 20%.

Changes in patterns of collaboration with cofinanciers meant that the Fund's USD 406 million in 1996 attracted a further USD 627 million of additional financing. The organization still provides worldwide coverage with only 126 professional staff.

The REA made a number of recommendations on the Fund's future, including that: the Fund assume more responsibility for the management of relationships with its cooperating institutions, holding them accountable for their role in loan administration and supervision of projects; the Fund's Articles of Agreement be amended to give the organization the option to administer loans and supervise innovative or exceptional projects; the Fund should continue its practice of identifying and designing its own projects; the Fund should always try to focus on pilot projects that are innovative in nature, susceptible to scaling up and designed systematically within a broad country and inter-organizational context; and, while acknowledging the need for cost-effectiveness, the Fund should remember that the costs of developing projects for the rural poor are inherently high because of their small-scale pioneering and complexity, and that decisions about incurring such costs should be taken in light of the benefits

to the poor — not only those from the immediate project but those from its replication elsewhere or on a larger scale with lower design and implementation costs.

While these recommendations were significant, another recommendation was spotlighted by the REA team: the Fund should develop as a knowledge organization. The REA report states that: "If the Fund is to gain and maintain a reputation as a most knowledgeable actor in rural poverty (appropriate for the only institution with such an exclusive mandate), it must adopt new concepts. It must accept that a knowledge function is its comparative advantage...."

The assessment team sees the Fund emerging as a 'knowledge organization' — a knowledge creator (projects and studious analysis of results); a knowledge storehouse (databases of its own and links to others); and a knowledge disseminator (through dedicated activities, conferences, and publications). Such evolution is crucial because, whatever the otherwise enhancement of its own effectiveness, whatever its financial resources, the Fund alone will never eradicate rural poverty worldwide or even greatly diminish it. Its contribution will be measured by its leadership stature and by its influence arising from pioneering activities.

The Fund must see itself, as others think of it, as more than an innovator. It bears the responsibility, and has the potential, to be the world's leading repository of information on rural development, and the world's most influential adviser in this challenging, complex activity. This will require a major change in the corporate culture of the Fund, a significant increase in human and financial resources, and a sweeping redesign and modernization of its wholly inadequate information systems. These tasks demand the highest priority."

Relevant knowledge generation places a premium on clear and sustained communication between the Fund and the field. In practice, this means maintaining a cycle of intellectual and practical continuity comprising formulation, supervision, evaluation and onward reformulation.

**The Fund, denied the right to supervise the implementation of projects by the original terms of its establishment, has now secured the necessary continuity by being allowed to supervise a limited number of innovative or exceptional projects on an experimental basis.**

This promotes not only coherent evolution of methodologies but essential quality control. Consequently, the Fund is better placed than before to follow through the practical realization of its approach to assisting the rural poor.

Although it is fully recognized that information technology and services can only complement personal interaction between poor farmers and technical support personnel in development work, some useful initial steps have been taken by the Fund towards realizing its status as a knowledge organization. Information systems are being set up and methodology development for anti-poverty projects is in progress in a number of areas.

Key among them are: poverty analysis, production systems and market linkages; women's development, food security and nutrition; microfinance; and sustainable natural resource management and environmental maintenance and rehabilitation.



The Evaluation Knowledge System (EKSYST) software allows for the systematic storage, search and retrieval of evaluation-related information, including "lessons learned", evaluation summaries, findings and results. The system enables project planners, designers, implementers and evaluators to tap into IFAD's twenty years of experience in rural poverty alleviation, by country or region, or by type of activity, theme or project.

Advances in information technology are beginning to enable cross-fertilization among relevant knowledge centres, providing access by all stakeholders in any set of poverty-alleviation activities (governments, NGOs and other civil-society organizations, and development agencies) to the information they need. For example, in November 1995, the Fund pioneered an electronic network linking IFAD-supported projects in the Latin America and the Caribbean Region.

The efficiency and impact of these projects has been enhanced by linking field staff and beneficiary representatives to relevant technical and methodological information in an up-to-date and cost-effective manner. It is likely that regional infrastructure and skills will shortly allow IFAD to build up electronic networks in the Asia and the Pacific and Near East and North Africa Regions to enhance its outreach and responsiveness.

In the area of poverty analysis, production systems, resource use and market linkages, work has started on producing a comprehensive set of country strategic opportunities papers (COSOPs).

The agro-ecological and institutional contexts in which most of the interventions financed by the Fund operate require a long-term, programmatic and iterative approach if sustainable socio-economic improvements are to be achieved.

**The analysis and information in each country's COSOP will provide the strategic foundation for developing a portfolio of poverty-eradicating projects, coherently related to each other as well as to other development initiatives at the sectoral and subsectoral levels in terms of policy, economics and institutional and technical considerations.**

In the area of women's development, household food security and nutrition, the Fund has embarked upon a three-year applied research programme with the International Food Policy Research Institute (IFPRI) to develop, test and disseminate more cost-effective operational tools for identifying the vulnerability of regions and population groups to food insecurity, determining appropriate location-specific interventions and evaluating project impact in terms of household food security and nutrition goals.

In the area of microfinance, the Fund has identified seven, specific contributions it can make to the methodology for providing suitable and sustainable financial services to very poor rural people.

These include: selective grants for local capacity-building and innovation; introduction of a pilot initiative to create model programmes for government support for microfinance; development of new instruments for collaborating with the private sector (for example, equity placements of private capital in newly established, national microfinance service providers and bulk lending to wholesale intermediaries who pool resources that ultimately benefit poor rural households); a marketing support initiative aimed at reducing or eliminating the problems of high transaction costs,



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limited presence of traders and transporters, poorly defined and non-transparent regulatory frameworks for trade in agricultural products and poor market information; a macro policy initiative; a donor-coordination initiative, particularly with the Consultative Group to Assist the Poorest (CGAP), housed at the World Bank; and a rural microfinance initiative to generate and disseminate knowledge using EKSYST, workshops on key topics and collaboration with other donors such as the United States Agency for International Development (USAID) Microenterprise Best Practices research project. Work is also proceeding on guidelines for the institutional appraisal of microfinance service providers.

In the area of natural resource management and environmental issues, the Fund is moving towards a fuller articulation of environmental information systems and assessment guidelines and continuing its long-standing technical assistance grant (TAG) programme for poverty-alleviating agricultural research and training.

The poor are locked into patterns of natural resource degradation, and a prerequisite for sustainable agricultural development is greater attention in the design of projects to the linkages between poverty, technologies, management systems and environmental degradation.

The majority of IFAD's projects are located in marginal and ecologically fragile environments; since September 1994, all IFAD-initiated projects have been subject to administrative procedures for environmental assessment in the project cycle. Approximately 70% of the Fund's projects have been subject to environmental assessments as part of their design. The major challenge is not so much to ensure that IFAD projects do not generate negative environmental impacts but to develop cost-effective and replicable modalities for helping the Fund's beneficiaries manage resources in a sustainable way.

IFAD has recently been awarded the responsibility of hosting the Global Mechanism of the Convention to Combat Desertification (CCD), one of the major outcomes of the 1992 Earth Summit in Rio de Janeiro. Also, following an agreement in April 1997, the Fund and the World Bank have initiated a joint Global Environment Facility (GEF) "accelerated learning programme" to assist dryland countries in controlling land degradation, alleviating poverty and addressing global environmental objectives. It is intended that the development of a demonstration pipeline of GEF land-degradation projects will allow the GEF to play a useful role in countering land degradation in the context of the CCD.

## Some Concluding Comments

**A**t the start of this chapter, it was pointed out that the ways in which IFAD fulfils its mandate will vary from region to region because the structural nature of poverty varies in different parts of the world.

In the Near East and North Africa (NENA) Region and in western and central Africa (Africa I), where economies are strongly influenced by hyperaridity and desertification, the development of methodologies to address sustainable natural resource management and environmental maintenance are of central concern. By contrast, many of the Fund's beneficiaries in eastern and southern Africa (Africa II) reside in relatively stable, if locally-pressured, agro-ecologies as well as in more marginal areas. There is some scope, therefore, for intensifying agricultural production and developing market linkages. Much of Latin America and the Caribbean and Asia and the Pacific are currently enjoying overall economic growth, and the key issue in these regions is how to include the poor in this burgeoning prosperity. In Latin America and the Caribbean, the Fund is placing emphasis on information dissemination and support to local participatory organizations.

In addition, access to land and the nature of property rights remain key issues.

Similarly, in Asia and the Pacific, the Fund's focus is on helping the food and income-deficit households in marginal areas gain control over their local resources so that they are in a good bargaining position relative to the market. With regard to new IFAD members in central and eastern Europe and the Caucasus, the Fund's strategy has been to assist poor rural families in coping with the transition from centrally planned to market economies. Thus far, the practical expression of the strategy has been improving production and access to markets through support to appropriate irrigation and roads development and the introduction of financial services.

**Although it may still be too early to delineate a pattern, it is clear that the institutional context in which an organization like the Fund can effectively realize its mandate is undergoing a rapid, profound and wide-ranging change.**

The three principal contributors to this change are probably overall trends towards democratization and the general endorsement of participatory methods; economic liberalization; and information technology. It seems that smaller, leaner state institutions will increasingly find themselves mediating between globalization on the one hand and decentralized decision-making on the other.

State institutions may retain their formal status as lead agencies in development but may not necessarily be the principal practitioners even in programmes supported by inter-governmental organizations. The overall institutional effect has been to flatten out hierarchical management systems, often replacing them with more fluid, almost ad hoc associative relationships brought together for a particular job and then moving on to new configurations for subsequent tasks. A particular challenge will be to tap into the benefits of international economic, financial and technical developments while reconciling them with the human needs for cultural identity and a sense of local ownership.

In this changing institutional and political context, new patterns of stakeholding and partnership are emerging among the Fund, national governments, local administrative authorities, NGOs and beneficiaries of IFAD-funded projects. IFAD already has a long history of field-level collaboration with NGOs who share the Fund's orientation towards poverty and participation.





By September 1997, 314 NGOs had been involved in the implementation of Fund-financed projects, and this cooperation is likely to strengthen. The developmental role of the rich variety of extra-governmental organizations, which might collectively be termed 'civil society', is rapidly growing. Liberalization is opening up new possibilities for private/public-sector initiatives, for example in the provision of rural development support services and investments.

Unfortunately, new socio-economic developments create new patterns of marginalization and relative poverty. In the past, the Fund has often been successful in overcoming the historical exclusion of the rural poor from full economic participation and its benefits, which are their human right.

In many cases, the Fund has been able to mitigate some of the more adverse effects of structural adjustment programmes on the rural poor. With the growth of populations and communications, it is now rare to find purely subsistence economies untouched by market forces.

**A challenge to the Fund in the prevailing economic climate will be to continue to find ways of bringing its clients into the marketplace, on the basis of close knowledge of their needs and aspirations, as net gainers in terms of access and control over resources so that they can not only secure their subsistence requirements but also obtain basic services such as health and education.**

As a knowledge organization, the Fund will be able to continue to improve its understanding of poverty-alleviating development from the projects and programmes it finances as well as from the additional and complementary experience of its partners in development. In these ways, the Fund, as an energetic part of a coherent network of knowledge, information and methodologies, will be able to contribute to the fullest possible articulation of the language and practice of effective rural poverty eradication.

The continuing validity of the Fund's mandate is in some ways dismayingly easy to demonstrate. The annual world population increase of over 100 million means that more people than ever before are born into poverty, almost entirely in developing countries. It is predicted that this situation will not ease until the second quarter of the twenty-first century. If food security is to become a reality, yields must increase faster in the 1990s than they did in the 1980s. In the quest for food security, one critical factor is the inability of the poor to acquire food because of low incomes and little opportunity for improvement. Inequities seem only to have worsened over the decades, particularly in countries where agricultural policies concentrated on growth and efficiency.

Without effective compensating policies to achieve equity, the numbers of desperately poor people have increased in absolute numbers, as well as in percentages of populations in all developing regions. In the words of the Rapid External Assessment, "The essential and ethical dynamism between growth and equity has been gravely damaged and must be addressed with vigour if future damage is not to become self-perpetuating."

**Ultimately, the only significant criterion by which the worth of the Fund can be properly judged is its increasing impact, particularly with regard to food security and nutrition, upon the socio-economic circumstances of the rural poor of its Member States.**

It is with the objective of maximizing that impact, with appropriate support from governments and other partners, that the Fund has been evolving the interpretation and realization of its mandate during its twenty years of operations. And this evolution, as the word implies, is bound to continue.



### Corporate Strategy

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IFAD's corporate strategy recognizes the increasingly complex environment in which the problems of world poverty and food insecurity are addressed. Over the past two decades the reality of poverty has changed:

while it continues to remain a significant problem, its location and specificities have shifted dramatically. Declining living conditions in Eastern Europe and the former Soviet Union countries, the critical situation in the Great Lakes region in Africa, and the remaining areas of dire poverty in Asia and Latin America illustrate the altered dimensions of poverty and hunger. Concurrently, the international environment of development assistance has undergone a transformation.

There has been a substantial decline in official development assistance flows, while at the same time there has been a surge in private-sector investments in many developing countries. The latter have been selective, however, and they have not filled the gap left by reduced public resources.

These shifts have redefined the ways in which international funding agencies can operate — establishing niches in terms of poverty reduction, developing partnerships with the private sector, and forging strategic linkages with other development agencies.

**IFAD has responded quickly to the changing environment, and its corporate strategy recognizes the need to form strategic partnerships to avoid duplication of efforts and maximize impact in the field.**

The Fund has undertaken a number of important initiatives: opening dialogues and creating partnerships with other agencies, developing programme approaches in specific sectors, and participating in global efforts to reorient and focus attention on critical issues such as desertification and the environment.

External initiatives have been matched by intensive efforts to reorganize internal management mechanisms, improve efficiency and increase our impact on rural poverty reduction. A participatory re-engineering process with an emphasis on decentralizing decision-making, improving accountability and encouraging teamwork is leading to a redefinition of roles and responsibilities within IFAD.

These efforts have reinforced the reorganization that took place in 1994, and have enhanced the effectiveness of IFAD programming as part of the institution's

long-term strategy to place greater emphasis on the implementation of IFAD-supported projects.

These initiatives are part of a significant shift in IFAD's institutional culture, with the goal of making the Fund a more responsive, efficient and focused development agency. To sharpen its focus, IFAD has renewed its vision for the future. *IFAD's Vision* highlights the Fund's *raison d'être*: mobilizing resources and attention in support of rural development and poverty alleviation programmes. The vision is articulated as work programmes through a four-stage, participatory strategic management process. This process includes translating the vision into medium-term "strategic thrusts", defining short-term objectives within the thrusts, laying down strategy guidelines and operational directions, and deriving a Programme of Work and Budget within those guidelines.





IFAD's corporate strategy has identified a set of five medium-term strategic thrusts through which to operationalize the corporate vision.

## Strategic Thrusts

### 1 Support projects and programmes driven by beneficiary participation in both design and implementation.

IFAD strongly believes that successful and sustainable development activities are intimately tied to the involvement of beneficiaries in the design and implementation of a project. Without active participation at the grass-roots level, it becomes much more difficult to develop sound projects that meet the needs of the target groups. Guaranteeing this participation throughout the entire project cycle has become a fundamental element of IFAD's programming.

### 2 Create an effective portfolio management system that ensures desired field-level results.

Increasing the emphasis on successful implementation of projects requires state-of-the-art systems and guidelines that allow performance to be measured continuously, so that problems are identified and solved quickly. This thrust is also fundamental in guaranteeing beneficiary participation. Close monitoring of implementation also allows for input by the project beneficiaries, which will increase their commitment to project activities and help ensure efficiency and responsiveness on IFAD's part.

### 3 Ensure an effective IFAD presence and impact at the field level by: (a) maintaining a credible level of lending (in real terms); and (b) expanding IFAD's outreach.

If IFAD is to maintain its influential position in directing resources and attention to the plight of the world's rural poor, it must be able to mobilize funds and design and support projects throughout the developing world: maintaining a credible number of projects is fundamental to innovation in rural development; and IFAD needs resources to support projects that are by definition more risk-prone, require greater formulation and supervision efforts, and are therefore more expensive than more traditional development projects.

### 4 Establish and use knowledge networks on rural poverty in order to create a recognized knowledge organization.

IFAD is analysing and disseminating its significant experience in rural development, helping other organizations profit from this knowledge and establishing itself as a leading multilateral agency in rural poverty alleviation. The Fund is sharing knowledge accumulated over two decades of development activities targeted exclusively towards improving living conditions and alleviating the problem of hunger in rural areas of the developing world. This networking will consolidate the institution's reputation as an innovative organization dedicated to helping the world's rural poor.

### 5 Develop human resource and management systems that support accountability, teamwork and decentralized decision-making, and other goals.

Achieving the goals that the Fund has set for itself will require a high degree of staff professionalism and skill. However skill and motivation require continuous training, ongoing recruitment of highly qualified staff, and guaranteeing the freedom of action, recognition and accountability commensurate with such skill and preparation.



## Measurement of Performance

The most critical element in this strategic management process is the measurement of performance, which ties the entire system together.

**Measuring performance expands the concept of success from the mere accomplishment of stated activities to delivering actual results for IFAD's ultimate clients, the rural poor.**

Consistent performance measures are being developed to connect the planning, budgeting, implementation and evaluation processes of the Fund.



These measures, incorporated into the performance monitoring system, are being designed to provide a path of accountability between the long-term goals and the Fund's day-to-day activities.

The implementation of a corporate planning approach has required the introduction of a "scorecard" system, which monitors achievement of the targets set within the strategic guidelines.

The corporate, department, division and unit-level scorecards have been developed and adopted. These scorecards, updated quarterly, provide the basis for assessing IFAD's overall impact, monitoring performance, identifying areas of critical need and soliciting management support throughout the year. The end result is a more responsive institution that makes better use of its resources and that is able to link its long-term objectives to the everyday business processes of the organization.



Table 1 • IFAD at a Glance 1978 - 1997

Operational Activities		1978	1979	1980	1981	1982	1983	1984	1985
<b>Loan Approvals</b> <sup>(a) (b)</sup>									
• Number of Projects		8	21	27	30	25	24	24	16
• Amount of Loans	SDR million <sup>(c)</sup>	86.9	265.3	298.3	304.6	291.2	248.0	188.1	118.8
	USD million	101.8	353.6	387.5	353.9	321.1	266.6	191.1	120.2
<b>Regular Programme</b>									
• Number of Projects <sup>(b)</sup>		8	21	27	30	25	24	24	16
• Amount of Loans	SDR million	86.9	265.3	298.3	304.6	291.2	248.0	188.1	118.8
	USD million	101.8	353.6	387.5	353.9	321.1	266.6	191.1	120.2
<b>Special Programme for Africa</b>									
• Number of Projects									
• Amount of Loans	SDR million								
	USD million								
<b>Total IFAD Operations</b> <sup>(a) (d)</sup>	USD million	<b>101.8</b>	<b>354.7</b>	<b>390.6</b>	<b>358.2</b>	<b>322.1</b>	<b>269.0</b>	<b>191.1</b>	<b>121.1</b>
<b>Cofinancing</b> <sup>(e)</sup>									
	USD million	146.9	487.2	376.5	415.4	380.9	566.6	327.5	289.6
• Multilateral		133.6	338.0	302.4	395.3	363.2	412.1	294.2	259.3
• Bilateral		13.3	149.2	74.0	20.1	17.7	154.5	31.5	26.8
• Non-Governmental Organizations		0.0	0.0	0.0	0.0	0.0	0.0	1.8	0.0
<b>Domestic Contribution</b>	USD million	114.0	1 018.7	433.0	341.4	372.0	1 091.8	282.2	159.4
<b>Total Project Cost</b> <sup>(f)</sup>	USD million	362.7	1 860.6	1 200.1	1 115.0	1 075.0	1 927.5	800.8	570.1
<b>Project Enumeration</b>									
• Number of Effective Projects under Implementation <sup>(f)</sup>		1	9	32	60	81	112	130	141
• Number of Projects Completed <sup>(f)</sup>					1		2	2	11
• Number of Projects in Pipeline <sup>(f)</sup>		NA	NA	NA	97	98	88	86	80
• Number of Approved Projects Initiated by IFAD <sup>(f)</sup>		0	7	17	17	13	14	13	12
• Number of Recipient Countries <sup>(f)</sup>		8	25	43	59	67	76	82	85

(a) Amounts as originally approved.

(b) Includes 12 projects partially financed under both the Regular and Special Programme for Africa.

(c) Special Drawing Rights (SDR) are units of a non-monetary currency determined by the International Monetary Fund (IMF) on the basis of a basket of currencies with each currency assigned a fixed weight.

Amounts shown as United States dollar (USD) equivalents are the sum of the USD values of loans and grants approved in SDR, converted using exchange rates applicable at the time of approval of the loan or grant.

(d) Includes project component grants but not non-project-related technical assistance grants (TAGs).



1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1978 - 97
20	23	24	21	25	22	24	31	28	33	33	30	489
118.1	157.5	174.1	204.1	210.0	200.3	214.7	244.6	240.5	261.4	281.9	243.7	4 351.6
138.3	203.3	229.6	231.4	285.8	275.5	300.7	338.8	349.3	391.7	408.0	397.7	5 645.8
16	18	19	15	22	20	23	25	25	33	33	30	454
87.5	108.7	134.3	162.1	185.7	177.9	205.5	201.2	223.8	253.9	281.9	243.7	4 066.9
102.4	140.5	177.2	178.3	251.9	244.8	287.8	278.4	325.2	380.6	408.0	397.7	5 268.6
4	5	5	6	3	2	1	6	3	0	0	0	35
30.6	48.8	39.8	42.0	24.3	22.4	9.2	43.5	16.7	7.5	0.0	0.0	284.8
35.9	62.8	52.4	53.2	33.9	30.7	12.8	60.3	24.1	11.2	0.0	0.0	377.2
<b>140.1</b>	<b>208.4</b>	<b>231.2</b>	<b>232.6</b>	<b>285.8</b>	<b>275.5</b>	<b>300.7</b>	<b>338.8</b>	<b>349.3</b>	<b>391.7</b>	<b>409.0</b>	<b>400.5</b>	<b>5 672.2</b>
124.3	195.5	92.8	213.9	187.2	94.5	94.6	285.7	122.4	260.5	308.2	468.8	5 439.1
101.5	161.1	77.3	95.4	168.8	72.4	78.2	244.8	91.3	214.8	272.5	344.1	4 420.3
21.4	34.0	15.2	115.8	17.4	20.3	4.8	36.9	30.1	45.7	19.0	109.4	957.1
1.4	0.5	0.3	2.8	1.0	0.8	5.1	0.5	0.9	0.0	1.5	9.3	25.8
124.2	104.5	129.6	169.1	481.6	129.4	146.1	209.8	185.9	254.2	320.5	338.5	6 405.9
388.6	508.5	453.5	615.6	954.6	499.5	541.4	834.3	657.5	906.4	1 037.8	1 207.8	17 517.2
146	159	158	151	150	154	159	163	172	190	200	196	
10	9	23	24	18	23	21	26	15	13	21	28	247
83	78	81	90	90	98	110	127	131	107	98	94	
16	20	23	19	23	22	23	27	25	28	26	21	366
87	87	89	91	92	94	95	100	103	106	110	111	

(e) The total does not correspond to the breakdown as it also includes amounts of proposed cofinancing for which sources have not been confirmed.

(f) 1986 - 1995 figures include the Special Programme for Africa.

Any discrepancy in totals in all tables is due to rounding.

Source: PPMS

Figures relating to project financing over the years differ from those given in previous editions due to a definition change.

In previous editions, financing data shown was net of cancellations and reductions, whereas in this annual report all amounts are shown as originally approved.



Trends in Twenty Years of Operations

When looking at the trends in IFAD's project lending in terms of recipient countries, there appears a clear and relatively consistent concentration on those countries with the greatest need for support in improving food security and economic conditions in poor and marginalized areas. This picture emerges from *Chart 1*, which shows the percentage of annual lending channelled to countries in three priority groups: low-income and food-deficit countries, least developed countries and the sub-Saharan Africa (SSA) region<sup>1</sup>.

Assistance to low-income food-deficit countries is, by definition, central to IFAD's mandate and has consistently made up the bulk of project financing, fluctuating from 68 to 98% of annual levels.

However the definition of least developed countries, which is based on economic and social criteria including literacy and level of industrialization, has less direct congruence with IFAD's focus. In fact, the share of annual financing to these countries has been lower and less consistent, ranging from 23 to 64% over the years.

The critical situation faced by sub-Saharan Africa in the 1980s — due to both socio-economic and natural causes, primarily drought — led to the creation of IFAD's Special Programme for Africa.

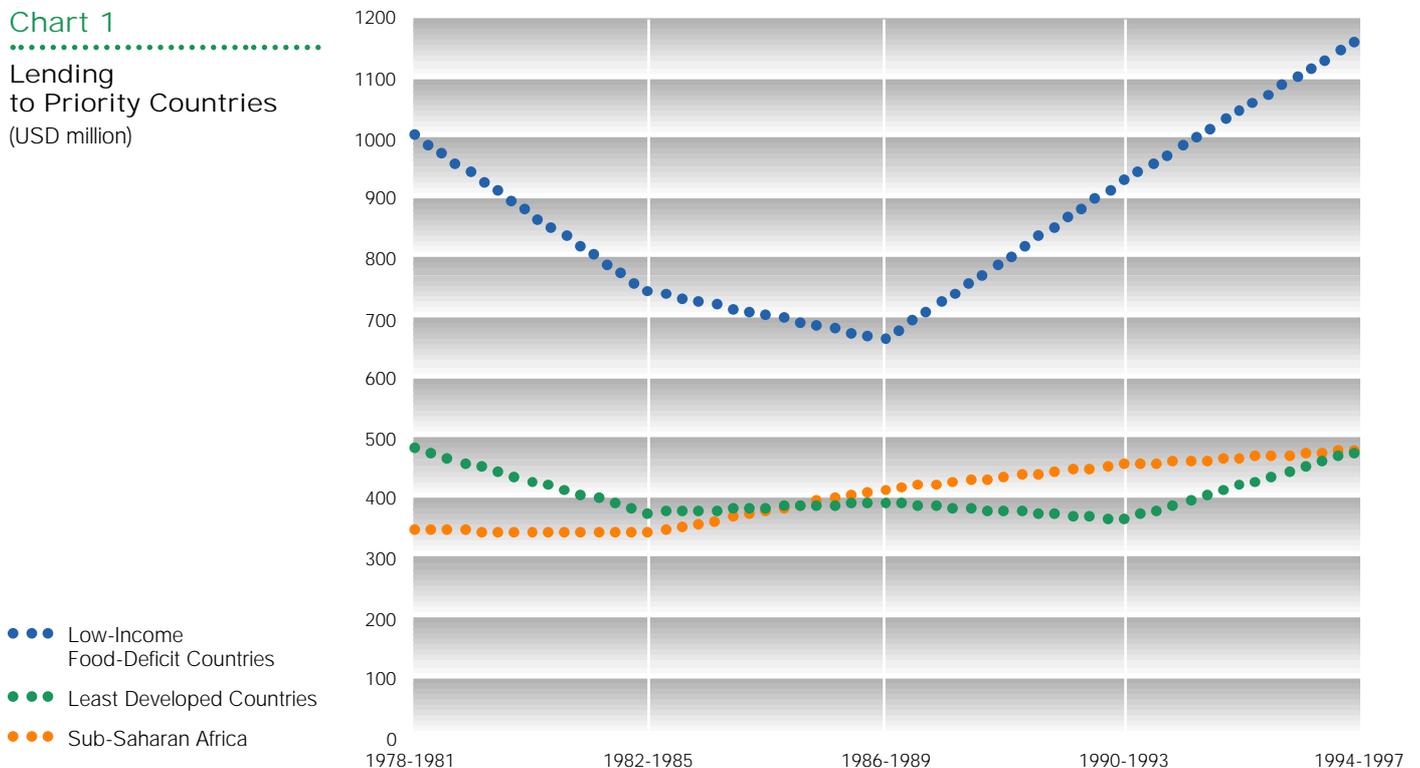
This fund, financed by supplementary contributions from Member States, provided additional resources exclusively for highly concessional lending to the region over the period 1986-1995. Thus lending to sub-Saharan Africa registered a marked increase, averaging 36% of total IFAD lending in those years.

Regional strategies have, of course, evolved over time in response to changing circumstances.

However, some general characteristics in regional approaches have remained constant, and they may be observed in the pattern of the types of project in each operational region<sup>2</sup> shown in *Chart 2*.

In **western and central Africa (Africa I)**, a primary objective is to assist countries in achieving a balance between improving food security and reducing pressure on land, while stemming rural-to-urban migration. Thus the regional strategy is to support natural resource conservation and on and off-farm income-generation. These activities are found mainly in agricultural and rural development projects<sup>3</sup>, which constitute the bulk of financing to the region.

Chart 1  
Lending to Priority Countries  
(USD million)



<sup>1</sup> For criteria of classification and country listings, please refer to page 38.

<sup>2</sup> See IFAD's Regional Division Country Groupings, page 38, for a list of countries in each operational region.

<sup>3</sup> Projects are classified under a given type when 50% or more of their total cost is allocated to related activities.

In **eastern and southern Africa (Africa II)**, the trend is towards increased agricultural production to enhance food security and crop marketing. There is a need to compensate for the retreat of government from the provision of rural services and particularly to develop rural financial systems. The majority of IFAD projects in the region involve agricultural development, followed by rural development. A significant number, however, are projects geared to technology transfer (research, extension and training) and, to some extent, projects that are focused primarily on credit delivery.

**Asia and the Pacific** is perhaps the region with the most broad-based approach in terms of strategy and targeting. Objectives are to help food and income-insecure households in marginal areas take advantage of economic opportunities and maximize efficient management of their resources. The variety of sectors addressed is reflected in the spread of project types approved for the region, with agricultural development, rural development and credit representing roughly equal shares, followed by irrigation and a significant number of livestock projects.

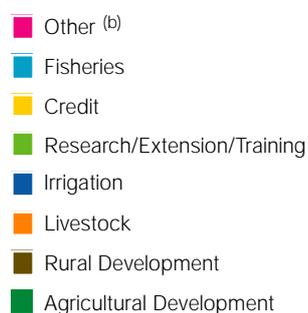
The strategy for **Latin America and the Caribbean** aims at strengthening local community capacity to fill the gap left by declining government services, mainly through the development of microfinancing and microenterprise. Rural development projects constitute the majority, closely followed by credit projects.

In the **Near East and North Africa**, the emphasis is on natural resource conservation and management, particularly of rangelands and limited water resources. At the same time, due to various socio-economic causes, there has been an increase in poverty

among the more vulnerable groups in the region as a whole. The objectives of promoting resource conservation and economic growth for these groups are linked through an incentive framework. The projects focus primarily on agricultural development (a classification that includes soil and water conservation) and secondly on rural development, credit and irrigation.

Chart 2

Project Type  
by Region <sup>(a)</sup>  
(Number of Projects)



(a) See Regional Division  
Country Groupings, page 38.

(b) "Other" includes Marketing/Storage,  
Settlement and Programme Loans.

Overall Lending  
in 1997

FAD's annual lending level has been kept fairly constant in the last three years in USD terms.

In 1997 a total of SDR 243.7 million (USD 397.7 million) was approved in loans for 29 projects and another SDR 2.1 million (USD 2.8 million) as a grant for one additional project (Table 1).

The past five years have seen an increase in the annual delivery of new projects, averaging over 30 projects per year compared to 22 projects in the first 15 years of IFAD operations.

Coupled with an increase in the average lending approved per project over the two periods, USD 12.2 million as compared to USD 11.2 million, this resulted in an increase

**Table 2 • IFAD Project Lending by Region under the Regular Programme and the Special Programme for Africa 1978 - 1997**

	1978	1979	1980	1981	1982	1983	1984	1985	1986
<b>Africa I</b>									
• Total Amount	3.8	28.6	74.0	47.4	30.1	47.1	31.0	21.9	36.8
• Regular Programme Amount	3.8	28.6	74.0	47.4	30.1	47.1	31.0	21.9	21.4
• Number of Projects	1	3	6	5	4	5	7	4	4
• Special Programme for Africa Amount									15.4
• Number of Projects									2
• Recipient Countries <sup>(a)</sup>	1	4	10	14	15	18	20	22	22
<b>Africa II</b>									
• Total Amount	12.0	34.5	24.1	71.6	40.9	64.2	35.2	27.5	23.8
• Regular Programme Amount	12.0	34.5	24.1	71.6	40.9	64.2	35.2	27.5	12.8
• Number of Projects	1	3	2	7	3	6	4	2	2
• Special Programme for Africa Amount									11.0
• Number of Projects									1
• Recipient Countries <sup>(a)</sup>	1	4	6	12	13	15	16	16	16
<b>Asia and the Pacific</b>									
• Regular Programme Amount	82.5	176.0	127.7	157.8	108.1	99.5	58.7	39.3	35.7
• Number of Projects	5	5	8	9	7	6	4	4	5
• Recipient Countries <sup>(a)</sup>	5	7	9	11	13	15	16	16	16
<b>Latin America and the Caribbean</b>									
• Regular Programme Amount	3.5	45.5	74.5	60.5	56.2	21.5	29.0	8.2	14.5
• Number of Projects	1	5	5	7	5	4	4	2	3
• Recipient Countries <sup>(a)</sup>	1	6	11	14	16	18	20	21	22
<b>Near East and North Africa</b>									
• Total Amount	0.0	69.0	87.1	16.6	85.8	34.3	37.2	23.4	27.5
• Regular Programme Amount	0.0	69.0	87.1	16.6	85.8	34.3	37.2	23.4	18.0
• Number of Projects	0	5	6	2	6	3	5	4	2
• Special Programme for Africa Amount									9.5
• Number of Projects									1
• Recipient Countries <sup>(a)</sup>	0	4	7	8	10	10	10	10	11
<b>Total IFAD Loans</b>									
	<b>101.8</b>	<b>353.6</b>	<b>387.5</b>	<b>353.9</b>	<b>321.1</b>	<b>266.6</b>	<b>191.1</b>	<b>120.2</b>	<b>138.3</b>
• Regular Programme Amount	101.8	353.6	387.5	353.9	321.1	266.6	191.1	120.2	102.4
• Special Programme for Africa Amount									35.9
<b>Total Number of Projects</b>									
	<b>8</b>	<b>21</b>	<b>27</b>	<b>30</b>	<b>25</b>	<b>24</b>	<b>24</b>	<b>16</b>	<b>20</b>
• Regular Programme	8	21	27	30	25	24	24	16	16
• Special Programme for Africa									4
<b>Total Recipient Countries <sup>(a)</sup></b>									
	<b>8</b>	<b>25</b>	<b>43</b>	<b>59</b>	<b>67</b>	<b>76</b>	<b>82</b>	<b>85</b>	<b>87</b>

(a) As at the end of the period.

of about 30% in average annual lending of the last five years compared to the previous 15 years. In SDR terms, the increase is only 20% due to the gradual strengthening of the SDR in relation to the USD.

### Regional and Priority Country Lending

The distribution of lending by region in 1997 (Table 2) diverged from the typical pattern of past years,

mainly due to the problems faced recently in developing projects for Africa, as outlined in the discussions of Africa I and II in the section on Regional Activities.

While planned projects for Africa had to be delayed, IFAD's annual commitment target was met by stepping up design and approval of pipeline projects in other regions.

Amounts in USD million

1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1978-1997	
57.1	63.4	60.4	67.7	85.4	62.2	19.5	55.4	72.2	80.9	18.5	963.3	
30.3	27.6	30.3	49.5	58.4	55.3	11.9	34.9	66.0	80.9	18.5	768.8	14.6%
4	3	3	6	5	6	2	4	7	7	2	88	
26.8	35.9	30.1	18.2	26.9	6.8	7.7	20.6	6.2	0.0	0.0	194.5	51.6%
3	3	3	2	2	1	1	2	0	0	0	19	
22	22	23	23	24	24	24	24	24	24	24	24	
59.6	41.2	55.3	32.0	31.2	19.5	107.3	74.2	52.2	90.9	35.3	932.4	
23.6	33.5	33.5	16.3	27.4	19.5	65.3	70.7	47.2	90.9	35.3	785.9	14.9%
3	3	3	3	3	2	6	6	5	8	4	76	
36.0	7.7	21.8	15.7	3.8	0.0	42.0	3.5	5.0	0.0	0.0	146.5	38.8%
2	1	2	1	0	0	4	1	0	0	0	12	
16	16	17	18	18	18	18	20	20	20	20	20	
57.7	53.8	62.3	69.7	101.4	92.0	91.1	115.3	121.9	102.5	177.2	1 930.1	36.6%
6	7	5	4	6	7	6	6	10	7	10	127	
16	16	16	16	16	16	17	17	19	21	21	21	
26.4	25.9	17.3	57.7	45.8	62.1	66.2	31.1	73.0	74.8	84.6	878.2	16.7%
4	3	2	4	5	4	7	4	6	7	6	88	
22	24	24	24	25	25	27	28	28	28	28	28	
2.5	45.3	36.1	58.7	11.9	65.0	54.6	73.3	72.5	59.0	82.1	941.9	
2.5	36.5	34.9	58.7	11.9	59.0	44.0	73.3	72.5	59.0	82.1	905.6	17.2%
1	3	2	5	1	4	4	5	5	4	8	75	
0.0	8.8	1.3	0.0	0.0	6.0	10.7	0.0	0.0	0.0	0.0	36.2	9.6%
0	1	1	0	0	0	1	0	0	0	0	4	
11	11	11	11	11	12	14	14	15	17	18	18	
<b>203.3</b>	<b>229.6</b>	<b>231.4</b>	<b>285.8</b>	<b>275.5</b>	<b>300.7</b>	<b>338.8</b>	<b>349.3</b>	<b>391.7</b>	<b>408.0</b>	<b>397.7</b>	<b>5 645.8</b>	
140.5	177.2	178.3	251.9	244.8	287.8	278.4	325.2	380.6	408.0	397.7	5 268.6	100.0%
62.8	52.4	53.2	33.9	30.7	12.8	60.3	24.1	11.2	0.0	0.0	377.2	100.0%
<b>23</b>	<b>24</b>	<b>21</b>	<b>25</b>	<b>22</b>	<b>24</b>	<b>31</b>	<b>28</b>	<b>33</b>	<b>33</b>	<b>30</b>	<b>489</b>	
18	19	15	22	20	23	25	25	33	33	30	454	
5	5	6	3	2	1	6	3	0	0	0	35	
<b>87</b>	<b>89</b>	<b>91</b>	<b>92</b>	<b>94</b>	<b>95</b>	<b>100</b>	<b>103</b>	<b>106</b>	<b>110</b>	<b>111</b>	<b>111</b>	

Consequently, **Asia and the Pacific** received almost half of 1997 lending; USD 177.2 million or 44.5%. This has brought the region's total share to USD 1 930.1 million or 36.6% of regular programme lending over 1978-1997.

Though **Africa** received new loans for only USD 53.8 million (13.5%) in 1997, its overall share of 1978-1997 lending is still substantial at USD 1 554.8 million or 29.5% of the Regular Programme.

Additional loans provided under the SPA brought Africa's total to USD 1 895.7 million.

Loans approved in 1997 for **Latin America and the Caribbean (LAC)** amounted to USD 84.6 million, representing 21.3% of the annual total. This region's share, which has been gradually increasing over the years, now amounts to USD 878.2 million, or 16.7% of the regular programme loans.

The **Near East and North Africa (NENA)** Region (which also includes Djibouti, Somalia and The Sudan) received USD 82.1 million or 20.7% of 1997 lending. Over the entire period 1978-97, the region received a total of USD 905.6 million or 17.2% of regular programme lending. Taking into account lending under the SPA, the region's total reaches USD 941.9 million.

The problems that have hindered delivery of new projects and loans to Africa are also reflected in a lower share of new lending to the three high-priority country groups that IFAD traditionally targets, as many of the countries in these groups are in Africa (*Table 3*).

In 1997, **sub-Saharan African** countries received USD 53.8 million, only 13.5% of annual lending, as compared to an average level of over 35% in the past.

**Table 3 • Summary of IFAD Projects in Priority Countries under the Regular Programme and the Special Programme for Africa 1978-1997**

	Amounts in USD million								Number of Countries <sup>(c)</sup>		
	1978 - 1987		1988 - 1997		1997		1978 - 1997		In Group	IFAD Members	with IFAD Project
	Amount	%	Amount	%	Amount	%	Amount	%			
<b>Sub-Saharan Africa</b>											
• Amount	869.4	35.7%	1 167.6	36.4%	53.8	13.5%	2 037.0	36.1%			
• Number of Projects	96		116		6		212		47	47	47
<b>Least Developed Countries (LDC) <sup>(a)</sup></b>											
• Amount	1 041.2	42.7%	1 051.8	32.8%	105.5	26.5%	2 093.0	37.1%			
• Number of Projects	111		110		10		221		45	44	43
<b>Low-Income Food-Deficit Countries <sup>(b)</sup></b>											
• Amount	2 043.4	83.8%	2 476.1	77.2%	271.3	68.2%	4 519.5	80.1%			
• Number of Projects	178		211		22		389		86	79	77
<b>All IFAD Projects</b>	<b>2 437.4</b>		<b>3 208.5</b>		<b>397.7</b>		<b>5 645.8</b>				
<b>Total Number of Projects</b>	<b>218</b>		<b>271</b>		<b>30</b>		<b>489</b>				

(a) The UN has classified 45 countries as "least developed countries" on the basis of the following criteria: low income, low literacy rate and low share of manufacturing in total output. The countries are listed on page 38.

(b) FAO has identified 86 countries as low-income food-deficit countries; they are listed on page 38.

(c) Some countries belong to more than one group, hence there are overlaps in the group numbers.



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**Least developed countries** (LDCs), as defined by the United Nations (UN), received USD 105.5 million in 1997, representing 26.5% of the year's total, whereas their past shares ranged from 30-40% on average.

**Low-income, food-deficit countries** (FDCs), as defined by the Food and Agriculture Organization of the United Nations (FAO), received USD 271.3 million or 68.2% of 1997 loans, which, though substantial, is well below their average share of about 80% in the past<sup>4</sup>.

### Allocation of Lending by Lending Terms<sup>5</sup>

Highly concessional lending, which has always comprised over 60% of IFAD's total lending, has increased substantially over the past few years. In 1997, 22 loans for USD 292.7 million were approved on these terms, representing 73.6% of the annual total. This has brought the overall share of highly concessional lending to USD 3 343.4 million or 63.5% of total lending under the Regular Programme, alone, over the period 1978-97 (Table 4).

**Table 4 • Summary of IFAD Loans by Lending Terms under the Regular Programme 1978 - 1997** (a)

Amounts in USD million

	1978 - 1987		1988 - 1997		1997		1978 - 1997	
<b>Highly Concessional</b>								
• Amount	1 552.1	66.4%	1 791.4	61.1%	292.7	73.6%	3 343.4	63.5%
• Number of Loans	136		158		22		294	
<b>Intermediate</b>								
• Amount	644.2	27.5%	690.6	23.6%	73.8	18.6%	1 334.8	25.3%
• Number of Loans	61		52		5		113	
<b>Ordinary</b>								
• Amount	142.4	6.1%	448.0	15.3%	31.2	7.8%	590.4	11.2%
• Number of Loans	13		35		2		48	
<b>Total Amount</b>	<b>2 338.7</b>	<b>100%</b>	<b>2 930.0</b>	<b>100%</b>	<b>397.7</b>	<b>100%</b>	<b>5 268.6</b>	<b>100%</b>
<b>Total Number of Loans</b> (b)	<b>210</b>		<b>245</b>		<b>29</b>		<b>455</b>	

(a) All SPA loans are on highly concessional terms and consist of loans to Africa and to the Near East and North Africa.

(b) A project may be financed through more than one loan or, conversely, solely through a grant. Therefore the number of loans may differ from the number of projects shown in other tables.

<sup>4</sup> Some countries belong to more than one group, thus the total of priority group percentages exceeds 100.

<sup>5</sup> IFAD provides loans on three different types of lending terms: highly concessional loans carry no interest charge but have a service charge of 0.75% and are repaid over 40 years; intermediate loans carry a variable interest charge equivalent to 50% of the interest rate charged on World Bank loans and are repaid over 20 years; while ordinary loans carry a variable interest charge equal to that charged by the World Bank and are repaid over 15-18 years.

In addition, it should be noted that all the loans approved under the SPA, which amounted to USD 377.2 million, were on highly concessional terms.

A total of USD 73.8 million, or 18.6%, was approved for five loans on intermediate terms in 1997, and the remaining USD 31.2 million (7.8%) for two loans on ordinary terms. Totals for the Regular Programme over 1978-1997 were USD 1 334.8 million (25.3%) and USD 590.4 million (11.2%) respectively.

Africa and Asia, the two regions with the highest number of low-income countries and largest number of poor populations, have received over three-quarters of their loans from IFAD on highly concessional terms: 86.4% for Africa and 75.0% for Asia over 1978-1997 (Table 5). Asia received the remaining 25.0% of its loans on intermediate terms. Africa's intermediate loans represent 11.7% of the region's total and the remaining 1.9% are on ordinary terms.

The pattern of loans by lending terms in the Near East and North Africa Region is more evenly balanced, with highly concessional loans representing 45.7%, intermediate loans 34.2% and ordinary loans 20.2%. In Latin America and the Caribbean, the distribution leans towards less concessional terms, with only 15.9% highly concessional and the remainder being split almost equally between intermediate and ordinary terms, 41.1% and 43.1% respectively.

## Cofinancing

In the mid-1980s and early 1990s, IFAD concentrated on developing and refining models for the field projects that would address the specific needs of its clients, the rural poor. While this continues to the present, the experience gained from that period can now be used to replicate successful models on a larger scale. Thus efforts are being made to broaden the involvement of other donors, both multilateral and bilateral, in cofinancing and collaborating in IFAD-initiated projects.

**Table 5 • Summary of IFAD Loans by Region and by Lending Terms under the Regular Programme 1978 - 1997 (a)**

Amounts in USD million

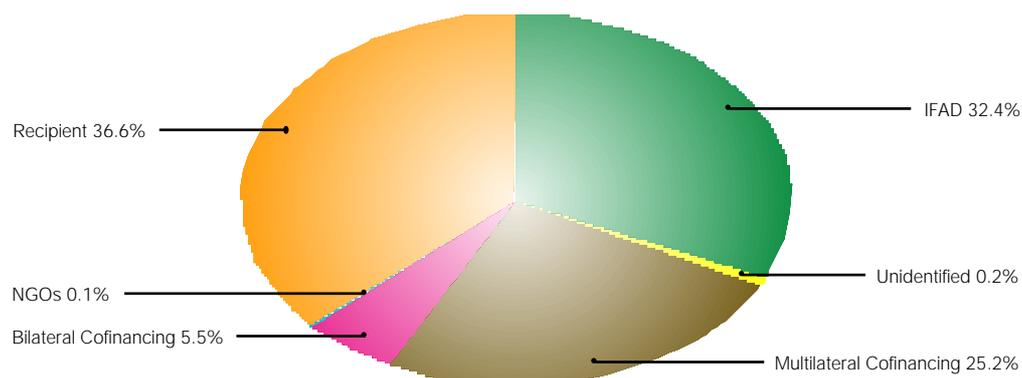
	Africa		Asia and the Pacific		Latin America and the Caribbean		Near East and North Africa		Total	
<b>Highly Concessional</b>										
• Amount	1 343.1	86.4%	1 447.4	75.0%	139.4	15.9%	413.4	45.7%	<b>3 343.4</b>	<b>63.5%</b>
• Percentage of Highly Concessional	40.2		43.3		4.2		12.4		<b>100.0</b>	
• Number of Loans	140		98		16		40		<b>294</b>	
<b>Intermediate</b>										
• Amount	182.0	11.7%	482.7	25.0%	360.6	41.1%	309.5	34.2%	<b>1 334.8</b>	<b>25.3%</b>
• Percentage of Intermediate	13.6		36.2		27.0		23.2		<b>100.0</b>	
• Number of Loans	19		30		42		22		<b>113</b>	
<b>Ordinary</b>										
• Amount	29.6	1.9%	0.0	0.0%	378.2	43.1%	182.7	20.2%	<b>590.4</b>	<b>11.2%</b>
• Percentage of Ordinary	5.0		0.0		64.0		30.9		<b>100.0</b>	
• Number of Loans	4		0		30		14		<b>48</b>	
<b>Total Amount</b>	<b>1 554.8</b>	<b>100.0%</b>	<b>1 930.1</b>	<b>100.0%</b>	<b>878.2</b>	<b>100.0%</b>	<b>905.6</b>	<b>100.0%</b>	<b>5 268.6</b>	<b>100.0%</b>
<b>Percentage of Total IFAD Lending</b>	<b>29.5</b>		<b>36.6</b>		<b>16.7</b>		<b>17.2</b>		<b>100.0</b>	
<b>Total Number of Loans (b)</b>	<b>163</b>		<b>128</b>		<b>88</b>		<b>76</b>		<b>455</b>	

(a) All SPA loans are on highly concessional terms and consist of loans to Africa and to the Near East and North Africa.

(b) A project may be financed through more than one loan or, conversely, solely through a grant. Therefore the number of loans may differ from the number of projects shown in other tables.

Chart 3

Cofinancing of Total Project Costs, Regular Programme and Special Programme for Africa 1978 - 1997



At the same time, IFAD can contribute its approach and expertise towards projects initiated by other development agencies.

Since the early 1990s, IFAD has increased its contribution to projects developed by others, with the objective of eventually committing over one third of its annual lending to such projects.

In 1997, nine of the 30 projects approved were initiated by other institutions and cofinanced by IFAD. This brought the total 1978-1997 share of IFAD-cofinanced projects to 25%, in accordance with the corporate target established for this year.

IFAD is providing financing of USD 106.9 million for these projects, or 14.2% of their total cost. Other financiers, including the initiating institutions, provided USD 442.8 million or 59.0% and the remaining USD 200.8 million (26.8%) is financed by the recipient countries (Table 6).

Table 6 • Cofinancing of IFAD Projects under the Regular Programme and the Special Programme for Africa 1978 - 1997

Amounts in USD million

	1978 - 1987		1988 - 1997		1997		1978 - 1997	
<b>Cooperating-Institution-Initiated Projects</b>								
• IFAD (a)	974.7	14.7%	327.3	17.0%	106.9	14.2%	1 302.0	15.2%
• Cofinanced (b)	2 660.0	40.1%	1 128.7	58.5%	442.8	59.0%	3 788.7	44.3%
• Domestic	2 995.4	45.2%	472.5	24.5%	200.8	26.8%	3 467.9	40.5%
• Total	6 630.1	100.0%	1 928.5	100.0%	750.5	100.0%	8 558.6	100.0%
• Number of Projects	89		34		9		123	
<b>IFAD-Initiated and Cofinanced Projects</b>								
• IFAD (a)	697.0	37.9%	1 949.6	45.6%	179.7	67.7%	2 646.6	43.3%
• Cofinanced (b)	650.4	35.3%	1 000.0	23.4%	26.0	9.8%	1 650.4	27.0%
• Domestic	493.2	26.8%	1 323.3	31.0%	59.7	22.5%	1 816.6	29.7%
• Total	1 840.7	100.0%	4 272.9	100.0%	265.5	100.0%	6 113.5	100.0%
• Number of Projects	72		167		13		239	
<b>IFAD-Initiated and Exclusively Financed Projects</b>								
• IFAD (a)	785.5	58.7%	938.1	62.3%	113.9	59.3%	1 723.6	60.6%
• Domestic	552.6	41.3%	568.8	37.7%	78.0	40.7%	1 121.4	39.4%
• Total	1 338.1	100.0%	1 506.9	100.0%	191.9	100.0%	2 845.0	100.0%
• Number of Projects	57		70		8		127	
<b>All Projects</b>								
• IFAD (a)	2 457.2	25.14%	3 215.0	41.7%	400.5	33.2%	5 672.2	32.4%
• Cofinanced (b)	3 310.4	33.7%	2 128.7	27.6%	468.8	38.8%	5 439.1	31.1%
• Domestic	4 041.3	41.2%	2 364.6	30.7%	338.5	28.0%	6 405.9	36.6%
• Total (b)	9 808.9	100.0%	7 708.3	100.0%	1 207.8	100.0%	17 517.2	100.0%
• Number of Projects	218		271		30		489	

(a) IFAD amount includes technical assistance grants for project components.

(b) Includes cofinancing for which sources have not yet been confirmed.

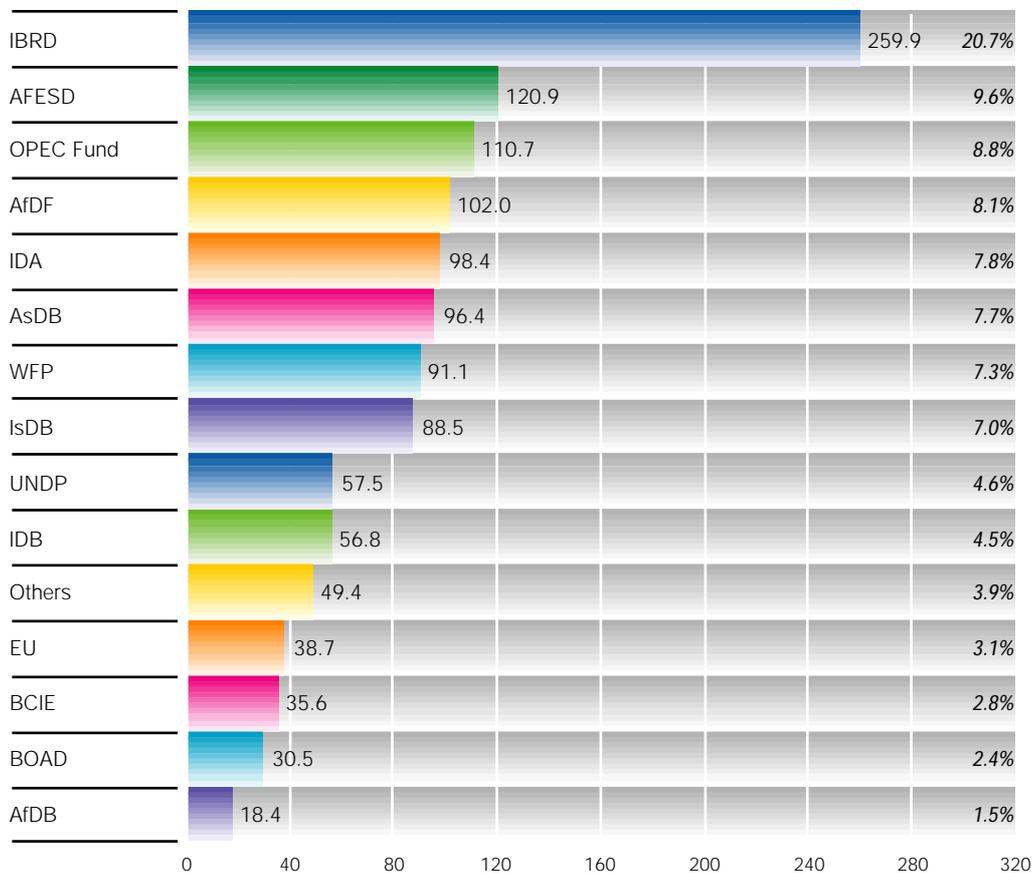
The remaining 21 projects were initiated and designed by IFAD, and 13 of these attracted cofinancing from other external financiers. The financing pattern of IFAD-initiated projects over 1978-1997 shows an average distribution of 48.8% IFAD financing, 18.4% cofinanciers and 32.8% recipient governments.

In other words, for each USD provided by IFAD for the projects it has developed, another 38 cents is generated in external financing and 67 cents is provided by the recipient countries (mainly public funds, but this also includes contributions from rural financial institutions and the project beneficiaries).



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**Chart 4**  
**Cofinancing of IFAD-Initiated Projects by Multilateral Donors under the Regular Programme and the Special Programme for Africa 1978 - 1997**  
 (Amounts in USD million)



The amounts and percentages shown here represent the share of each multilateral in total multilateral cofinancing for IFAD-initiated projects.

Taking the 1978-1997 project portfolio as a whole (IFAD-initiated projects and non), 32.4% of total project financing is provided by IFAD, 36.6% by the recipients, 25.2% by other multilaterals and 5.5% by bilateral cofinanciers. In addition, a small amount (0.1%) is being financed by NGOs. Financing agreements for the remaining 0.2% are yet to be finalized (Chart 3).

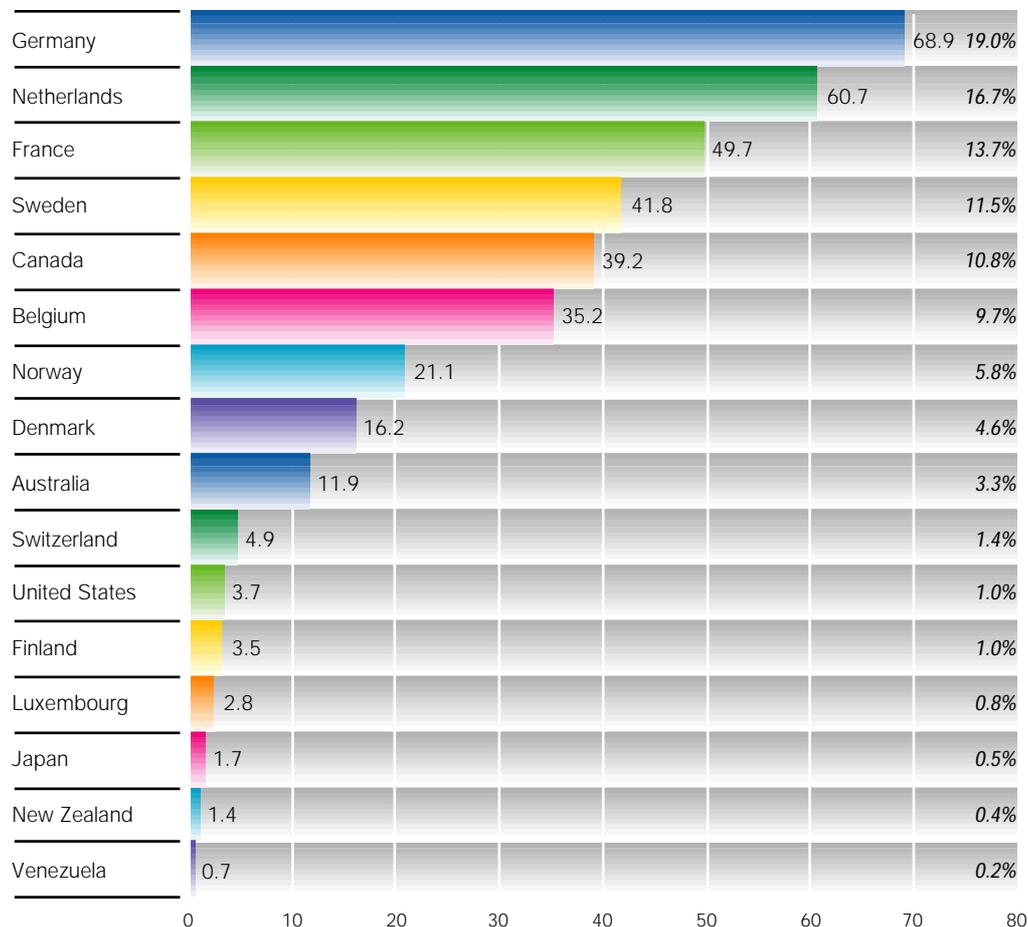
Over the entire period of IFAD operations, 1978-1997, major multinational cofinanciers of IFAD-initiated projects — including the SPA projects from 1986 to 1995 — have been: the International Bank for Reconstruction and Development (IBRD) of the World Bank Group with USD 259.9 million (20.7%), the Arab Fund

for Economic and Social Development (AFESD) with USD 120.9 million (9.6%), the Fund of the Organization of the Petroleum Exporting Countries (OPEC Fund) with USD 110.7 million (8.8%), the African Development Fund (AfDF) with USD 102.0 million (8.1%) and the International Development Association (IDA) of the World Bank Group with USD 98.4 million (7.8%) (Chart 4).

As for bilateral cofinanciers of IFAD-initiated projects, Germany continues to be the largest contributor with USD 68.9 million (19.0%), followed by The Netherlands with USD 60.7 million (16.7%), France with USD 49.7 million (13.7%), Sweden with USD 41.8 million (11.5%) and Canada with USD 39.2 million (10.8%) (Chart 5).

Chart 5

Cofinancing of IFAD-Initiated Projects by Donor Member States under the Regular Programme and the Special Programme for Africa 1978 - 1997  
(Amounts in USD million)



The amounts and percentages shown here represent the share of each bilateral in total bilateral cofinancing for IFAD-initiated projects.

## IFAD's Regional Division Country Groupings

### Africa I Division Western and Central Africa

Covers 24 countries:

Benin, Burkina Faso, Cameroon, Cape Verde, Central African Republic, Chad, Congo, Côte d'Ivoire, D.R. Congo, Equatorial Guinea, Gabon, Gambia The, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Sao Tome and Principe, Senegal, Sierra Leone and Togo.

### Africa II Division Eastern and Southern Africa

Covers 21 countries:

Angola, Botswana, Burundi, Comoros, Eritrea, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Seychelles, South Africa, Swaziland, Tanzania United Republic of, Uganda, Zambia and Zimbabwe.

### Asia and the Pacific Division

Covers 29 countries:

Afghanistan, Bangladesh, Bhutan, Cambodia, China, Cook Islands, D.P.R. Korea, Fiji, India, Indonesia, Iran, Kyrgyzstan, Laos, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pakistan, Papua New Guinea, Philippines, Republic of Korea, Samoa, Solomon Islands, Sri Lanka, Tajikistan, Thailand, Tonga and Viet Nam.

## Latin America and the Caribbean Division

Covers 32 countries:

Antigua and Barbuda, Argentina, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay and Venezuela.

## Near East and North Africa Division

Covers 31 countries:

Albania, Algeria, Armenia, Azerbaijan, Bosnia and Herzegovina, Croatia, Cyprus, Djibouti, Egypt, Georgia, Iraq, Israel, Jordan, Kuwait, Lebanon, Libyan Arab Jamahiriya, Malta, Morocco, Oman, Qatar, Republic of Moldova, Romania, Saudi Arabia, Somalia, Sudan, Syria, The Former Yugoslav Republic of Macedonia, Tunisia, Turkey, United Arab Emirates and Yemen.

## Low-Income, Food-Deficit Countries

FAO classifies 86 countries as low-income, food-deficit:

Afghanistan, Albania, Angola, Armenia, Azerbaijan, Bangladesh, Benin, Bhutan, Bolivia, Bosnia and Herzegovina, Burkina Faso, Burundi, Cambodia, Cameroon, Cape Verde, Central African Republic, Chad, China, Comoros, Congo, Côte d'Ivoire, Cuba, Djibouti, Dominican Republic, D.R. Congo, Ecuador, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gambia The, Georgia, Ghana, Guatemala, Guinea, Guinea-Bissau, Haiti, Honduras, India, Indonesia, Kenya, Kiribati, Kyrgyzstan, Laos, Lesotho, Liberia, Madagascar, Malawi, Maldives, Mali, Mauritania, Mongolia, Morocco, Mozambique, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Papua New Guinea, Philippines, Rwanda, Samoa, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, Sri Lanka, Sudan, Suriname, Swaziland, Syria, Taiwan, Tajikistan, Tanzania United Republic of, The Former Yugoslav Republic of Macedonia, Togo, Tokelau, Turkmenistan, Tuvalu, Uzbekistan, Vanuatu, Yemen, Zambia and Zimbabwe.

N.B.  
Kiribati, Taiwan, Tokelau, Turkmenistan, Tuvalu, Uzbekistan and Vanuatu are not IFAD Members.

## Least Developed Countries

The UN classifies 45 countries as least developed on the basis of economic and social criteria: low income, low literacy rate and low share of manufacturing in total output:

Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Cape Verde, Central African Republic, Chad, Comoros, Djibouti, D.R. Congo, Equatorial Guinea, Ethiopia, Gambia The, Guinea, Guinea-Bissau, Haiti, Laos, Lesotho, Liberia, Madagascar, Malawi, Maldives, Mali, Mauritania, Mozambique, Myanmar, Nepal, Niger, Rwanda, Samoa, Sao Tome and Principe, Sierra Leone, Solomon Islands, Somalia, Sudan, Tanzania United Republic of, Togo, Uganda, Vanuatu, Yemen and Zambia.

N.B.  
Vanuatu is not an IFAD Member.



### Strategies Guiding IFAD's Operations in 1997

The mandate of IFAD, its basic goal, is to improve the livelihood of the rural poor on a sustainable basis. The number of the rural poor keeps growing and the forces that generate poverty are evolving — at rates that vary from country to country and from region to region.

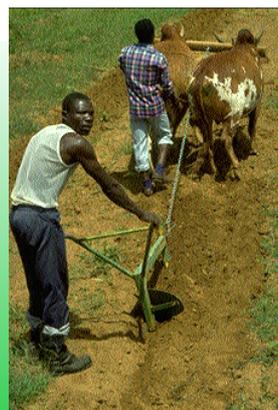
**The nature of poverty remains widely diversified, and the Fund's operational strategy responds in appropriate ways to the specific challenges confronted by the poor: small farmers working in marginal areas, newly-privatized farmers, nomadic groups, the landless, artisanal fishermen, indigenous peoples, women and young people.**

The regions where IFAD operates are also widely diversified, with a high degree of variation in terms of productive capacity, security of access to resources, policy reform to support poverty eradication, and institutional capacity and governance.

There are, however, some commonalities. The global nature of the environment in which the poor live and produce is becoming evident.

Globalization processes and market-oriented economic reforms are two major dynamic factors contributing to:

- progressive withdrawal of governments from the direct provision of rural services;
- general movement towards the decentralization of administration and political democratization;
- increasing determination of local prices — for agricultural inputs, capital and agricultural commodities — by global market prices; and
- emphasis on agricultural specialization and exchange and non-farm income-generation as being more effective than improved subsistence agriculture in assuring food security.



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In addition, environmental degradation and increasing population pressure are further exacerbating the already fragile environment in which the poor live. Finally, the gradual settling-in of financial-sector reforms is creating environments favourable to financial innovation and to the sustainable organization of decentralized and client-managed financial services. IFAD's strategies — both global and regional — aim to support these opportunities for reversing the processes that marginalize the rural poor.

In **western and central Africa (Africa I)**, IFAD's lending programme is continuing to face constraints related to stringent budgetary and debt-servicing conditions and civil disturbances in nearly a quarter of the countries.

The Fund therefore strives to maintain an active presence not only through its lending programme but also through grants, and through collaboration with NGOs, research institutions and the private sector. The regional strategy is based upon a two-pronged approach: support for resource conservation initiatives and the development of alternative means of income generation (mainly through non-farm activities supported by a wide range of decentralized approaches to financial services provision). The combined objective of this strategy is to reduce pressure on land resources while raising the level of revenues, thus contributing towards food security and a reduction in the rural exodus.

In **eastern and southern Africa (Africa II)**, IFAD's strategy takes advantage of the increasingly deregulated structure of trade and the retreat of government agencies from the provision of services in the rural sector. The essential goal of the Fund's lending efforts is to improve household food security and enhance smallholder development through the specialization and intensification of production, within a system that relies heavily upon the market for inputs and as a target for outputs.

The system targets higher-value crops through irrigation improvement and higher production opportunities. This necessarily emphasizes a market-oriented development strategy, with IFAD concentrating its support on local-level organizations that assist the rural poor and provide the essential link between individual farmers and larger-scale formal organizations. The need to increase rural productivity and the vital role played by purchased capital/producer goods in this improvement process necessitate a strong emphasis on rural financial system development, including local savings and loan programmes as well as financial-sector reorganization.

In **Asia and the Pacific**, IFAD's lending strategy focuses on helping food and income-insecure households in marginal areas gain control over their local resources, which gives them more bargaining leverage when opportunities arise to link with markets. Programmes support the transfer of productive resources to poor producers, the development of small-scale rural enterprises, skills development and the provision of rural financial services (especially for land purchases by the poor).

IFAD also plays a proactive role as an advocate and resource mobilizer for primary health and functional education initiatives at the grass-roots level. Thus the Fund's focus includes: household food security in marginalized areas, indigenous peoples' development, microenterprise development, and improving the quality and availability of social services in the Asian transition economies. In all of these efforts, the enhancement of women's access to productive resources and technology and their greater control over their own income remain central.

In **Latin America and the Caribbean**, the poverty faced by rural households is particularly heterogeneous, against a background of declining direct government involvement in poverty eradication programmes (except for health and education) and the opening of active regional markets. Thus IFAD's strategy in the region focuses on the strengthening of grass-roots organizations and civil-society institutions that can effectively fill the role of service providers to the rural poor, helping them create an efficient smallholder economy. Where access to land remains a constraint, microenterprise development is being supported as an integral component of rural development.

Microfinance services are a cornerstone in this strategy, combined with the market-based provision of other business services. An essential process in support of IFAD's strategy in the region consists of policy dialogue and networking with coalitions of pro-poor organizations to influence government policies and programmes towards rural poverty eradication.

In the **Near East and North Africa**, the strategic focus in the borrowing countries of the *Middle East and North Africa* remains on investments that will support the rural poor in coping with the severe natural resource constraints that characterize the region. Emphasis is placed on helping local communities identify, plan and implement interventions that check environmental degradation and optimize the use of the limited water and land resources available, as well as linking economic activities and incentives to conservation practices. Investments will particularly target small-scale irrigation, credit, community-organization-strengthening and natural resource management.



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In the new borrowing countries in *central and eastern Europe and the Caucasus*, the strategic focus remains on assisting poor rural producers in coping with the household-level impact of the abrupt transition from central planning to a market-based economy, including the withdrawal of the State. IFAD's projects will support the privatization of land and other productive resources in the rural sector, the provision of rural financial services, small-scale irrigation rehabilitation, agricultural support services and associated institution-building and legislative measures.

**To deliver these operational strategy directions, IFAD has focused on several strategic thrusts throughout the regions in order to secure stakeholders' ownership of projects, ensure planned field-level results, and ensure a cost-effective IFAD presence at the field level.**



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- *Support projects and programmes driven by beneficiary participation in both design and implementation.* The following factors contribute to achieving stakeholder ownership of projects: project development is driven by beneficiary participation and is, on balance, gender responsive; projects have flexibility built into their design and financing; and local capacity is strengthened and local institutions empowered for project development. A growing number of project designs are based on a consultative workshop or equivalent processes; projects involve grass-roots organizations, NGOs, civil-society organizations and other local partners in design and implementation planning; and beneficiaries are represented in decision-making and project management structures. Project planning includes a gender analysis and measures to ensure women's membership in the

decision-making bodies. Projects are designed and financed through a process approach and include systematic training programmes for community-based and local-level institutions.

- *Create an effective portfolio management system that ensures desired field-level results.* Ensuring planned field-level results is certainly IFAD's key concern and the Fund is focusing on making its project implementation more effective. This is being achieved through: quality control at the design stage, with a strong focus on project implementability; measures to ensure early loan-effectiveness; timely implementation of the projects while allowing for participatory processes; and addressing suspensions related to arrears on the basis of a recently approved policy. In addition, IFAD is establishing effective portfolio management through work on the Project and Portfolio Management System (PPMS) and by scheduling periodic loan portfolio reviews at the country, regional and corporate levels. This approach is leading to the reactivation of some of the "non-performing" projects and to improvement in the implementation of some of the "problem projects".

To guarantee impact on the ground, IFAD is also improving its collaboration with its cooperating institutions (CIs) through dialogue and better planning. IFAD's emphasis on beneficiary ownership and field-level results has called for a shift in the concept of supervision towards a client-centred implementation support process. This will be the focus of the planned pilot programme of direct supervision, and of IFAD's dialogue with its CIs.

- *Ensure an effective IFAD presence and impact at field level by:* (a) *maintaining a credible level of lending (in real terms); and* (b) *expanding IFAD's outreach.* The first concern of the Fund has been to secure and sustain a credible level of lending. The 1997 lending programme totals USD 397.7 million for 29 projects, with regional allocations as approved by the Governing Council, while allowing for the temporary problems in the absorptive capacity of parts of Africa in the context of a three-year rolling average. IFAD's lending programme, in particular in Africa where capacity-building needs are highest, is supported by the full range of TAG programmes.

In 1997 IFAD also continued to seek cost-efficiency gains, essential in the drive for enhanced project quality with a budget that is being maintained at a "zero-growth" level in real terms. The structure of charges for supervision has also been reviewed with CIs; the size of the ongoing project portfolio has been kept stable, with the number of loan approvals being weighed against loan closings; and extensions of closing dates have been managed with the prudence called for by IFAD's Framework for Defining Project Implementation Periods and Extension of Loan Closing Dates.

IFAD has extended its outreach in 1997 through the establishment of strategic linkages. The Fund is following up on its commitments to the World Food Summit and the Microcredit Summit; improving its collaboration with the World Bank, FAO and the World Food Programme (WFP); actively exploring links with the private sector; and obtaining cofinancing for more than half of the IFAD-initiated projects.

## Project Design and Portfolio Management

**D**uring 1997, IFAD made a number of strategic and sectoral decisions in order to strengthen the delivery of projects in the context of a three-year rolling programme. The Fund assisted well-identified rural poverty groups in increasing domestic food production — especially traditional and minor food crops — and diversifying non-farm income sources.

Successful project models were scaled up and "success stories" replicated through closer cooperation with international financial institutions (IFIs). In addition, IFAD has also endeavoured to have its poverty alleviation programme adopted as part of recipient governments' regular budgets, thus ensuring greater government commitment to poverty reduction.

**IFAD has increased the proportion of its projects cofinanced with other donors, but without the loss of IFAD's identity or its poverty focus.**

In the process of cofinancing, the Fund learns from other organizations, while at the same time influencing the programmes of those partner organizations to give greater emphasis to poverty eradication and reduce the overall costs of delivering aid to the poor.

In September 1997, a policy paper on IFAD's Framework for Defining Project Implementation Periods and Extension of Loan Closing Dates was submitted to the Executive Board. The document contained the current procedures for defining project implementation periods and adjustments to the operational procedures on the basis of past experience.

The following key adjustments were introduced:

- *Length of implementation periods.* The reference implementation period for IFAD-initiated projects that are exclusively financed by the Fund or cofinanced by other donors will be six to eight years, while in the case of projects that are initiated by other donors and cofinanced by IFAD, the implementation period will be jointly determined by IFAD, the cofinancier(s) and the borrower.
- *Commencement.* The project implementation period will commence on the date of loan-effectiveness. In case the conditions are not met two years after loan signing, follow-up actions will be initiated, in collaboration with the government, in order to either meet the conditions in a short period of time or cancel the loan immediately.
- *Conditions for extension.* Extension of a loan closing date will be approved only in exceptional cases instead of being routine. Furthermore, extension will be granted when there has been an active management of the portfolio and on the basis of sound planning for actions during the extension period and the borrower's assurances and strong commitment to these actions.
- *Cumulative length, number of extensions and disbursement after closing date.* The cumulative length of extension of a loan closing date for a given project is limited to three years and the number of extensions should be kept to a minimum.

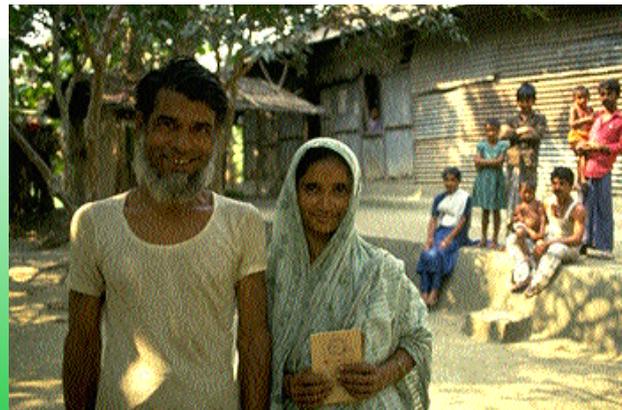
No disbursement may be made after the closing date and any amount of the loan remaining unwithdrawn beyond such a date will be cancelled.

- *Loan cancellation.* The overall strategy for loan cancellation covers the full project development cycle. More emphasis will be given at the project design stage to early start-up and adequate support in the early stages of implementation; better in-house quality control will improve project planning, including more precise costing of projects. In addition, country portfolio review and project formulation will be used to manage loan cancellation.

### Project and Portfolio Management System

The Project and Portfolio Management System (PPMS) represents the primary source of information relating to all projects approved by the Executive Board since IFAD was founded. It covers the whole life cycle of projects from the early stages of identification to completion, including those pre-investment activities that in the past have not been recognized as 'project activities'. PPMS includes data relating to the following:

- project cycle and loan cycle dates: opening and closing dates, milestones, etc.;
- project costs incurred by IFAD in the development, implementation and supervision stages;
- project field information: planned and actual project cost, physical progress as well as impact indicators;
- loan and grant project-related information; and
- other reference data.



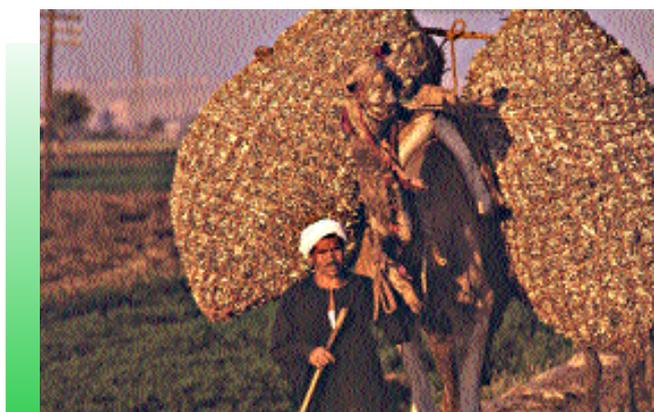
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Training of IFAD staff in the use of the system is ongoing. PPMS has incorporated data previously kept in various databases and will provide access to a corporate repository of project-related information, thus eliminating the need to maintain multiple sets of project data in individual organizational units. The system will enable analysis of project/country performance by combining data elements from previously unconnected sources, for example, disbursement percentages with macroeconomic indicators.

### Supervision of IFAD Projects

In June 1996, IFAD initiated a review of the supervision of its projects by CIs. One of the outcomes of this review was the proposal that IFAD supervise some of its projects directly in order to gain sufficient experience and knowledge to improve the quality of supervision of all of its projects, including those supervised by its CIs, and to share this experience in the design and implementation of cofinanced projects. For information on IFAD cooperating institutions entrusted with loan administration and project supervision, see *Table 7*.

In February 1997, the Governing Council considered the Report of the Joint Review on Supervision Issues for IFAD-Financed Projects, together with the five related recommendations of the Executive Board.



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The Governing Council adopted Resolution 102/XX on Loan Administration and Supervision of Project Implementation for IFAD-Funded Projects and a Plan of Action. Recommendations No. 1-4 focused on the need to provide proposals to further strengthen the performance of projects supervised by CIs.

**IFAD was authorized to supervise 15 projects financed by the Fund in accordance with Recommendation No. 5 of the Report of the Joint Review on Supervision Issues for IFAD-Financed Projects.**

As outlined in the Plan of Action endorsed by the Governing Council, IFAD submitted the Criteria for the Selection of Projects under Direct IFAD Supervision to the Executive Board in September 1997. It was decided that the test projects selected should be IFAD-initiated, innovative and, further, that they should also satisfy one or more of the following criteria: the projects should be in sectors on which IFAD has developed a strategic focus;

the projects should be cofinanced by other IFIs or bilaterals who accept IFAD's direct supervision; and the portfolio of directly supervised projects should represent a regional balance.

As a result of these developments, an in-house task force was formed to initiate a process for the implementation of the time-bound Plan of Action. The tasks include assessment of the training needs of staff, preparation of the guidelines and establishment of monitoring and reporting systems.

**The first projects approved for direct supervision by IFAD are the North-West Agricultural Services Project in Armenia, the Agricultural Diversification and Intensification Project in Bangladesh and the Development of the Puno-Cusco Corridor Project in Peru.**

**Table 7 • IFAD Cooperating Institutions Entrusted with Loan Administration and Project Supervision, Regular Programme and Special Programme for Africa**

Cooperating Institutions	Projects at the end of 1986		Actual	Projects at the end of 1996		Projects at the end of 1997 <sup>(a)</sup>	
	Number	%		Number	%	Number	%
• World Bank (IBRD/IDA)	89	53		46	19	52	21
• United Nations Office for Project Services (UNOPS)	16	9		115	48	112	46
• Asian Development Bank (AsDB)	18	11		10	4	11	5
• Inter-American Development Bank (IDB)	12	7		3	1	1	0
• African Development Bank (AfDB)	12	7		8	3	7	3
• Arab Fund for Economic and Social Development (AFESD)	10	6		16	7	15	6
• Andean Development Corporation (CAF)	4	2		18	8	18	7
• Caribbean Development Bank (CDB)	5	3		6	3	5	2
• Central American Bank of Economic Integration (BCIE)	2	1		5	2	5	2
• West African Development Bank (BOAD)	1	1		13	5	13	5
• International Fund for Agricultural Development (IFAD)	0	0		0	0	3	1
<b>Total Number of Projects (Regular and SPA) <sup>(b)</sup></b>	<b>169</b>	<b>100</b>		<b>240</b>	<b>100</b>	<b>242</b>	<b>100</b>

(a) For some closed projects the loan account will be kept open for final settlement of withdrawal applications.

(b) The total refers to the number of approved projects with open loan accounts.

## Africa I Western and Central Africa

### Recent Trends

Almost half the population of western and central Africa continues to suffer from food insecurity and rural poverty. This is the result of a complex interplay of high population growth, natural resource degradation, institutional and social factors. Performance in meeting development objectives over the last few years has been decidedly mixed.

Many countries of the Africa I Region continue to make steady progress in implementing structural adjustment and liberalization programmes. These have often resulted in major changes in the institutional and policy environment in which IFAD rural development projects function.

For example, extension and research institutions have undergone restructuring, and output and input prices and marketing arrangements have been liberalized. Several years have passed since the devaluation of the *Communauté financière africaine* (CFA) franc; economic prospects are now positive in the CFA zone as the competitiveness of agriculture has been enhanced, and inflation has been kept in check. Progress has not been uniform, however, and the achievements of economic reform programmes are still to be consolidated.

**Movements towards greater democracy and pluralism are becoming progressively rooted in national political culture. In many countries, this has created an atmosphere conducive to greater participation of civil society in projects and programmes and a greater willingness to discuss and seek solutions for poverty-related issues.**

However the situation is still one of social and political instability. The civil wars that were reignited in The Congo and Sierra Leone are primary examples; long-standing insecurity in Liberia is another. "Low-grade" but long-simmering conflicts in countries like the Central African Republic are yet other sources of uncertainty in the region. The situation in the Great Lakes region, as well, continued to be critical throughout 1997, as masses of refugees made their way back to Rwanda and the new government of the Democratic Republic of The Congo set about putting the country's economy on its feet.

The energy spent addressing these and other issues kept some key countries of the region from meeting policy and institutional conditions for project appraisal, thus delaying IFAD's work in the area. At the same time, stringent budgetary and debt-servicing conditions pushed many countries deeper into arrears, triggering frequent suspensions and

setbacks in project pipeline development and producing an overall adverse effect on IFAD's ability to design and implement projects in 1997.

Even so, the arrears situation of some regional countries improved considerably during the year, thanks to intensive efforts by IFAD to pursue each case individually and maintain close contacts with borrowers; Cameroon, Guinea-Bissau and Niger, for instance, were all able to make large payments on their total amounts due.

The region's persistent capacity-building needs have been compounded by short-term problems with absorptive capacity. The Fund intends to address this situation in 1998 by making a temporary downward adjustment in the regional lending target established by the Governing Council (to be offset by a temporary increase in the lending target for the Near East and North Africa Region in order to meet the demands arising from new country memberships).





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## IFAD's Approach

In line with its overall development objectives, IFAD continues to maximize the positive impact of investments in the following areas: improvement of food security; improvement of the status of women; and conservation of the environment. These objectives remain conditioned by the need for: cost-effective implementation and management of projects; similarity between IFAD's regional objectives and those of governments and target groups; maintenance of existing social and economic relations at the community level, and socially acceptable means of targeting benefits.

In designing projects and programmes, the following basic approach has been applied in each country:

- **Participation.** As in the last few years, projects and programmes are focused so that potential target group participation is increased. This is achieved through participatory rural appraisals (PRAs) during project formulation and by ensuring that target group members effectively take part. Implementation and annual programming of activities are undertaken by and with the beneficiaries.
- **Local knowledge.** Sustainable agricultural development, income-generating activities and social development through health and literacy training are promoted on the basis of existing local knowledge and experience, used as a starting point for project and programme development and sustained by external support.

- **Strategic orientation.** Increasingly, through the elaboration of country strategic opportunities papers (COSOPs) and strengthened collaboration with governments, civil society, and other donors, IFAD is ensuring that its project interventions relate closely to the overall economic and sectoral development strategies for individual countries. Concretely, this means greater IFAD involvement in poverty analysis and monitoring, analytical work for targeting the poor in cost-effective and feasible ways, and achieving a better fit between investments and policy.

IFAD pursued two approaches to the linked problems of debt and arrears in 1997.

**Participation in the Heavily-Indebted Poor Countries Debt Initiative (HIPC DI), approved at the Twentieth Session of the Governing Council, provides a comprehensive framework for reducing unsustainable levels of debt.**

Participation for a carefully selected set of western and central African countries is also enabling IFAD to address the arrears issue in the region and to participate in the policy dialogue on monitoring the poverty-related parameters of structural adjustment performance. As many of the potential countries for HIPC DI inclusion are in western and central Africa, the Africa I Division has become an active participant in this process. In 1997, IFAD participated in the HIPC DI process for Burkina Faso and Côte d'Ivoire.

For countries not yet candidates for HIPC DI but suffering from arrears problems, IFAD continued to maintain a rigorous position vis-à-vis borrowers. IFAD pursued bilateral arrangements with Cameroon, The Congo, Guinea-Bissau and Niger. For those countries remaining under suspension, the focus is turning to non-lending activities to maintain a presence in the countries and continue to pursue poverty-reduction objectives.



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### The Debt Initiative for Heavily-Indebted Poor Countries

The Debt Initiative for Heavily-Indebted Poor Countries was set in motion in 1996 to reduce the multilateral debt burden that was jeopardizing the pursuit of structural adjustment and poverty alleviation in poor countries.

IFAD is participating in country debt initiatives on a case-by-case basis. Its major objective is to ensure that structural reform and poverty alleviation policies, as well as the conditions for monitoring debt relief, also include measures to reduce obstacles to household food security and income generation among the rural poor. In this way the debt initiative expands beyond health and education expenditures to include such measures as improving smallholder access to resources (particularly land and capital) and maintaining public expenditures on critical public goods in the economy of the rural poor.

### Project Implementation and Relevant Experiences

The main thrust of IFAD's operational strategy during 1997 was to continue to improve the quality of project implementation and supervision and to incorporate more elements related to policy and programme strategy in order to create a more favourable overall environment for project execution.

The continuation of regional project implementation workshops is a key element in maintaining strong field-level operations. In 1997, a workshop was held in Mali for project staff from that country and Côte d'Ivoire. In addition, IFAD continued to actively participate in the multi-donor Agricultural Management Training Programme for Africa (AMTA).

### Strategic Overview and Innovative Features of the Projects Approved in 1997

Concretely, this was accomplished by: establishing an internal portfolio management system for regular tracking of project progress and as an early warning system for emerging problem projects; and by shifting additional programme and administrative budget resources into those line items most closely related to implementation and supervision.

In each country, IFAD made progress in establishing coalitions with one or two cofinanciers with whom a more intensive and permanent collaboration on strategy, project design, financing and supervision is being undertaken. Over time, IFAD plans to solidify links with those cooperating institutions deemed most effective at supervising our projects and building joint strategies at the project, sectoral programme and country levels.

Based on previous experience in Ghana with cassava, the *Root and Tuber Improvement Programme* enhances household food security by expanding support to other roots and tubers such as yam, cocoyam and sweet potatoes. By establishing research-extension liaison committees, the programme will ensure communication among researchers, extension agents and farmers in order to respond to needs and increase adoption of innovations. The programme will encourage partnerships with local NGOs in support of beneficiaries and collaboration with the private sector. At the same time, these measures will further the government decentralization policy.



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In an area of changing climatic conditions, poor rainfalls and extreme poverty among the rural population, the *Village Management and Development Project* in **Senegal** will adopt a prudent, phased process approach towards development. To help the population adapt to changing conditions in which livestock production is gaining importance as a source of income, the project will start with an action-research period of three years. The action research will test technical and organizational innovations, and local implementation of the decentralization policy and the Local Authorities Code. This innovative approach will allow for maximum flexibility in the planning of activities, ensuring participation of the target group at all stages of project implementation. Finally, all activities of the project will be subcontracted to specialized local partners.

## Grant Programme Activities

The *Global Cassava Development Strategy* will help achieve the following objectives: identify the opportunities, in terms of available production and processing technologies and potential markets, as a basis for further public and private investments; identify the current constraints on production and processing in order to define and prioritize the international and national research agenda; set a framework for international technical cooperation for research and for technology transfer; identify more cost-effective institutional mechanisms for rationalizing and increasing, to the extent possible, the allocation of public and private resources for research and investment; and set the scene for future debates on global issues related to international trade and markets for cassava products. A dual-track approach will be adopted that includes case studies to distil lessons from overall experience in selected countries and regions, combined with action research on thematic issues to provide a basis for defining a realistic framework of research and investment.

The strategy will benefit the following groups: producers of cassava, the majority of whom are smallholders in developing countries, particularly the least-developed ones; small and medium-scale processors; traders/exporters; consumers and the producing countries. The development partners will include financiers (IFIs including development agencies, regional banks, national banks, bilateral donors and private enterprises); NGOs; national and international research institutions and their networks; and the private sector, including producers (particularly smallholders), processors and traders.

The overall objective of the *Regional Environmental Information Management Project (REIMP)* is to improve and strengthen the management of natural resources, planning, and resource utilization in the six Congo Basin Region countries (Cameroon, Central African Republic, The Congo, D.R. Congo, Equatorial Guinea and Gabon), by generating appropriate environmental information and providing it to a variety of stakeholders. Specific objectives are the strengthening of information circulation; assistance to decision-making and improvement of communication tools; the generation of information and decision-making products; and national capacity-building.

Activities will include the construction of specialized environmental databases; undertaking of key socio-economic studies and agro-ecological zoning and environmental modelling exercises; establishment and enhancement of Internet-based telecommunications in the subregion; creation of regional and national information and publishing services; organization of national and regional workshops; and implementation of a coastal zone monitoring system. Institutional strengthening and capacity-building at national and regional levels will also be undertaken. A Regional Fund for Local Initiatives will finance pilot initiatives at the grass-roots level in the area of natural resource management.

## Summary of IFAD Financing in the Region

Two projects in the Africa I Region were approved by the Executive Board in 1997 for total IFAD lending of SDR 13.5 million (USD 18.5 million) in Ghana and Senegal. IFAD's financing of these projects represented 78.7% of the total project costs of USD 23.5 million, external financiers contributed USD 1.4 million (5.9%) and the recipient countries contributed the remaining USD 3.6 million (15.4%).

## Africa II Eastern and Southern Africa

### Recent Trends

While the process of political change in the Great Lakes area continues to exert a direct influence over a limited part of the Africa II Region and an indirect influence over much more, the larger part of the region was characterized by relative stability in 1997. On the smallholder food production front, important milestones were reached in Ethiopia and Mozambique. Ethiopia, by far the largest country in the region, and one that has suffered a number of food emergencies in the last two decades, registered national food surpluses and even exported grains. Mozambique, which has been very heavily dependent upon food aid, produced a food surplus that promises to be a structural dimension of its agricultural economy.

Good rains helped agricultural performance in Ethiopia and Mozambique, but there are also clear indications that the consolidation of major organizational shifts in the rural economy is contributing to sectoral improvements throughout the region. Critical among these developments are the liberalization of agricultural input and output pricing and trading and the rising private investment in agriculture and agricultural services. These changes are providing a supportive framework not only for an expansion of smallholder food production, but for an acceleration of output diversification as smallholders increasingly turn to markets for inputs, consumer goods, and services. The change in the perception of even smallholder agriculture as more of a business and less of a subsistence-oriented system has been boosted by a significant increase in private investment, much of it from within the region.

**The general recognition that responsibility for overall sectoral performance lies in the hands of private producers, investors and traders of all sizes continues to provide both the basis for review of the government role in sectoral development and the conditions for expanding the operations of civil-society and private-sector groups.**

Comprehensive revision of public-sector engagements is underway throughout the region, frequently, albeit not uniformly, under the rubric of Agricultural Sector Investment (or Management) Programmes (ASIPs). In most cases these are explicitly focused upon strengthening support for poverty alleviation through agricultural development, especially through smallholder development.

Expansion of agricultural output is reviving prospects for increased regional integration in food-crop production and trading, as well as pressure to improve transport and market organization. One of the major regional challenges remains that of drastically reducing the agricultural transport and handling charges that represent such an extraordinary burden for marketed output as well as for the use of modern inputs. This is as much a problem for internal as for cross-border trade. Anxieties about the possible impact of the El Niño phenomenon give additional urgency to the regional integration issue, particularly as there are areas within the region (e.g., northern Mozambique) that have the production capacity to act as major buffers to fluctuations in production in the most vulnerable areas.



## IFAD's Approach

Agriculture is undergoing a critical transition after a long period of excessive public involvement in price-setting, marketing and service supply. IFAD is deeply engaged with governments and other external supporters to ensure that the process of transition is orderly, that government is endowed with the capability to play its role, that other sectors are provided with an enabling environment and, above all, that smallholders are empowered to grasp the opportunities afforded by this structural change. Part of the support to this transition involves ensuring that the process of reorganization is rendered less vulnerable to macroeconomic shocks such as external debt crises. IFAD is a full party to the development of the HIPC DI and has already committed resources to its share of the debt-reduction operation for Uganda. IFAD is also very much involved in all ASIPs under elaboration and/or implementation in the region — sometimes on a subsectoral basis (e.g., in developing sustainable livestock services to smallholders in Mozambique and small-scale, farmer-managed irrigation in Zambia), and sometimes

involving a focus on local-level implementation of ASIPs as a whole (e.g., district-level reorganization for improved responsiveness to smallholder farm and non-farm income-generation activities in Kenya). In all cases, IFAD's focus in the region is on the interface between smallholders and service suppliers, be they private or public.

**A major part of IFAD's approach revolves around helping smallholders establish a viable position in commercial agriculture, using agriculture not only as a basis for food security but as the foundation for substantial income expansion.**

Given the limited land base available to many smallholders, this approach involves a major emphasis upon small-scale irrigation development and access to capital (rural financial systems).

IFAD has given strong support to overall irrigation development in Ethiopia and Zambia, and on a localized basis in Eritrea and the United Republic of Tanzania. Important projects establishing a completely new framework for national programmes in small-scale irrigation are under development in Malawi and Zimbabwe.

Irrigation development and strategies to raise productivity will require major increases in capital use at the smallholder level; thus IFAD is seeking to address the chronic problem of agricultural finance in the region. Rural finance-sector programmes are foreseen for Mauritius, the United Republic of Tanzania, and Uganda, and IFAD is working very closely

Here IFAD's approach is less to emphasize access to higher intensity (and higher input) production options than to support improved use of existing local resources (particularly natural resources) by smallholders — within the framework of community resource management as sanctioned, *inter alia*, by the Convention to Combat Desertification (CCD).



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with the Government of South Africa in the reorientation of its key agricultural finance institution towards disadvantaged sections of the rural population.

The majority of the region's rural poor do not live in truly marginal agricultural areas and thus have some opportunity for engaging in agricultural intensification. However large areas are, in fact, marginal.

Projects under development for Botswana and Namibia emphasize group management of range resources for livestock and wildlife. In Lesotho the emphasis is upon fertility-conservation farming with locally generated technology, disseminated on a farmer-to-farmer basis. In these areas food security is the bottom line of project objectives. In the higher-potential areas the goal is considerably more ambitious.

## Project Implementation and Relevant Experiences

IFAD's commitment to improved project implementation encompasses both better preparation for implementation and new forms of engagement in the implementation process itself. All projects currently under implementation are supervised by CIs, and the emphasis has been on establishing systems for identification of implementation issues (defined less in terms of following project blueprints than of achieving project objectives) in association with project management and beneficiaries; sharing these with CIs; and ensuring a focus on them during supervision. Prefiguring a shift from project to portfolio management, the focus of country portfolio reviews in Kenya, Lesotho, Madagascar and the United Republic of Tanzania has been not only upon problems in individual projects, but also upon how strategic thrusts and components can be distributed and redistributed within the IFAD portfolio

and the portfolios of other institutions to maximize the effectiveness of the IFAD programme as a whole. In effect, the focus is shifting from the container (the project per se), to the content/activity.

One of the critical contributions to improved implementation is a different approach to project design, one emphasizing participation and constituency-building in establishing project objectives and operations.

**Projects have to respond demonstrably to user requirements and harmonize with the objectives and operations of governments and other donors.**

In this regard 1997 has represented an important stage in the evolution of preparation for project implementation. On the one hand, there has been a qualitative leap in consultation with users and public officials through consultation workshops and community needs analyses. On the other, there is an unprecedented level of engagement in establishing the position of projects within national programmes and the plans of other donors.

The need to articulate projects within the context of emergency national policies and programmes has acted as a brake on finalization of project design in a situation in which the finishing touches are still being put to those larger policies and programmes.

The ultimate result should be projects that are better directed to the concerns of the poor and that are better supported. The short-term result is fewer projects — until the 'log jam' of major sectoral policy and institutional reforms is freed in 1998. The benefits should be reaped in the future in terms of better and more effective project implementation. Overall, the time 'costs' of participation, integration and constituency-building are expected to shrink in the future as the region emerges from its current transition to a clearer and more stable framework of policy and public service.

## Strategic Overview and Innovative Features of the Projects Approved in 1997

The **Uganda Vegetable Oil Development Project** represented one of the first major implementations of the policy of promoting private investment in smallholder cash-crop development (oil palm), thus seeking to take smallholder development out of the sphere of exclusively public investment and placing it more directly in an international commercial setting involving the private sector and organized smallholders.

The *Second Environment Programme Support Project* in **Madagascar** implements the strategy of developing projects within major sectoral programmes involving comprehensive collaboration among farmers, government departments and donors. Oriented towards resource-conservation farming, it focuses on the downstream elements of a sectoral programme, strengthening the point of direct engagement by smallholders, as well as broadening the opportunities for profitable participation through a wide range of farmer-led microprojects.

In several areas of the region the pursuit of a long-term development strategy for smallholders must be preceded by the establishment of a minimum of rural normality in post-emergency situations. In **Angola**, IFAD has been collaborating with WFP and NGOs on extending the area of coverage of basic agricultural rehabilitation (with Italian bilateral support) under the IFAD-financed Northern Region Foodcrops Development Project, approved in December 1995. This year, IFAD has responded to the challenge of addressing the post-conflict rehabilitation of the northern artisanal fishing communities through the *Northern Fishing Communities Development Programme*. Designed as a post-relief bridge to development operations, the programme relies upon community initiatives and private-sector services, making minimum demands upon a public sector that is far from robust.



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### Grant Programme Activities

The year was clearly one of transition towards a different sort of IFAD programme, driven by a crystallizing understanding of the latest development options and formulated within a more participatory and consultative process, and was marked more by new sorts of preparation than a higher level of throughput.

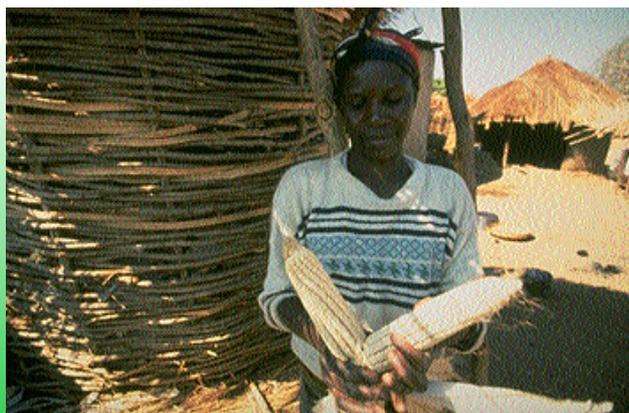
These preparations included grant-based activities addressing issues that arise in the implementation of fresh approaches, such as support for regional workshops on local-level participation in ASIP implementation; development of approaches to supporting equitable smallholder/private-sector relations; expansion of networks of agricultural input dealers for smallholder producers; and exploration of top-down and bottom-up options in the development of agricultural credit.

of sustainable and equitable commercial linkages between smallholder farmers and the markets.

Over the past two years IFAD has been supporting CARE Zimbabwe's Agribusiness Entrepreneur Network and Training (AGENT) programme through the IFAD/NGO Extended Cooperation Programme (ECP). AGENT's goal has been to establish sustainable, private-sector agricultural-input marketing systems throughout the poorest communal areas of Zimbabwe by establishing a network of rural agribusiness traders, or agents, who could provide smallholder farmers with locally available, comparatively lower-cost agricultural inputs, as well as technical advice for increased production.

The technical assistance grant (TAG) for the *Smallholder-Private Sector Policy and Programming Initiative for East Africa* by the Common Market for Eastern and Southern Africa (COMESA) is providing a forum for identifying the implications for smallholder development of market liberalization and declining public-sector services in agriculture, including the development of an action plan for future engagements.

IFAD's strategy in eastern and southern Africa recognizes that over the past decade smallholder production and marketing systems have been profoundly changed as a result of the policy reforms that have been implemented throughout the region. It is thus explicitly market-oriented, laying emphasis on filling the gap left by the withdrawal of the state and taking advantage of the opportunities that this provides, so as to assist the development



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Many of the market conditions of Zimbabwe are found in other countries of southern Africa. The *Rural Organization and Agriservices Development Programme (ROAD)* will be implemented in three countries neighbouring or close to Zimbabwe, where the lessons already learned can be most easily put into practice. The three countries to be covered under the programme include Mozambique and Zambia, with a third still to be selected (likely Malawi or Angola). In all countries selected, the programme will be closely linked to specific IFAD-supported projects, so as to facilitate its subsequent expansion at the national level.

The primary objective of the ROAD programme will be to increase the agricultural incomes of smallholder farmers by supporting the development of sustainable market linkages between individual farmers and urban suppliers. This will be of direct benefit to all parties: input suppliers, agents and farmers. Such market linkages will improve the access of farmers to agricultural inputs and produce markets, and reduce the transaction costs they face in dealing with both. The secondary objective will be to establish the analytical basis for further expansion of the programme within Africa and beyond, and for other market-oriented rural development initiatives. This will be achieved by testing a series of research hypotheses related to the programme itself, to the functioning of rural markets and to the dynamics of rural economies.

In Rwanda, the extraordinary requirements of hundreds of thousands of returning refugees precipitated the rapid organization by IFAD, the Belgian Survival Fund Joint Programme (BSF.JP) and the Governments of Switzerland and Rwanda of the short-term *Rwanda Returnees Rehabilitation Programme*, aimed at immediate provision of assistance in restarting agricultural production and for basic health care. Financed in part by an IFAD grant, on an exceptional basis, the programme is specifically intended to provide an access ramp to a comprehensive group of IFAD programmes oriented towards long-term development.

On the basis of a review of Africa II strategy for agricultural research and training grants, more emphasis is being placed on solving the social and organizational issues — in smallholder market linkages and sustainable service development — that are clearly emerging as critical operational questions in the region. This emphasis is already being reflected in IFAD's knowledge networking activities, and is likely to be reflected even more in the future as IFAD increasingly flanks its project financing role with those of policy dialogue and knowledge development and dissemination.

### Summary of IFAD Financing in the Region

Four projects in the Africa II Region were approved by the Executive Board in 1997 for total IFAD lending of SDR 25.3 million (USD 35.3 million) in Angola, Madagascar and Uganda and a grant of SDR 2.1 million (USD 2.8 million) for the Rwanda Returnees Rehabilitation Programme. IFAD's financing of these projects represented 16.6% of the total project costs of USD 229.8 million, external financiers contributed USD 119.6 million (52.1%) and the recipient countries contributed the remaining USD 72.0 million (31.4%).

## Asia and the Pacific



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### Recent Trends

While the continuing growth and dynamism of the Asia and the Pacific Region has brought in its wake a pervading sense of prosperity and a growing confidence that poverty reduction is achievable, events and trends evident in 1997 have introduced a note of caution to the all-pervading optimism of the "Asian Economic Miracle". There remain fundamental contrasts in economic and human development both between and within countries in the region. Furthermore, the currency depreciations experienced by several countries in the second half of the year highlighted the over-reliance on the United States dollar in exchange-rate mechanisms.

The success of the newly industrialized economies is balanced by the economies of Bangladesh, Cambodia, Myanmar and Viet Nam, which are still either in transition or trying to establish a new economic base for growth. Within many countries in the region, for example China, Indonesia, The Philippines, Thailand, there are clearly zones of poverty, with growing inequality, that require major focus. The agricultural sector remains the main source of rural poverty; 60% of those classified as poor in The Philippines are in the agricultural sector and the figure is 76% in Thailand and Viet Nam.

Despite the evident progress, the Asia and the Pacific Region still has the highest population affected by poverty: 950 million of the world's 1.3 billion income-poor people. Moreover, the absolute number of poor in South Asia alone, at 515 million, is greater than the combined number of poor people in sub-Saharan Africa and Latin America.

Consequently, in absolute numbers, Asia's number of poor still exceeds those of the other continents. Liberalization of economic structures and the flow of foreign direct investment have created the basis for growth with stability in the more productive pockets of many Asian and Pacific countries. However the poor have not benefited from this process, and this is Asia's source of instability.

**The poor do not have secure control of resources such as land, water and income-generating technologies, and as such they are not part of the market and therefore have no bargaining position vis-à-vis the market reform process.**

In China, based on 1996 data, GDP growth was at 9.7%, one of the highest rates in the world, although this is a decrease over previous years (10.2% in 1995).



Agricultural production grew by 5.1% in 1996 compared with 4.5% in 1995, largely because of the grain harvest, which reached a record 480 million tonnes. Increased public investment in agriculture, good weather conditions and upward adjustments in procurement prices introduced progressively since mid-1994 all contributed to this buoyant agricultural performance.

The rise in real incomes and the resulting stronger demand for higher-value food items, especially meat, boosted the output for livestock and fisheries products.

In Mongolia, agricultural output grew by over 4.0%, almost entirely the result of an increase in the livestock herd, which rose by 700 000 to reach 29.3 million at the end of 1996.

This growth reflected farmer response to nearly complete privatization of livestock, decontrol of meat prices in 1995 and higher international prices for cashmere that year. However ecological concerns are emerging: Mongolia's fragile ecosystem with its vast arid and semi-arid areas cannot sustain unlimited increases in livestock numbers.

The total area of land under cultivation declined further in 1996 to 320 000 hectares from 372 600 a year earlier, a more-than-50% decline in area since 1989, the result of withdrawal of land from cultivation by agricultural cooperatives.

In Cambodia, agriculture continued the poor growth of 1996. Crops, accounting for more than half of total agricultural output, grew by a mere 1.0%. Rice production, although not affected as much as in 1996 by floods, was still below earlier levels. Rubber and other crops showed slower growth, while livestock managed to sustain the previous year's performance.

Forestry, which declined in 1995 as a result of the logging ban early in that year, continued the recovery initiated in 1996. In Laos, agriculture remained the dominant sector, and economic performance stayed tied to weather patterns.

Rural areas are still feeling the impact of economic change only to a limited extent, as much activity is still on the barter system. In neighbouring Viet Nam, another year of high growth was achieved in 1997.

Rice, the major crop, is estimated to have grown by a further 5.0% and Viet Nam has now established itself as the world's second largest exporter of rice. Tree crops, notably tea, coffee and rubber, also continued to do well. Production of fruits, vegetables, flowers, and meat and dairy products expanded rapidly, both for the domestic market and increasingly for export.



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In South Asia, Pakistan continued the economic growth initiated in 1996 through the expansion of agriculture by 6.7%. The cotton crop, which in earlier years had suffered losses due to leaf-curl virus and unfavourable weather conditions, continued to improve. The impressive performance of the agriculture sector can be attributed to several factors, including improvement in the distribution of virus-resistant varieties of cotton, favourable weather conditions, adequate use of fertilizers and irrigation, increased farm mechanization and more credit to farmers. In India, agricultural output continued to increase. Although agriculture's share of GDP declines as industrialization proceeds, it still accounts for more than a quarter of GDP. In Sri Lanka, non-plantation agriculture, dominated by rice, improved in 1997 following better rains.

The performance in the plantation sector also improved, with growth in tea and rubber production. In Bangladesh, growth in food-grain production continued the revival begun in 1996. Favourable weather, improved fertilizer supply and a sharp rise in the price of rice during the planting season contributed to the growth in rice production. In Nepal, the growth in the agricultural sector initiated in 1996 was sustained.

In The Philippines, continued strong growth and a comfortable balance of payments characterized the Philippine economy for the fourth consecutive year. The acceleration in growth was led by the agriculture and services sectors. After the weather-induced slowdown in 1995, the agriculture sector continued to expand in 1997: production of rice, sugar cane, livestock, and poultry all increased.

In Indonesia, output growth in the agricultural sector is constrained by limits to new areas for cultivation and stationary rice production. Real agricultural wages appeared to be on the rise.

In the Pacific, agricultural production was affected by the drought in the second half of the year. In the Solomon Islands, fisheries output continued to improve and production of palm oil and kernels remained stable. Production of copra and coconut oil was below 1995 levels. Due to continued low export prices for squash — the main export commodity — the volume of squash production in Tonga in 1997 remained at 50% of 1995 levels, with farmers switching back to more traditional crops. In Samoa, although taro production continued to languish, the output of other root crops for domestic consumption increased, along with a variety of other vegetables and fruits. The main increase in agricultural output, apart from subsistence activities, came from coconut production for subsequent processing for exports such as copra, coconut oil and coconut cream.

## IFAD's Approach

**IFAD's lending strategy in the Asia and the Pacific Region focuses on helping food and income-deficit poor households, particularly among indigenous peoples' communities, gain control over their local resources so as to be in a strong bargaining position when opportunities arise for them to link with the market.**

Thus IFAD projects promote, for example, the transfer of resources (water bodies and non-timber forest produce). Programmes that support small-scale rural enterprises, skills development and credit projects with loan provision for land purchase by the poor, especially the landless and unemployed youth, are also being actively identified and promoted. Working in close collaboration with WFP, IFAD supports rural public works in order to enhance the productivity of the land and water resources that are transferred. In all of these activities, the enhancement of women's access to productive resources and technology and their greater control over income is particularly emphasized.

After food security, health and education are the major current problems of the poor. IFAD, in the coming years, will try to play a more proactive role as an advocate and capital-resource mobilizer on health and education issues at the grass-roots level. It will liaise closely with NGOs and available institutions in Bhutan, China, D.P.R. Korea, India, Kyrgyzstan, Sri Lanka and Viet Nam to provide some funding and to develop a systematic and activist feedback to national, bilateral, multilateral and private-sector organizations on the special health and education problems of the poor. The investment being made in this subsector from IFAD's own resources will be limited, and it will be led by demands that emerge out of participatory rural appraisal (PRA) exercises conducted with the rural poor and rural medical workers. It is hoped, however, that the feedback on what could and ought to be done by national and international communities leads to much-needed awareness and the necessary flow of financial assistance.

Within Asia and the Pacific, where possible, IFAD works with national poverty alleviation programmes to contribute creative ideas and support attitudinal changes among civil servants, so that there is greater awareness of the importance of focusing on the needs of resource-poor households and of the strengths and limitations of the private sector. IFAD is promoting the creation of an incentive framework for private-sector participation in IFAD-supported initiatives to improve the efficiency of production and social services in transition economies. The design and financing of one project, which beneficiaries and cofinanciers identify as a crucial initiative, will be discussed with some bilateral agencies and NGOs for later scaling up. If the approach of building on a successful initiative of a bilateral agency or NGO is successful, more projects will be identified through this approach in the future.

## Project Implementation and Relevant Experiences

The emphasis on portfolio management by IFAD has led to an improvement in overall performance in the Asia and the Pacific Region. China continues to set the pace with its continued ability to reach target groups and meet time-bound physical and financial targets. Following the *IFAD in China* report and workshop in 1996, projects are focusing attention on training staff in aspects of project management and in using existing credit networks and institutions rather than developing new mechanisms. In Mongolia, improved coordination and the active support of implementing ministries for the Arhangai Rural Poverty Alleviation Project has allowed the project to recuperate time originally lost to delays in declaring the project effective.

For the first time, 1997 saw the use of Special Operations Facility (SOF) grant funds to hold an implementation workshop in Cambodia, following the start-up of the Agricultural Productivity Improvement Project.

From the SOF funds, IFAD financed a laboratory specialist to design the required laboratories and draw up technical specifications of the equipment for international procurement.

During the Mid-Term Review of the Second Badulla Integrated Rural Development Project in Sri Lanka, a series of workshops was held with project personnel and, separately, with beneficiaries. The conclusions drawn from the workshop contributed to the refocusing of several project components, a redefinition of the target group to take account of community groups already formed, and identification of the need to develop a practical project management information system (MIS). The review was also able to recommend cancellation of approximately USD 1.0 million in loan funds.

Appraisal of new projects has continued to focus on project implementation as a key issue, and emphasis has been placed on ensuring that annual work plans are drawn up either at appraisal or during the start-up workshop.

**As IFAD starts on the pilot initiative of supervising its own projects, one project each in Bangladesh and, later, India and Sri Lanka were identified to become part of the programme.**

## Strategic Overview and Innovative Features of the Projects Approved in 1997

The *Agricultural Diversification and Intensification Project* in **Bangladesh**, to be supervised directly by IFAD, is expected to assist the target group in boosting agricultural production and rural incomes, strengthening community organizations, increasing employment opportunities (in particular for women), and providing basic services and infrastructure facilities for the target group to effectively gain access to high-value markets.

For this purpose, the project will provide support for extension and technology dissemination and improve rural infrastructure.

To reach out to the target group, the project will also assist in the establishment of beneficiary groups and their training of the beneficiaries, for which suitable NGOs will be selected. In addition, the project will establish a risk fund to cover the collateral required by financial institutions and thus secure the target group's access to formal credit.



A second project in **Bangladesh**, the *Third Rural Infrastructure Development Project*, will finance, on a pilot basis, submersible roads in areas where there is a high concentration of the poor and accessibility is very difficult; the establishment of refuge areas on the roads to shelter the poor during floods; and an area specifically assigned to women to market their produce.

The *North Eastern Region Community Resource Management Project For Upland Areas* in **India** will assist *jhum* (shifting cultivation) farmers in gradually adopting more sustainable upland farming systems. The role of the project will be to demonstrate an approach to development that focuses on interventions that are technically appropriate, culturally sensitive and institutionally effective.



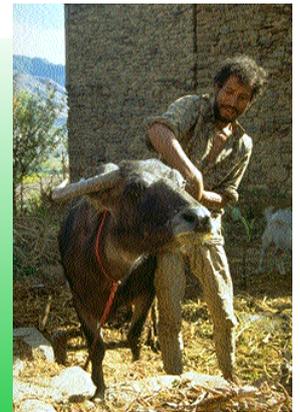
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This requires developing a genuine partnership among the communities, the government and other intervenors (such as NGOs and research institutes) in which all interventions would be demand-driven and client-oriented, and for which the indigenous knowledge and capabilities of the communities would be accorded due recognition. This new approach would also emphasize transparency and accountability.

The *Northern Areas Development Project* in **Pakistan** is intended to improve food security through increased crop and livestock production and irrigation; build up strong agricultural and livestock services; and improve rural roads to open up areas and facilitate access to markets for inputs and outputs. For this purpose, the project will strengthen government services to work in partnership with community organizations and NGOs; use existing village and women's organizations and those to be established in the Diamer district to undertake development activities; encourage the active involvement of the private sector; improve villagers' access to productive resources; improve production, productivity, and environment conservation; and ensure proper coordination of project activities.

In **Nepal**, the *Poverty Alleviation Project in Western Terai* will be the first project to carry the name "poverty alleviation". The project, through the credit services component, will introduce the Grameen concept of the financial viability of banking on the basis of the *branch* of the bank, rather than the bank as a whole. Recognition of the validity of this approach is growing.

Thus Nepal, through this project, has the opportunity to demonstrate that the development of financially-viable branches is much more important than increasing branch numbers. The choice of branches through an open, transparent competition will be a further innovation. In addition, this will be the first time in Nepal that a major project will operate through the village and district development committees and local development officers, utilizing the existing agencies, practices and procedures.



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The *Southwest Anhui Integrated Agricultural Development Project* in **China** will reduce the persistent food deficiency of about 123 000 poor households and thereby sustainably raise their standard of living, while assisting the government in its poverty alleviation programme. The project aims to increase household food production and land productivity through water-storage and irrigation development, combined with land-levelling and terracing; ensure long-term sustainability of the farming systems through improved technologies, better cropping practices, training and extension; assist and strengthen a farmer-oriented, sustainable, rural financial intermediary; raise household cash income through credit for investments in trees, livestock and other income opportunities, particularly for women; improve the skills level and the living conditions of women through literacy courses and technical skills training, and better health care and nutritional support during childbearing;



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and improve social conditions through physical and social infrastructure.

The *Ha Giang Development Project for Ethnic Minorities* in **Viet Nam** will be implemented in one of the poorest provinces in the country, in an area characterized by its remoteness and concentration of ethnic minorities. The project aims to raise the living standard of people in marginal areas by improving their utilization of natural resources and reducing the food insecurity of the poorest households; support the development of appropriate rural and social infrastructure; and develop environmentally sustainable and culturally viable development models that can be replicated elsewhere in the northern provinces.

Activities will target the most vulnerable communities, in terms of nutrition status, with annual food-shortage periods ranging from three to seven months. Drawing on the experience of IFAD's Participatory Resource Management Project in Tuyen Quang Province, the project will use targeting criteria that are specified by local communities and therefore consistent with their socio-cultural identity.

In **Laos**, the *Northern Sayabouri Rural Development Project* will use a participatory approach to identify the needs and priorities of the beneficiaries and ensure that they receive project support.

Farmer study tours and exchange visits among villages should enable beneficiaries to have an input into the design, construction, operation and maintenance of project investments in productive and social infrastructure. The implementation design includes innovations to help overcome the lack of staff capacity in the project area. Rather than attempt to use extension systems that cover the whole of each district from the outset, the design lays out areas of concentration following a village approach, targeted on the basis of ethnic communities, in order to remain within staff capacity. Concentration of effort combined with the participatory approach will enable the priorities of the various ethnic groups in the project area to be attended to in detail. The training of village workers in agriculture and in livestock activities will also build up non-traditional extension services at the grass-roots level.

The *Income-Generating Project for Marginal Farmers and the Landless - Phase III (P4K - Phase III)* in **Indonesia** will ensure proper targeting and assist in the formation of self-help groups; provide training in income-generating activities and the identification of opportunities available, especially for women; assist groups in the preparation of group business plans; ensure timely access to savings and credit facilities; and, through a graduation policy, ensure that those groups that have raised themselves above the poverty line will obtain access to the normal credit programmes.

It is expected that 60% of the 80 000 self-help groups to be established through the project will be composed of women only, and methodology has been developed to ensure that the members will be only those living below the poverty line.

Finally, in **D.P.R. Korea**, the *Crop and Livestock Rehabilitation Project* represents a two-pronged response to the problems facing these sectors of the economy. It combines short and long-term approaches to restoring agricultural production following recent economic and climatic reverses. In the short term, the project will seek an immediate boost to rice and maize production in response to the critical food shortage and consequent threat of famine facing the country.

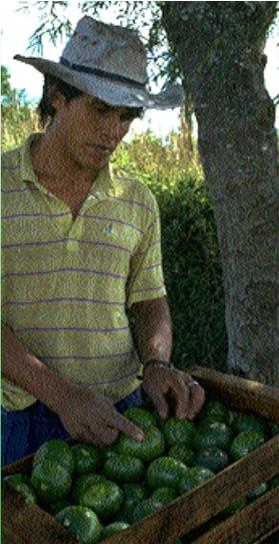
This approach will give the Government more time to develop a sustainable approach to tackling the problems facing cereal production. Without an emergency investment now, production may decline to levels that will require even greater investment in the future to effect a recovery. In the longer term, the project will restore livestock numbers and increase livestock production in the poor hill areas in ten counties of the country. This initiative will benefit people who have incomes substantially lower than those living in the main rice-growing areas of the country.

## Summary of IFAD Financing in the Region

Ten projects in the Asia and the Pacific Region were approved by the Executive Board in 1997 for total IFAD lending of SDR 128.8 million (USD 177.2 million) in Bangladesh (2), China, D.P.R. Korea, India, Indonesia, Laos, Nepal, Pakistan and Viet Nam. IFAD's financing of these projects represented 33.3% of the total project costs of USD 532.4 million, external financiers contributed USD 222.2 million (41.7%) and the recipient countries contributed the remaining USD 133.1 million (25.0%).



## Latin America and the Caribbean



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### Recent Trends

Latin America and the Caribbean have returned in 1997 to the path of moderate growth with the stable prices that characterized the regional economy in the 1990s, before the eruption of the Mexican financial crisis at the end of 1994. The regional GDP growth is expected to come close to 3.5%, compared to 3.0% in 1996. As the average annual rate of population growth is about 1.7%, per capita, GDP growth is expected to reach 1.8% in 1997. This slight improvement in regional growth is largely explained by the significant increase in the growth rates of Mexico and Argentina. However, it is acknowledged that the region must, and can, grow at rates above 6% per year to be able to pull a significant amount of poor people out of poverty.

The two main engines of regional growth are the continued expansion of exports, which are growing three times faster than GDP, and greater access to external finance.

But while almost all countries have experienced export expansion, their ability to attract external finance is unevenly distributed. Particularly noticeable has been the increase in foreign direct investment, which still goes to the larger economies, especially to Brazil and Mexico.

The region is recovering in a less favourable international context than that of recent years. Prices for the region's key export commodities performed unevenly: while falls were recorded for many metals and coffee, grain prices rose as did those of oil. The latter favoured the oil exporters but created difficulties for the far larger number of importers.

Two outstanding trends have characterized the region's economy in 1997: the average inflation rate, which reached a historical record of 888% in 1993, was expected to decrease to less than 15%, the lowest rate since the beginning of the 1970s; but unemployment continued to rise to the highest level this decade, a factor that tends to translate into greater income losses for the poorest groups.

The employment level depends on such factors as inadequate education, outdated skills, and the low number of women of the poorer segment of society actually seeking work, either because they have more children to care for or because of the cost of going out to work.

In the last five years the proportion of households under the poverty line diminished in the region from 41 to 39%, but the extreme poverty in rural areas has remained constant. Moreover, social inequities are not being corrected even in countries experiencing faster growth rates, higher employment or higher technological levels. Market reforms have removed many disastrous policies and bureaucratic obstacles to long-term growth and long-term relief for the poor.



But Latin American countries are now realizing that even with market economies, they need sound social policies and stronger education and health systems to reduce poverty on a broad scale. Overall, the contrasts among various countries demonstrate that greater progress is more likely to come from gains in efficiency than from increased spending.

The rural and agricultural sector is critical to the well-being of the region's poorest people and of the overall economy, especially through its contribution to export earnings. In the near future the sector will not only feed growing numbers of people in the cities, but face increased competition from abroad. The sector must meet these challenges while much of the region's natural resources, which form the basis for agricultural production, are becoming degraded as a result of poverty and sectoral policies.

**The need to meet simultaneously the challenges of coping with increased food needs, alleviating rural poverty and sustainably managing the natural resource base has motivated governments to introduce dramatic changes in their economic and agricultural development strategies in the last few years.**

In an institutional environment already characterized by a drastic process of liberalization, privatization and decentralization, new and more effective policy approaches have to be found.

Trade liberalization — through the implementation of different bilateral and multilateral agreements, such as the North American Free Trade Agreement (NAFTA), the Southern Cone Common Market (MERCOSUR), the Central America Common Market and CARICOM, the Caribbean integration scheme — will continue to be a key element in the adjustment programmes of the region and a critical factor in the future development of agriculture. This process calls for a clear understanding of market opportunities for the rural poor and for provision of the requisite support services to improve small farmers' access to traditional and new markets.

## IFAD's Approach

A key challenge for institutions involved in international cooperation is to help countries implement creative programmes to improve the living conditions of the poorer segments of the rural population and to generate more profitable, diversified and ecologically sustainable sources of income. IFAD is assisting in the development of a strategic framework to ensure correspondence between macroeconomic policies and specific rural development interventions. This means that IFAD needs to be part of a continuous policy dialogue with government representatives in order to influence anti-poverty programmes, which are heavily biased to subsidize social programmes.

The most striking characteristics of the region are the heterogeneity of rural poverty and the diversity of countries in terms of socio-economic conditions.

IFAD's lending programme and related activities offer poor households, and especially rural women, a broad portfolio of options as opposed to proposing single solutions. In line with the current institutional reform process, which has drastically reduced the size and role of the central and federal governments,

**IFAD is testing new approaches to reduce rural poverty using market mechanisms and promoting critical linkages among central and/or federal governments, regional governments, municipalities, NGOs, the private sector and grass-roots and peasant organizations.**

However, since in most Latin American countries the decentralization process is incomplete, IFAD is continuing to take advantage of ongoing central/federal-government-led anti-poverty programmes, improving the implementation of these programmes through policy dialogue and IFAD-supported initiatives that support local activities and related sources of financing. Activities in the region are thus focused on the strengthening of civil institutions that can effectively substitute for former service agencies in support of an efficient smallholder economy.



In pursuing the goal of helping small farm producers and rural microentrepreneurs become more competitive in the new institutional environment, IFAD often has to deal with conflicting objectives and almost insurmountable constraints. In some rural areas, economic self-sufficiency cannot be achieved if land degradation continues to accelerate. Soil degradation poses a serious threat to the sustainability of agricultural production. Two hundred million hectares of land in the region, almost one third of the total vegetated land, are now moderately or severely degraded. Deforestation, a major cause of land degradation and loss of natural resources, is increasing across the region. In Central America deforestation occurs at a rate of 1.6% per year. Although the proportion of forest land lost is smaller in South America than in Central America, the actual amount of land deforested is far greater in South America because of its larger size.

IFAD's regional strategy is also putting emphasis on indigenous peoples and increasing efforts to speed up the pace of land reform and land allocation.

Where lack of land, non-viable farm sizes and uncertain property rights prevail, no agriculturally based rural development effort can succeed in reducing rural poverty. Promotion of off-farm and non-farm sources of income requires a broader view of the opportunities available to organized households and communities, and calls for coordination among international agencies and broader collaboration among donors.

Finally, IFAD is assisting in the formation of broad pro-poor coalitions that can lobby in support of rural development. Poverty-related public expenditures need to compete with demands by other organized groups, sometimes more powerful than pro-poor coalitions. In the Latin America and the Caribbean Region, elements constituting a pro-poor coalition would include: representatives of the direct beneficiaries, particularly through local governments; social sectors indirectly benefiting from rural development through linkage effects, such as traders and entrepreneurs providing goods and services; and individuals, institutions and national and international agencies concerned with the negative social or environmental consequences of poverty. IFAD is carrying out a broad rural sector strategy, preferably focused on the strengthening of income-generating activities where gender is a cross-cutting issue.

## Project Implementation and Relevant Experiences

In IFAD's evolving strategy in Latin America and the Caribbean, participation takes centre stage in project implementation.

**The responsibility for implementing IFAD projects is gradually devolving to grass-roots organizations, local financial entities and NGOs.**

A related trend is simplification of the project structure in order to facilitate effective execution. Flexibility in implementation has also been a salient feature of IFAD's experience in the region. The Fund has had to make continuous adjustments to project design and implementation in response to a constantly changing macroeconomic and institutional situation.

IFAD has shown an institutional ability to learn from past experience and to incorporate the lessons learned into new project design and implementation strategies. This learning process is evident in the areas of gender issues and indigenous peoples.

In early 1997, IFAD began implementing the *Programme for the Reinforcement of Gender Aspects (PROFAGEP)* in IFAD-financed projects in Central America, Mexico and Panama. The programme was implemented in coordination with the Regional Unit for Technical Assistance (RUTA), based in Costa Rica.

The programme was conceived as a support mechanism for IFAD's gender strategy, which seeks to include women in project activities on an equal footing with men and to facilitate their access to productive resources, services and know-how, so as to increase their incomes and improve their and their families' living conditions.





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Programme activities included a diagnosis of the status of gender issues within the different projects of the region, a workshop, and a compilation and presentation of a continent-wide database on training and capacity-building material with a gender focus. The workshop, held in Guatemala 7-11 July 1997, centred on the presentation and consequent discussion of four thematic case-studies: Gender Aspects in Capacity-Building, Local Organizations, Production Systems and Productive Resources.

The new role of the private sector in contributing to the fight against poverty was stressed in a seminar on *Combating Poverty under Market Rules in MERCOSUR* held in Uruguay, 3-5 November 1997. The seminar, attended by policy-makers, analysed the continuous influence and role of the state in favouring development and alleviating rural poverty. Regional and subregional enlarged markets were identified as offering new opportunities to the IFAD target group if an adequate policy framework can be developed. Working groups dealing with small farmers' issues are incorporating farmers' concerns at the level of policy decision-making.

### Strategic Overview and Innovative Features of the Projects Approved in 1997

The *Small Farmers Technical Assistance Services Project (PROSAT)* in **Bolivia** was formulated in line with the government strategy of strengthening rural communities through the establishment of a technical assistance system in which peasant communities identify and contract their own technical assistance needs. The overall goal of the project is to create the conditions for a sustainable market for technical assistance services, reinforcing both demand and supply.

The *Indigenous and Afro-Ecuadorian Peoples' Development Project* in **Ecuador** was cofinanced with the World Bank. The project will strengthen the technical, managerial and administrative capacity of local, regional and national indigenous and Afro-Ecuadorian organizations in order to promote more effective participation in the formulation of government policies and improve economic services provided to communities.

As land and water resources constitute a major issue, the project will systematize and improve access of project beneficiaries to these resources. Another salient feature is ensuring the provision of financial resources for rural community, household and individual productive investments with special emphasis on women's productive activities.

In support of the ongoing peace process in **El Salvador**, the IFAD-initiated *Rural Development Project for the North-Eastern Region* will contribute to the alleviation of rural poverty in the area through diversification of income sources. The project will optimize a combination of agricultural and non-agricultural activities while minimizing or reversing negative environmental impact; contribute to restoring the social fabric of communities affected by the recent armed conflict, and build local capacity for sustainable technical and financial service delivery in the region. The project aims at addressing gender issues throughout all of its components by providing men and women with the opportunity to participate in and benefit from the different services offered by the project.

The extreme poverty that continues to characterize rural areas in **Honduras** will be partly addressed by the *Rural Development Project in the Central Eastern Region*. Grass-roots organizations and municipal and local organizations will provide farmer-to-farmer technical assistance and extension, largely through training and promotion activities. Incorporating the peasant family into the market economy is a main objective. A key element is the provision of marketing services aimed at decreasing the producers' dependency on middlemen. The productive strategy is based on ensuring food security and increasing incomes while assuring the equitable participation of women. Finally, the project will ensure that sustainable agricultural practices have a positive environmental impact. IFAD seeks to focus attention on and address environmental issues in a country with severe land degradation through a very conservative productive strategy.



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The *Sustainable Rural Development Project in the Provinces of Coclé, Colón and Panama* will be carried out in the central part of **Panama** on the western coast of the Panama Canal. Through policy dialogue and the implementation of this project, IFAD is helping to focus the government's attention on and increase the priority given to addressing the needs of the rural poor. The project will strengthen small farmers' associations to enhance their self-reliance and capacity for expressing their demands. It will also seek to reduce the cost of support-services delivery and contribute to the decentralization process undertaken by the government.

Rural-urban linkages constitute the main focus of the *Development of the Puno-Cusco Corridor Project* in **Peru**. An innovative feature of the project is support to the development of the manufacturing and services sectors by micro and small-scale enterprises. To achieve this, the project will seek to increase agricultural added value by providing financial and marketing support services; improve the production capacity and technologies in use by micro and small-scale enterprises; and support employment-generating activities in local urban centres thus absorbing rural migration. Linkages between the agricultural sector and the micro and small-scale enterprise sector in small rural cities will be stressed in order to ensure the economic and functional integration of 86 districts with high concentrations of rural poor.

## Grant Programme Activities

The TAG for the *Regional Programme in Support of Indigenous Peoples of the Amazon Basin - Phase II* by the Andean Development Corporation (CAF) involves Bolivia, Brazil, Colombia, Ecuador, Peru and Venezuela. The programme was conceived to continue and consolidate the work initiated during the first phase of the programme, which has supported 75 small-scale indigenous projects in the region and will promote the development of sustainable productive, environmental and cultural activities through a cofinancing mechanism of self-managed indigenous projects. It will then promote development of a market for indigenous goods and services, strengthen cultural identities and reinforce implementation of indigenous projects and programmes operating in the area of programme intervention financed by IFAD and other donors.

Recent estimates indicate that half of the rural population in the region is employed in rural, off-farm activities. The rural poor comprise landless or near-landless peasants, farmers located in marginal lands unsuitable for agriculture, and women.

Thus IFAD is focusing its strategy and target-group eligibility criteria in order to include these groups and to balance the present bias towards land-based peasants.

Following this comprehensive strategy, since 1987 IFAD's lending programme has included rural microenterprise initiatives in all of its projects and has started to deal with projects totally devoted to rural micro and small-enterprise (RMSE), such as the new project for Peru. These projects present risks additional to those already identified for more traditional development projects.

The goal of the TAG for the *Rural Microenterprise Support Programme in Latin America and the Caribbean* is to strengthen non-financial assistance to RMSEs by providing or facilitating technical assistance to IFAD-funded initiatives, and to other donors, on rural microenterprise, with the aim of improving enterprise viability, stability and growth, thus generating net increases in household income, especially women's incomes, and asset accumulation and labour productivity.

IFAD intends to build on the experience of the Cooperative Programme for the Development of Rural Agroindustry (PRODAR), which links networks of institutions and producers organizations working in rural agroindustry development at the national level and provides a range of services and exchange of experiences to promote this sector across the region.

The programme's main supporting institutions have been the *Centre de Coopération Internationale en Recherche Agronomique pour le Développement* (CIRAD), the International Development Research Centre (IDRC), the Inter-American Institute for Cooperation on Agriculture (IICA) and the *Coopération Technique Française* (CTF). IFAD will support the PRODAR structure as a framework to insert IFAD's programme in support of its lending operations related to RMSEs.

The homogeneity of the Central American subregion presents a strong case for a programme of inter-agency support, such as that provided through the Regional Unit for Technical Assistance (RUTA), which takes a strategic approach to capacity-building in order to strengthen national ability to formulate and implement policies and to improve the implementation of investment projects.

Over the years RUTA's work has addressed a fundamental necessity of IFAD, through its constant and flexible support and its responsiveness to a variety of needs expressed by governments, projects and beneficiaries. It has provided training courses in such areas as credit, gender and project management and promoted horizontal exchanges of views and ideas. Most importantly, RUTA's role has evolved from providing technical assistance to governments in formulating agricultural and rural development projects to serving as a forum for pivotal policy discussion and consensus-building among all partners.

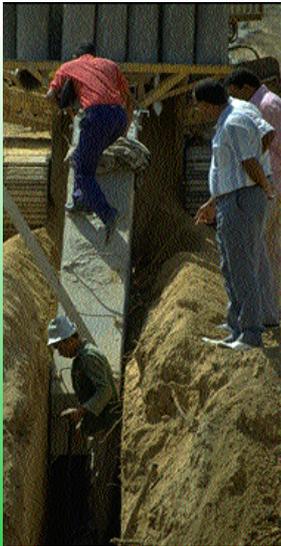
Though in recent years much progress has been made in Central America towards open government, regional integration and external trade liberalization, there is still much to be done to improve the living conditions of the poor. Governments need help with the analytical problems of policy formulation and implementation and their impact on the rural sector and the rural poor. During this new phase, through the *Regional Agricultural Development Project in Central America - Phase IV*, RUTA will give greater emphasis to policy dialogue in such areas as trade, rural finance, land tenure and administration, decentralization and privatization of services, and disadvantaged groups in development. RUTA will continue its active role in supporting project implementation for IFAD.

This unique collaboration with other lending agencies such as IBRD and the Inter-American Development Bank (IDB), technical agencies such as FAO and IICA, and governments, provides IFAD the opportunity to promote its own strategic thrusts, establish profitable partnerships and further the exchange of innovative experiences that can be replicated throughout the region.

### Summary of IFAD Financing in the Region

Six projects in the Latin America and the Caribbean Region were approved by the Executive Board in 1997 for total IFAD lending of SDR 61.5 million (USD 84.6 million) in Bolivia, Ecuador, El Salvador, Honduras, Panama and Peru. IFAD's financing of these projects represented 51.2% of the total project costs of USD 165.1 million, external financiers contributed USD 41.5 million (25.1%) and the recipient countries contributed the remaining USD 39.0 million (23.6%).

## Near East and North Africa



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### Recent Trends

In 1997 economic activity in most countries of the Near East and North Africa (NENA) Region expanded significantly. Based on 1996 data, national accounts showed an almost 12% growth in GDP in Morocco, 6% in Syria and Tunisia, and between 4 and 5% in Egypt, Jordan and Lebanon. After a long period of modest growth or stagnation, in the mid-1990s a large majority of the region's economies achieved a reasonable expansion.

However economic trends for Gaza and the West Bank contrast the general picture. In 1996 per capita GDP was 40% below that of 1992; overall macroeconomic indicators (unemployment, real wages, private savings and investment) deteriorated considerably. Nevertheless, the inflow of external funding for emergency assistance, relief and development programmes mitigated some of the adverse social and household-income effects of the economic downtrend.

In Turkey, economic growth as measured by GNP has been uneven since 1990: in the annual range of +9.4 to -6.1%. In 1996 growth reached 7.4%. The tremendous public debt and its servicing requirements fuelled inflation at an average of 70% in 1995 and 1996. In the Sudan, implementation of government economic strategy has been uneven. GNP growth averaged 5% during recent years. However the fiscal deficit and inflation remained very high. The latter reached 100% per year in 1996. Imports continued to exceed exports and inflow of external resources fell sharply from USD 1.9 billion in 1985 to USD 100 million in 1996.

In Yemen — one of the poorest countries in the region — the non-oil economy grew by an average of 5% in 1995 and 1996 after a period of stagnation during 1991-1994.

Economic reform measures led to better economic performance, within a context of macroeconomic stability policies and progress made in the external debt issue. In Algeria and Syria there are moves towards modifications in the global management of the economy through gradual liberalization. In Syria, the role allocated to the private sector is slowly expanding, while foreign exchange, trade and investment are being liberalized to varying degrees.

**Overall, in recent years a growing consensus has been emerging on the need to gradually open up factor and product markets and establish market-oriented economic and institutional policies. Moreover, the private sector is becoming a main contributing factor in the expansion of output and income.**



The Member States in eastern Europe are generally characterized by high agricultural potential and well-educated populations. These countries have experienced unprecedented social and economic decline. The three Trans-Caucasus countries (Armenia, Azerbaijan and Georgia) and the Republic of Moldova, all currently considered developing countries, have on average lost two thirds of their income since 1989. As a consequence, the rural populations have faced sharply deteriorating social and economic conditions. Although the countries' economies and income levels have stabilized over the past two years, the stabilization has been achieved at an average income level below USD 600, and it will take more than a decade to restore pre-transition income levels at current growth rates. The situation in Member States in south-eastern Europe is in some respects similar. However income losses since 1989 have on average been only one fifth. Collectivization in these countries was never taken as far as in the former Soviet Union. The economic and social preconditions for a successful transition are therefore more favourable.

The collapse of central planning caused by the disintegration of the former Soviet Union and associated economic dislocations caused by the changed trade regime have led to a complete breakdown of the social and economic systems governing the rural sector in the eastern European Member States. Governments have responded by dismantling the collective farm system and privatizing production assets, including land, in the agricultural sector and agriculture-related industries. Since the entire rural sector had been organized around collective farms, these measures entailed fundamental challenges: the rural sector has become almost completely monetized since the countries became independent; farm equipment is non-divisible and not suitable for smallholder production; having previously been farm workers, agricultural smallholders often lack basic agricultural knowledge; agricultural support-service systems and marketing and input supply systems are often either absent or not supportive of smallholders. In addition, the rural sector has lost most of the social services formerly provided by the collective farms.

## IFAD's Approach

The central thrust of IFAD's strategy for the Near East and North Africa Region is to catalyse resource flows of national governments and donors operating in the region in order to assist as many rural poor as possible. In a strong soil and water management dimension, based on self-organized and self-managed small users' groups, IFAD interventions in the region continue to assist the target group in rehabilitating and enhancing the resource base and food security of the poor, arresting environmental degradation, and optimizing the use of land and water resources.

In focusing on dryland farming, the following issues have been increasingly addressed: development and promotion of integrated crop/livestock production in the low rainfall areas; development and conservation of rangelands in the Badia areas; development and application of appropriate forms of property rights to promote agricultural/rural development, particularly in the Badia areas; and, in the case of irrigated agriculture, development and promotion of water-saving techniques for smallholders. As a result, the potential replicability of IFAD interventions has proved to be high.

Common features of IFAD's interventions in the region have included: adopting a participatory approach throughout all project development and implementation stages; building the institutional capacity of community-based organizations and natural resource users' associations, whether of rangeland users or water users; and setting up a rural productive and social infrastructure to improve marketing prospects for dryland products and to promote the social well-being of rural men and women.

**In order to make IFAD's assistance more effective and advantageous to the rural poor, the Fund is increasingly relying on NGOs. Based on recent achievements in the region and elsewhere, IFAD has intensified its dialogue with those governments not fully convinced of the comparative advantage of NGOs and their role in understanding, mobilizing and assisting local communities.**

The outcome of such dialogue is a greater involvement of NGOs in the implementation of projects in Jordan, Lebanon, Morocco, Syria, Tunisia and Yemen.

Another pillar of IFAD's strategy of intervention in the Arab countries is the building of a strategic alliance of major development and financial institutions. Recent experience in expanding codesign and cofinancing with the Arab Fund for Economic and Social Development (AFESD), the Islamic Development Bank (IsDB) and the World Bank has proved effective in enhancing investment in rural poor areas. Moreover, IFAD is continuing its cooperation with technical assistance and research institutions in the region, e.g., the Arab Centre for the Studies of Arid Zones and Dry Lands (ACSAD), the Arab Organization for Agricultural Development (AOAD) and the International Centre for Agricultural Research in the Dry Areas (ICARDA). This strengthens the links between IFAD-financed projects and the research, technical assistance and training activities of these three institutions.

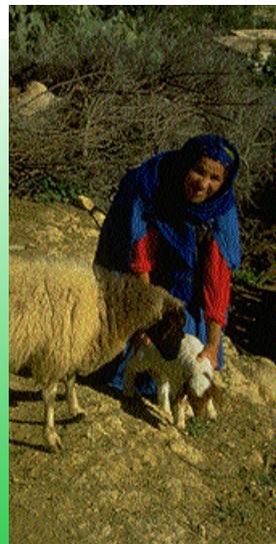
In the new Member States in eastern Europe, IFAD's approach is to use its expertise with smallholder production systems and support services and thereby assist government efforts in implementing rural reforms, reorganizing the rural sector and providing assistance to newly established smallholders and rural microentrepreneurs. Interventions are carefully designed to alleviate the most pressing constraints, and to match the current agricultural situation and the progress made in reforms. IFAD collaborates extensively with other international financial institutions, particularly the World Bank, in these Member States.

In the early stages of transition, interventions often target credit at agricultural smallholders and microentrepreneurs, assist farmers in organizing sustainable farmers' groups (credit groups and water users' associations) and assist in building supportive central bodies and providing legal support. In later stages, where the economic situation in rural areas shows signs of recovery, interventions generally focus more sharply on productivity-enhancing agricultural support services for smallholders, and support is often targeted at particularly disadvantaged areas.

## Project Implementation and Relevant Experiences

**Implementation experience in the region indicates that identification of local community problems should rest with the community, and specific problems should not be identified nor solutions advocated by outsiders.**

As part of the control of and responsibility for collective resources, recurrent costs for operating and maintenance of conservation investment activities should be borne by the beneficiaries.



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Given these indications, two major constraints have been responsible for the slow start-up of community-based development activities. First, the beneficiaries have not yet been convinced by the idea of being involved in determining their needs and identifying appropriate solutions. Second, the beneficiaries have been assisted through government or donor interventions based on the old principle of government officials knowing and doing what is best for them. These two constraints can only be alleviated through intensive collaboration among all parties involved, i.e., governments, donors, NGOs and beneficiaries.

In addition, and as a result of the internal re-engineering exercise within IFAD, a number of important developments have taken place, with greater emphasis on project implementation being carried out during the year. The entire approach to the project cycle has undergone a fundamental change: IFAD is emphasizing improved implementation performance and high-quality impact at the grass-roots level. Project design is becoming increasingly flexible to continuous changes in project components during implementation.

Two main facets characterize project implementation in the Member States in eastern Europe: project start-up is relatively slow, reflecting beneficiaries' lack of familiarity with the procedures of IFIs and development projects; but once work procedures have been established, the local implementation capacity reveals itself to be very high. IFAD has responded to these issues with SOF grants to assist in project start-up and intensive implementation assistance during the initial phases of its projects. IFAD-financed projects in the region are generally focused on only a few binding constraints to smallholders, which the generally good agricultural potential in the region warrants.



### Strategic Overview and Innovative Features of the Projects Approved in 1997

Within the context of **Lebanon's** Green Plan, an IFAD loan is financing the World Bank-initiated *Agriculture Infrastructure Development Project*. The project's main objective is to develop and conserve land and water resources on about 5 600 ha, particularly benefiting smallholdings of less than 0.5 ha. The land and water development component will finance the terracing of 3 100 ha of hilly land and the construction of restraining walls on some 2 100 ha of new or existing terraced land; and the construction of hill-ponds and concrete bases. Project activities include the provision of one million fruit-tree seedlings and the construction/rehabilitation of rural roads. The establishment of an environmental information and monitoring committee within the Green Plan is important for long-term natural resource impact.

The coordination of rangelands in **Jordan** has significantly deteriorated in recent decades. This has led the Government to stress the urgent need to protect natural resources and promote their sustainable development in order to improve the living standards of the rural population. Given the magnitude of the task of rehabilitating and developing the rangelands, it was decided to adopt a phased approach. The *National Programme for Rangeland Rehabilitation and Development - Phase I* has as its main objective to reduce current environmental degradation of rangeland resources through the introduction of sustainable management practices. The programme will work in five pilot areas, to be selected from 15 priority areas according to criteria developed by IFAD and the Ministry of Agriculture.

Long-term information collection and analysis for the development of national policies and plans for rangeland development will have a nationwide perspective, with the whole of the rangelands as the ultimate target.

Participatory planning processes, through the creation of rangeland management groups, will be a crucial characteristic of the multiphase programme.

For **Yemen**, one of the poorest countries in the region, the Executive Board approved two projects in 1997: the *Southern Governorates Rural Development Project* and the *Raymah Area Development Project*. The Southern Governorates project is in response to the increasing poverty among farm families that were dispossessed with the denationalization of the land, i.e., the return of expropriated land to former owners. IFAD's participation will ensure the reorientation of the project towards reinforcing community cohesion and the testing of innovations regarding the involvement of beneficiaries in planning and implementing community initiatives. The Government of Yemen has agreed to an IDA/IFAD condition to halt further dispossession of farmers.

The Raymah project will be completed in one of the most backward regions of Yemen. Because of the limited resource base, the precarious living conditions have depended mainly on out-migration. Women-headed households (30% of the total) are among the most vulnerable and are severely affected by poverty and marginalization. In order to increase output and incomes, and improve living conditions in a sustainable way in this hitherto isolated area, the investment project has a three-pronged approach: the establishment of village development funds, rural road improvement and maintenance, with the full participation of the local committees for cooperation development, and agricultural development interventions. The innovative features of the project include the use of indigenous participatory institutions for the operation and maintenance of the social infrastructure services. Furthermore, the project will pioneer the concept of rural extension to disseminate information on improved agricultural practices as well as on community sensitization, mobilization and organization, rural family and women-in-development issues.

With Executive Board approval of the *Agricultural Development Project* for **Georgia** and the *Farm Privatization Project* for **Azerbaijan**, IFAD has started project activities in all three Caucasus Member States. With the addition of the *North-West Agricultural Services Project* the Fund now has two operations in **Armenia**.

The overall objective of the project for Azerbaijan is to support the Government in its efforts to reform the agricultural sector through a pilot operation in farm privatization. This investment project, cofinanced with IDA, will in particular develop the institutional capacity needed to manage and support economy-wide privatization in agriculture; facilitate the establishment and development of village groups; set up social service systems to replace services previously provided by the collective farms; and provide seed funds for investments by small farmers and for public infrastructure investments at community and village levels. The project will be carried out in six collective farms to be privatized, located in different agro-climatic zones.

In the Agricultural Development Project for Georgia, cofinanced with IDA, IFAD is also involved in supporting the privatization process in which commercially viable assets in agriculture, agro-industries and input supply and marketing are transferred to the private sector, and efficient financial systems geared towards the needs of small farmers are established.

IFAD's second intervention for smallholders in Armenia — the North-West Agricultural Services Project — will support their production capacity through a number of activities. First, the project will support private-sector seed production and certification, and strengthen veterinary services. Furthermore, 50 water users' associations will be established that will be responsible for the rehabilitation of tertiary irrigation infrastructure. The Agricultural Cooperative Bank of Armenia will be assisted in the expansion of its lending programme through a credit line and institutional support to establish two new branches in the project area. Lending will initially be for short-term inputs and will be implemented in cooperation with about 100 village associations.

A community development programme for the poorest villages will address needs unrelated to production in a participatory process. Local NGOs and grass-roots organizations will be the main facilitators of project implementation.

Because of the rapid and efficient implementation of the Farm Reconstruction Project (FRP) in **Bosnia and Herzegovina**, the Board approved the *Small Farm Reconstruction and Development Project* in April 1997. Experience with the FRP has shown that poverty-oriented recapitalization of war-affected, small-scale, private livestock farmers is effective for quick and sustainable poverty alleviation and in laying the basis for a market-oriented agriculture for small farmers. The project's main focus is the procurement and distribution of livestock on a credit in-kind basis and improvement of associated animal health and husbandry.

## Grant Programme Activities

Owing to civil unrest and security problems in 1994-95, Yemen was not able to be included in the Near East and North Africa Management Training in Agriculture (NENAMTA) Programme approved by the Executive Board in December 1994. Given the substantial improvement in the country's situation since then and the fact that Yemen, as one of the region's poorest countries, has a very large internationally funded project portfolio, the country was approved for inclusion in the NENAMTA Programme so that it may benefit fully from the programme's training facilities. Some 60 local project managers and staff — selected from projects currently under way — will receive much needed training in procurement, management and policy-related issues during this seven-year programme. The programme's four components target institutional support, pilot training courses in project and agricultural management (including a national policy-level seminar), full-scale agricultural management training, and programme coordination (including professional and logistical support, general administration and provisions for a mid-term programme review in the third year of implementation).

## Summary of IFAD Financing in the Region

Eight projects in the Near East and North Africa Region were approved by the Executive Board in 1997 for total IFAD lending of SDR 59.3 million (USD 82.2 million) in Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Jordan, Lebanon and Yemen (2). IFAD's financing of these projects represented 32.0% of the total project costs of USD 257.1 million, external financiers contributed USD 84.1 million (32.7%) and the recipient countries contributed the remaining USD 90.83 million (35.3%).

## The NENAMTA Programme

The Near East and North Africa Management Training in Agriculture — or NENAMTA — Programme continues and expands on the Agricultural Management Training Programme for Africa (AMTA) launched by IFAD in the early 1980s. The new programme was initiated and designed by IFAD and is cofinanced by the African Development Institute of the African Development Bank, the Economic Development Institute of the World Bank and the OPEC Fund.

In line with AMTA's original aim of addressing the severe shortage of experienced staff to manage agricultural projects, the NENAMTA Programme specifically seeks to increase the supply of trained project managers in the agricultural and rural development sector; it does so by strengthening the training capacity of national institutions, providing training and related equipment, and supporting the development of national training units within national training institutions, the creation of national participation funds in order to ensure financial sustainability, and the development of a paid training service.

Training opportunities — which adopt a variety of formats — target project managers, senior-management officials, procurement officers, agricultural-management trainers, sectoral directors and ministerial officials.

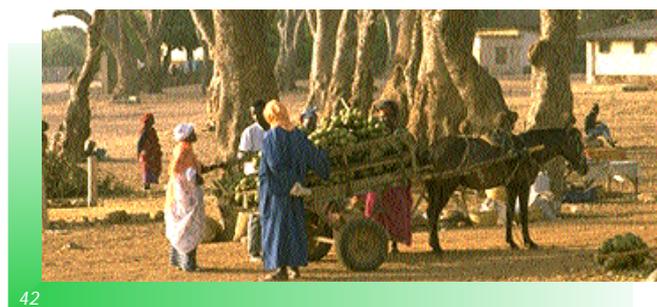


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## Africa I

### Western and Central Africa



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## Ghana

### Root and Tuber Improvement Programme



Loan amount: SDR 6.6 million (approximately USD 9.0 million) on highly concessional terms.

Total programme costs are estimated at USD 10.0 million; the borrower will provide the remaining USD 1.0 million.

Cooperating institution: World Bank.

The main objective of this six-year programme is to enhance household food security and the income of resource-poor smallholder households by providing them with the means to boost their land and labour productivity through crop-production systems based on roots and tubers. Specific objectives are to: increase the availability of new but proven technologies; strengthen and improve the delivery mechanisms for providing know-how on appropriate new technologies for root and tuber crops; promote awareness of the relevance of existing technologies and improve husbandry skills; increase farmers' involvement in the identification of areas where further research is needed and develop appropriate technologies with their collaboration; assist local people in developing

small-scale enterprises based on root and tuber crops; and strengthen community and district-level institutions in organizing farmers into groups and associations.

Programme components are:

- multiplication and distribution of improved planting materials;
- integrated pest management, including biological control;
- on-farm adaptive research; and
- community support and mobilization.

The programme will focus on resource-poor smallholders whose average income is below the poverty line. About 400 000 farm households will directly benefit from the provision of improved planting materials.

## Senegal

### Village Management and Development Project



Loan amount: SDR 6.9 million (approximately USD 9.5 million) on highly concessional terms.

Total project costs are estimated at USD 13.4 million, of which USD 1.4 million will be provided by the West African Development Bank (BOAD), USD 2.2 million by the borrower and USD 300 000 by the beneficiaries.

Cooperating institution: BOAD.

The main objective of this eight-year project is to establish a durable, self-sustaining development process that will increase food security and rural incomes, reduce poverty and prevent rural exodus. Specifically, it will strengthen the capacities of the rural population and support the implementation of village development funds; promote improved, environmentally sound use of productive resources; and provide rural infrastructure to support the development process. The project will be implemented in phases, starting with an action-research period of three years to test technical and organizational innovations as well as the implementation of the local policy of decentralization, followed by a five-year period of full implementation.

Project components are:

- strengthening of local capacities and implementation of village development funds;
- support for agropastoral production and diversification; and
- rural infrastructure.

The project area is located in the Louga region and covers 80 villages. It is expected that the project will benefit around 3 500 households, 4 000 members of women's groups and 1 000 young people.



## Africa II

### Eastern and Southern Africa



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## Angola

### Northern Fishing Communities Development Programme



Loan amount: SDR 5.3 million (approximately USD 7.3 million) on highly concessional terms.

Total programme costs are estimated at USD 9.3 million, of which USD 1.0 million will be provided by the Belgian Survival Fund Joint Programme (BSF.JP) in the form of a grant, USD 620 000 by the borrower and USD 340 000 by the beneficiaries.

Cooperating institution: United Nations Office for Project Services (UNOPS).

The objective of this seven-year programme is to increase the income and improve the living conditions of fishing communities by promoting sustainable exploitation of fish resources at a more intensive level.

Programme components are:

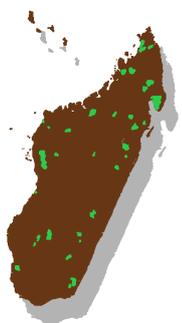
- market development and financing;
- community development; and
- policy development and fisheries management.

The programme will initially focus on the northern coastal zones, which have suffered greatly as a result of the civil war but are free of the security problems that still affect the interior.

The main target group will be poor households involved in fishing and related activities, such as the manufacture, repair and supply of inputs or the processing and marketing of produce. The programme will begin with a three-year preliminary phase, during which it will serve some 2 300 beneficiaries: fishermen, women processors, traders, and those in fisheries support services; the activities in support of community strengthening and rural infrastructure will aim at a broader target group of approximately 30 000 people.

## Madagascar

### Second Environment Programme Support Project



Loan amount: SDR 5.7 million (approximately USD 8.1 million) on highly concessional terms.

Total project costs are estimated at USD 155.0 million, of which USD 115.9 million will be provided by the European Union, France, Germany, Japan, The Netherlands, Norway, Switzerland, the Global Environment Facility, the International Development Association (IDA), the United Nations Development Programme (UNDP), the United States Agency for International Development and the World Wildlife Fund for Nature (WWF), on a grant basis (except for the IDA contribution), and USD 31.0 million by the borrower.

Cooperating institution: IDA.

This five-year IDA-initiated project aims at reversing Madagascar's current environmental degradation trends and promoting sustainable use of natural resources, including soil, water, forest cover and biodiversity. A key objective of the project will be to promote a setting that will enable environmental considerations to become an integral part of macroeconomic and sectoral management in the country. The project represents the second phase of implementation of the National Environmental Action Plan (NEAP).

Project components are:

- field operations, including soil and water management, multiple-use forest ecosystem management, establishment of a network of protected areas,

support for regional programming and local management of natural resources;

- strategic activities, such as the formulation of environmental policies and strategies and support for the implementation of environmental impact assessments; and
- support activities, including research, communication-education-training, development of an environmental information system, and project coordination and management.

The main beneficiaries of the project will be chronically food-insecure and/or landless households and households without livestock.

## Uganda

### Vegetable Oil Development Project



Loan amount: SDR 14.4 million (approximately USD 20.0 million) on highly concessional terms.

Total project costs are estimated at USD 60.0 million, of which USD 33.1 million will be provided by private-sector investors (through direct equity investments and commercial borrowing), USD 3.8 million by the borrower and USD 3.1 million by the beneficiaries.

Cooperating institution: International Development Association (IDA).

This eight-year project will support the Government's growth strategy by revitalizing and increasing the production of domestic vegetable oils, thereby lessening dependence on imports and opening opportunities for smallholders to increase their cash income. Project activities will be implemented at two locations: Bugala Island in the Kalangala District and Bwamba County in the Bundibugyo District.

Project components are:

- oil-palm development;
- institutional support; and
- establishment of a Vegetable Oil Development Fund to support increased vegetable-oil production and processing at the village and rural level.

The project will develop an oil-palm industry chiefly involving smallholder growers and private-sector processors; introduce industrial-size mills that are energy-efficient

and environmentally sound; develop appropriate technologies to optimize production and processing, especially at the rural/homestead level; and support government efforts to define an enabling framework and set up a consultative body to facilitate interaction among farmers, trade associations, processors, financial institutions and other key actors involved in shaping the development of the vegetable-oil subsector.

It is estimated that 7 000 smallholder farm families (a total of 42 000 people) will directly benefit from the project. Particular attention will be given to youth, the landless, the unemployed and women in the selection of oil-palm outgrowers and access to credit.





## Asia and the Pacific



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### Bangladesh

#### Agricultural Diversification and Intensification Project



Loan amount: SDR 13.7 million (approximately USD 18.9 million) on highly concessional terms.

Total project costs are estimated at USD 32.4 million, of which USD 5.1 million will be provided by the World Food Programme in the form of a food-for-work grant, USD 1.5 million by the Agrani Bank, USD 4.9 million by the borrower and USD 1.9 million by the beneficiaries.

The project will be directly supervised by IFAD.

The main objectives of this seven-year project are to: boost agricultural production and the income of the rural poor; establish and strengthen community organizations; increase employment opportunities; strengthen government services and NGOs in order to support farmers; and develop basic rural infrastructure.

Project components are:

- agricultural development;
- community development;
- rural savings and credit;
- community infrastructure improvement; and
- project management.

The project area covers four districts, with a target group of about 1.4 million families.

### Bangladesh

#### Third Rural Infrastructure Development Project



Loan amount: SDR 8.5 million (approximately USD 11.7 million) on highly concessional terms.

Total project costs are estimated at USD 181.0 million, of which USD 70.0 million will be provided by the Asian Development Bank (AsDB), USD 7.2 million by the Swedish International Development Agency in the form of a grant, USD 50.7 million by the Overseas Economic Cooperation Fund of Japan and USD 41.4 million by the borrower.

Cooperating institution: AsDB.

The main objectives of this seven-year project are to: accelerate agricultural, non-farm economic and social development in the 13 project districts and reduce the extent of poverty through the improvement of basic rural transport and trading infrastructure; strengthen the participation of beneficiaries in the planning, implementation and maintenance of the proposed infrastructure works; and provide direct employment and create income-generating opportunities in the farm and non-farm sectors for the rural poor, including poor women.

Project components are:

- development of the rural road network;
- improvement of growth centre markets and boat loading/unloading areas;
- adversity-response initiatives and development of participation; and
- institutional development and project support.

The area comprises two zones: an eastern zone covering five districts (Mymensingh, Kishoreganj, Netrokona, Jamalpur and Sherpur) and a western zone covering eight districts (Rangpur, Gaibandha, Kurigram, Lalmonirhat, Niloharmari, Dinaipur, Panchagarh and Thakurgaon), for a target population estimated at about 25 million.

## China

### Southwest Anhui Integrated Agricultural Development Project



Loan amount: SDR 19.1 million (approximately USD 26.5 million) on highly concessional terms.

Total project costs are estimated at USD 55.7 million, of which USD 2.8 million will be provided by the World Food Programme in the form of a grant, USD 21.6 million by the borrower and USD 4.8 million by the beneficiaries.

Cooperating institution: United Nations Office for Project Services (UNOPS).

The objectives of this five-year project are to alleviate chronic poverty and raise the standard of living of very poor households. The project will increase household food security through land development and higher productivity; facilitate access to financial services through the promotion of grass-roots, rural financial intermediaries; create cash income opportunities through the promotion of cash crops and off-farm activities; and improve living conditions through the provision of social services and related facilities.

Project components are:

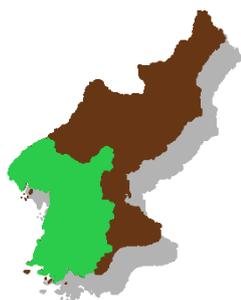
- rural infrastructure;
- agricultural production;

- support for women and social services; and
- institutional support.

The target group will comprise some 125 000 households, representing about 500 000 people living in the poorest townships of the five poorest counties in Anhui Province. The project will also promote women's development through literacy training for about 30 000 women and technical training in agriculture and income-generating skills for about 70 000 women. A special credit line will also be reserved for these women.

## D.P.R. Korea

### Crop and Livestock Rehabilitation Project



Loan amount: SDR 20.9 million (approximately USD 28.9 million) on highly concessional terms.

Total project costs are estimated at USD 32.1 million, of which USD 600 000 will be provided by the United Nations Development Programme (UNDP) in the form of a grant and USD 2.6 million by the borrower.

Cooperating institution: United Nations Office for Project Services (UNOPS).

The objectives of this five-year project are to raise the income and improve the standard of living and nutritional status of rural populations in disadvantaged hill areas, and to revive food-grain production for the next crop season in order to alleviate the current food crisis. The latter will be achieved through the provision of agricultural inputs to selected cooperatives in the highly productive rice-growing areas of North and South Pyongan and North and South Hwanghae Provinces.

Project components are:

- crop rehabilitation; and
- livestock rehabilitation.

The livestock activities in North Pyongan Province will benefit 117 cooperatives, representing about 47 000 households and a total population of 210 000. The crop-production interventions will benefit some 436 000 households, or roughly 1.9 million people living on 450 cooperatives in the densely populated provinces of South Pyongan and North and South Hwanghae. Funds generated from the sale of agricultural inputs will be used to finance other poverty-alleviation activities.

## India

### North Eastern Region Community Resource Management Project for Upland Areas



Loan amount: SDR 16.6 million (approximately USD 22.9 million) on highly concessional terms.

Total project costs are estimated at USD 33.2 million, of which USD 1.2 million will be provided by institutional financing, USD 5.6 million by the borrower and USD 3.5 million by the beneficiaries.

Cooperating institution: United Nations Office for Project Services (UNOPS).

The overall objective of this seven-year project is to improve the livelihood of vulnerable groups through environmentally sound, improved management of their resource base. To engender a greater sense of ownership of development initiatives by the communities, the project seeks to strengthen their capacity

to manage the implementation of their development initiatives. All sectors of the community (including women, youth and marginalized groups) will be represented through the establishing of a village development committee as an arm of the traditional village council.

Project components are:

- capacity-building of communities and participating agencies;
- economic livelihood activities to support on-farm investments;
- community-based biodiversity conservation;
- social-sector activities to improve access to safe drinking water, better health care and more relevant education;
- village roads and rural electrification; and
- project management.

The project will be implemented in phases. During the pilot phase (project years 1-3), the project will cover six hill districts in the States of Meghalaya, Manipur and Assam. For the expansion phase (project years 4-7), project support will be extended to other hill districts within the initial states and to upland areas in other states within the region.

Principal beneficiaries will be the most vulnerable households, which are solely or heavily dependent on *jhum* cultivation. Of these, an estimated 131 000 persons will benefit directly, with special attention to women and unemployed youth. More than 440 000 *jhum* cultivators will also benefit from project interventions. The on-farm employment generated in the long run will provide employment to around 6 400 persons.

## Indonesia

Income-Generating Project for Marginal Farmers and the Landless - Phase III (P4K - Phase III)



Loan amount: SDR 18.3 million (approximately USD 24.9 million) on intermediate terms.

Total project costs are estimated at USD 137.0 million, of which USD 78.6 million will be provided by the Asian Development Bank (AsDB), USD 25.3 million by the borrower and USD 8.3 million by Bank Rakyat Indonesia.

Cooperating institution: AsDB.

This seven-year IFAD/Asian Development Bank-initiated project will consolidate and expand the achievements made under the previous phase. It will, through the promotion of skills development and microfinance-support services, provide opportunities to some of the poorest people in the rural areas to develop and improve their income-generating capacity.

Project components are:

- self-help group development;
- microfinance services; and
- building and institutionalizing management capacity.

The project will benefit 800 000 families (approximately 4 million people) living in 12 provinces, and establish 80 000 self-help groups, 60% of which will be composed of women only.

## Laos

Northern Sayabouri Rural Development Project



Loan amount: SDR 5.3 million (approximately USD 7.3 million) on highly concessional terms.

Total project costs are estimated at USD 10.2 million, of which USD 1.5 million will be provided by the United Nations Development Programme in the form of a grant and USD 1.5 million by the borrower and the beneficiaries.

Cooperating institution: United Nations Office for Project Services (UNOPS).

This six-year project focuses on poverty alleviation and will specifically seek to: increase food production and income security through the rehabilitation of small-scale irrigation schemes, extension services and crop/income-diversification programmes; encourage agricultural development and income-diversification activities through the provision of rural financial services in order to enable broad participation in social and economic development; improve social infrastructure, including health services, supply of potable water and primary schools; and upgrade rural access roads to facilitate new marketing and economic development opportunities for the target population.

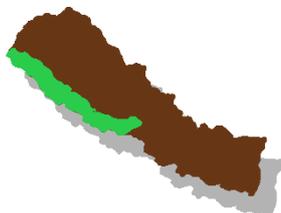
Project components are:

- agricultural development;
- income diversification;
- rural infrastructure development; and
- institutional strengthening.

The project will be located in the four northern districts of Sayabouri Province (Hongsa, Khop, Ngeun and Xienghon) where poverty is widespread, particularly among ethnic groups in the midland and upland areas. The target group will be approximately 13 000 rural households (77 000 people) in 200 villages. Women will be an important part of the target group because of their role in the area's emerging cash economy and their involvement in many of the activities to be promoted under the project.

## Nepal

Poverty Alleviation Project in Western Terai



Loan amount: SDR 6.6 million (approximately USD 8.9 million) on highly concessional terms.

Total project costs are estimated at USD 9.7 million, of which USD 440 000 will be provided by the borrower, USD 80 000 by the Agricultural Development Bank of Nepal and USD 340 000 by the beneficiaries.

Cooperating institution: United Nations Office for Project Services (UNOPS).

The objectives of this six-year project are to increase the incomes and improve the welfare of small farmers, the landless and rural women in the project area. Building on the experience of previous IFAD-financed projects, this project will mobilize the poor in small groups to promote sustainable development and will improve the financial viability and sustainability of selected credit-service providers.

Project components are:

- credit services;
- group shallow tubewells;
- extension and skills training;
- community development; and
- institutional strengthening.

Approximately 28 800 poor women are expected to benefit from the credit services, and 5 875 families will benefit from shallow tubewells provided under the project. Extension services and skills training in crop and livestock production and off-farm income-generating activities will be offered to 23 000 families. About 51 000 villagers in the area will benefit from improved rural infrastructure and community-development activities.

## Pakistan

### Northern Areas Development Project



Loan amount: SDR 10.8 million (approximately USD 14.6 million) on highly concessional terms.

Total project costs are estimated at USD 22.6 million, of which USD 2.6 million will be provided by the United Nations Development Programme in the form of a grant, USD 3.8 million by the borrower and USD 1.6 million by the beneficiaries.

Cooperating institution: United Nations Office for Project Services (UNOPS).

The objectives of this seven-year project are to boost agricultural production and incomes, establish and/or strengthen community organizations, improve the status of women, reinforce the resource base and improve rural roads.

Project components are:

- community and women's development;
- village infrastructure development;
- agricultural development;
- rehabilitation and upgrading of valley roads;
- strengthening of regional agricultural support services; and
- establishment of a project management unit.

The project will benefit the entire population of the northern areas, estimated at about 1 million. The target group will include some 18 000 rural households, consisting of landowners, landless families and women. The project will benefit the Diamer District population, estimated at about 220 000, through project interventions such as access and link roads, river-bank protection and water supply. About 11 500 households will benefit from agricultural and irrigation development, while 250 households of nomadic pastoralists will be served by the animal health programme and about 4 000 women by the income-generating activities.

## Viet Nam

### Ha Giang Development Project for Ethnic Minorities



Loan amount: SDR 9.2 million (approximately USD 12.5 million) on highly concessional terms.

Total project costs are estimated at USD 18.4 million, of which USD 2.3 million will be provided by the United Nations Development Programme in the form of a grant, USD 800 000 by the Swedish International Development Agency in the form of a grant, USD 2.2 million by the borrower and USD 600 000 by the beneficiaries.

Cooperating institution: United Nations Office for Project Services (UNOPS).

This six-year project aims to: raise the standard of living in marginal areas by improving residents' use of natural resources and reducing food insecurity in the poorest households; support the development of appropriate rural and social infrastructure; and develop environmentally sustainable and culturally viable development models that can be replicated elsewhere in the northern provinces.

Project components are:

- rural infrastructure;
- agricultural development;
- income diversification;
- social development; and
- project management and coordination.

The project will be implemented in Ha Giang Province (one of the poorest in the country) in a remote area characterized by its concentration of poor ethnic minorities. It will target communities that are most vulnerable in terms of nutritional status, i.e., having annual food-shortage periods ranging from three to seven months. Drawing on IFAD's previous experience in Viet Nam, the project will use targeting criteria that are specified by the local communities and therefore consistent with their socio-cultural identity. Approximately 40% of the province's total number of about 40 000 households will benefit directly from the project.

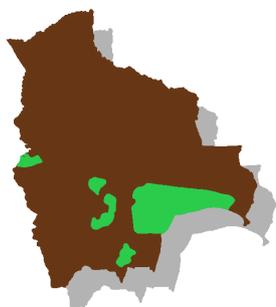


## Latin America and the Caribbean



### Bolivia

#### Small Farmers Technical Assistance Services Project (PROSAT)



Loan amount: SDR 5.9 million (approximately USD 8.1 million) on highly concessional terms.

Total project costs are estimated at USD 28.3 million, of which USD 15.0 million will be provided by the World Bank in the form of parallel financing, USD 1.3 million by the borrower and USD 3.9 million by the beneficiaries.

Cooperating institution: International Development Association.

This six-year World Bank pilot project will support the Government's strategy of strengthening rural communities through the establishment of a technical assistance system in which the communities identify their own technical assistance needs and contract services. The overall goal is to create conditions for the establishment of a sustainable market for technical assistance services.

Project components are:

- strengthening of human resources;
- production support, mainly involving the cofinancing of technical assistance services;
- strengthening of private-sector technical assistance services; and
- project management, administration and evaluation.

The project will target approximately 206 000 rural poor families. Over 90% of the target group is comprised of indigenous peoples. The project will directly benefit approximately 28 600 rural poor families (nearly 25% of which are headed by women) in 500 communities.

### Ecuador

#### Indigenous and Afro-Ecuadorian Peoples' Development Project



Loan amount: SDR 10.9 million (approximately USD 15.0 million) on intermediate terms.

Total project costs are estimated at USD 50.0 million, of which USD 25.0 million will be provided by the World Bank, USD 5.9 million by the borrower and USD 4.1 million by private institutions and the beneficiaries.

Cooperating institution: World Bank.

This four-year World Bank-initiated project represents a response to the Government's commitment to include the indigenous and Afro-Ecuadorian population in the socio-economic development process and aims to improve the quality of life of these communities. The specific objectives of the project are to: strengthen the capacities of local, regional and national indigenous and Afro-Ecuadorian organizations; systematize and improve the access of project beneficiaries to land and water resources; support local capacity-building; ensure the provision of financial resources for the target group; and strengthen government institutions' capacity.

Project components are:

- institutional strengthening of local membership organizations;
- support for the regularization of land and water rights;
- rural investment and credit; and
- institutional strengthening of the Planning Commission for Indigenous and Afro-Ecuadorian Affairs.

The project will benefit 850 000 people in 48 districts. Some 54 500 people (of whom 28 000 will be rural women) will benefit from the rural investment component financed by IFAD.

## El Salvador

Rural Development Project for the North-Eastern Region



Loan amount: SDR 13.1 million (approximately USD 18.0 million) on intermediate terms.

Total project costs are estimated at USD 21.5 million, of which USD 3.0 million will be provided by the borrower and USD 500 000 by the beneficiaries.

Cooperating institution: United Nations Office for Project Services (UNOPS).

The main objective of this six-year project is to increase employment opportunities for landless men and women and boost the added value of agricultural production by means of sustainable growth in productivity and diversification of income sources.

Project components are:

- support for family income-generating activities;
- rural financial services;
- social and productive investments fund;
- environmental management and conservation; and
- project coordination.

The project will directly benefit approximately 12 000 poor rural families in the Departments of Morazán and La Unión, where approximately 42% of the households live in extreme poverty. About 6 000 households, including 1 600 headed by women, will receive support to incorporate technologies and investments to increase agricultural production. The remaining 2 000 households, half of which are headed by women, will receive assistance in establishing microenterprises for agro-industrial processing and services. Some 4 000 rural young men and women will be trained in skills demanded by the local and national labour market.

## Honduras

Rural Development Project in the Central Eastern Region



Loan amount: SDR 8.9 million (approximately USD 12.3 million) on highly concessional terms.

Total project costs are estimated at USD 17.0 million, of which USD 1.5 million will be provided by the Central American Bank of Economic Integration (BCIE), USD 1.4 million by private banks, USD 500 000 by the municipalities and USD 1.3 million by the borrower.

Cooperating institution: BCIE.

This six-year project will offset some of the adverse effects resulting from privatization and the withdrawal of the public sector from the provision of agricultural services.

Project components are:

- local organization strengthening;
- productive development support;
- financial services; and
- establishment of a development investment fund.

The project will be located in the Departments of El Paraiso and Olancho. The target population will be those rural families below the poverty line whose income is derived primarily from agriculture. Approximately 8 400 peasant poor families are expected to benefit directly from agricultural activities and credit.



## Panama

Sustainable Rural Development Project in the Provinces of Coclé, Colón and Panama



Loan amount: SDR 8.9 million (approximately USD 12.2 million) on ordinary terms.

Total project costs are estimated at USD 17.4 million, of which USD 4.3 million will be provided by the borrower and USD 800 000 by the beneficiaries.

Cooperating institution: Andean Development Corporation.

This six-year project will contribute to the reduction of rural poverty by increasing rural household incomes on the basis of enhanced production and productivity of small farmers and support for the creation of rural microenterprises.

Project components are:

- production and community support services, including strengthening of small farmers' organizations, land titling, agricultural extension and training, and marketing and promotion of rural microenterprises;
- natural resource conservation;
- financing of productive activities;
- rural infrastructure and community investments; and
- project direction, monitoring and evaluation.

The project will be located in the central part of the country on the western coast of the Panama Canal; the total rural population is approximately 140 000 people or 28 000 families. The project will directly benefit 7 500 poor rural households (of which 20% are headed by women) whose income derives mainly from agriculture. Approximately 42% of the beneficiaries will be marginal producers with farms under 5 ha in size, 41% will be subsistence producers with farms 5-10 ha in size, and 17% will be market-oriented small producers who usually own farms 10-50 ha in size and have small herds of cattle.

## Peru

Development of the Puno-Cusco Corridor Project



Loan amount: SDR 13.9 million (approximately USD 18.9 million) on ordinary terms.

Total project costs are estimated at USD 30.9 million, of which USD 4.9 million will be provided by the borrower and USD 7.0 million by the beneficiaries.

The project will be directly supervised by IFAD.

The main objective of this seven-year project is to increase rural and urban incomes on a sustainable basis by supporting agricultural production and the development of the manufacturing and services sectors by micro and small-scale enterprises. It will strengthen economic and functional integration within the physical and socio-economic context of the Puno-Cusco Corridor. The project will increase agricultural added value by providing financial and marketing support services; improve the production capacity and technologies of micro and small-scale enterprises; support employment-generating activities in local urban centres; promote linkages between the agricultural sector and the micro and small-scale-enterprise sector; promote and generate an explicit demand for viable investments and services; and strengthen the economic organizations of the poor.

Project components are:

- incentives for strengthening rural markets;
- rural financial services; and
- project administration, monitoring and evaluation.

The target group will be approximately 30 000 families. The direct beneficiaries will be 15 000 families, of which 14 400 are involved in agricultural production and 600 are small-scale entrepreneurs. The credit component will benefit a total of 5 000 families. Approximately 20% of the direct beneficiaries will be rural women and youth.



## Near East and North Africa



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### Armenia

#### North-West Agricultural Services Project



Loan amount: SDR 9.6 million (approximately USD 13.0 million) on highly concessional terms.

Total project costs are estimated at USD 15.9 million, of which USD 750 000 will be provided by the European Union Programme of Technical Assistance to the Commonwealth of Independent States in the form of a grant and USD 2.2 million by the borrower.

The project will be directly supervised by IFAD.

This four-year project will improve living conditions for the target group through: the development of appropriate and sustainable agricultural support services with private-sector involvement; rehabilitation of existing tertiary irrigation infrastructure and on-farm water management over an area of about 7 000 ha, including the promotion of water users' associations to be responsible for operation and maintenance; and provision of short-term credit to about 10 000 men and women farmers who are members of project-promoted village associations.

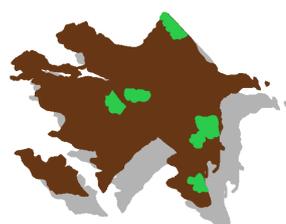
Project components are:

- agricultural development;
- irrigation rehabilitation and water management;
- rural credit;
- community development; and
- project coordination.

The project will benefit initially some 10 000 families (40 000 people) living in the provinces of Shirak, Lory and Aragatzotn, which are considered among the poorest regions of the country.

### Azerbaijan

#### Farm Privatization Project



Loan amount: SDR 6.5 million (approximately USD 9.3 million) on highly concessional terms.

Total project costs are estimated at USD 28.8 million, of which USD 14.7 million will be provided by the International Development Association (IDA) and USD 4.8 million by the borrower.

Cooperating institution: IDA.

The overall objective of this five-year project is to support the Government in its efforts to reform the agricultural sector through a pilot operation that addresses issues associated with farm privatization.

The project will support specifically: systematic implementation of farm privatization; development of the institutional capacity needed to manage and support economy-wide privatization of the agricultural sector; provision of mechanisms and seed funds for investments by small private farmers and for public infrastructure investments at the community/village level; development of village groups and institutions to support and sustain a private farming community; and development of social service systems to replace services previously provided by collective farms.

Project components are:

- farm privatization support services;
- rehabilitation of main irrigation and drainage systems;
- community and women's development; and
- project management.

The project area will consist of six collective farms covering an area of 19 900 ha and representing diverse agro-climatic zones and cropping patterns. The target group will consist of approximately 24 600 persons in 6 660 households.

## Bosnia and Herzegovina

### Small Farm Reconstruction and Development Project



Loan amount: SDR 10.1 million (approximately USD 14.0 million) on highly concessional terms.

Total project costs are estimated at USD 16.0 million, of which USD 1.0 million will be provided by the United Nations Development Programme in the form of a grant and USD 1.0 million by the International Development Association (IDA).

Cooperating institution: IDA.

This two-year project will provide an immediate, basic means of subsistence through the provision of livestock and farm equipment on a credit-in-kind basis. It has been designed to lay the foundation for the development of small-scale, private, market-oriented agriculture.

Project components are:

- livestock activities;
- agricultural machinery supply;
- a pilot credit scheme; and
- implementation support.

The project will target 5 267 poor smallholder livestock farmers and their families (about 25 000 people) either living on or returning to farms with good potential that were almost totally destroyed in the former front-line areas of the recent war.

## Georgia

### Agricultural Development Project



Loan amount: SDR 4.7 million (approximately USD 6.5 million) on highly concessional terms.

Total project costs are estimated at USD 27.1 million, of which USD 15.0 million will be provided by the International Development Association (IDA), USD 500 000 by the borrower, USD 3.9 million by the beneficiaries and USD 1.1 million by participating commercial banks.

Cooperating institution: IDA.

This five-year IDA-initiated project, national in its scope, will be the first IFAD activity in Georgia.

The project will assist the Government in: transferring commercially viable assets and activities in agriculture, agro-industries, and input/output supply and marketing to the private sector; establishing efficient financial systems geared towards the needs of small farmers and agro-industries; and setting up an appropriate institutional environment for private agriculture and agro-processing.

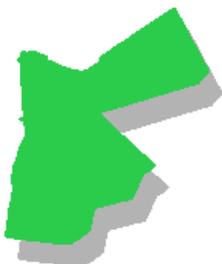
Project components are:

- credit to enterprises;
- development and operation of rural credit unions;
- land registration;
- agricultural services; and
- project management.

IFAD will support credit-union development and rural credit activities for smallholders with a view to addressing one of the most pressing constraints on smallholder agricultural and rural development, i.e., access to financial services on a timely and sustainable basis. The target group will include newly established small farmers who, under the land privatization programme, have received land up to a maximum of 1.25 ha, villagers who have received 0.75 ha, livestock farmers in mountain areas who have received up to 5 ha of grazing land, potential rural microentrepreneurs, and rural women.

## Jordan

National Programme for Rangeland Rehabilitation and Development - Phase I



Loan amount: SDR 2.9 million (approximately USD 4.0 million) on intermediate terms.

Total programme costs are estimated at USD 9.0 million, of which USD 4.5 million will be provided by the borrower and USD 500 000 by the beneficiaries.

Cooperating institution: Arab Fund for Economic and Social Development.

The goal of this five-year first-phase programme is to reduce environmental degradation of rangeland resources through the introduction of sustainable management practices by: providing policy-makers with reliable and updated information on the current status of rangeland resources; developing a national pastoral-resource monitoring system for rangelands; enhancing environmental awareness in the use of rangeland resources; developing a methodology of participatory planning for rehabilitation and management of grazing resources; and directly assisting beneficiaries and target communities in the implementation and periodic revision of rangeland development plans.

Programme components are:

- participatory planning;
- information and environmental awareness;
- implementation of rangeland management plans in five pilot sites; and
- project management.

Given the nature of the intervention, the programme does not lend itself to traditional IFAD targeting and will thus operate on two levels. The long-term data collection and analysis essential for the framing of national rangeland development policies and plans will be nationwide in scope and will cover all the country's rangelands, which support approximately 85 500 persons in 12 200 livestock-owning households. The programme will work in five pilot areas (to be selected from 15 priority areas) where it is estimated that the income level of 83% of livestock-owners is inadequate.

## Lebanon

Agriculture Infrastructure Development Project



Loan amount: SDR 8.7 million (approximately USD 12.0 million) on intermediate terms.

Total project costs are estimated at USD 104.8 million, of which USD 31.0 million will be provided by the World Bank, USD 13.1 million by the borrower and USD 48.7 million by the beneficiaries.

Cooperating institution: World Bank.

The main objectives of this six-year World Bank-initiated project are to develop and conserve land and water resources, increase access to isolated rural areas, and strengthen the institutional and implementation capabilities of the Government's Green Plan.

Project components are:

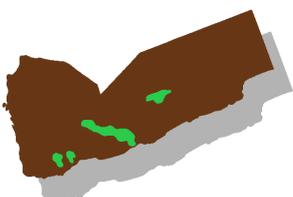
- land and water development;
- agricultural roads construction; and
- institutional support.

About 9 600 farm families (i.e., about 75 000 people) will benefit directly from the project, particularly owners of smallholdings of less than 0.5 ha.



## Yemen

### Southern Governorates Rural Development Project



Loan amount: SDR 8.2 million (approximately USD 11.3 million) on highly concessional terms.

Total project costs are estimated at USD 38.4 million, of which USD 19.7 million will be provided by the International Development Association (IDA), USD 3.3 million by the borrower and USD 4.1 million by the beneficiaries.

Cooperating institution: IDA.

This six-year IDA-initiated project aims at improving the standard of living and incomes of poor households, particularly those impoverished as a result of the return of expropriated land to former owners.

IFAD participation will ensure that the project focuses on reinforcing community cohesion, raising the level of welfare in some 40 communities with high concentrations of poor people, and testing innovative approaches to involve beneficiaries in the planning and implementation of community initiatives.

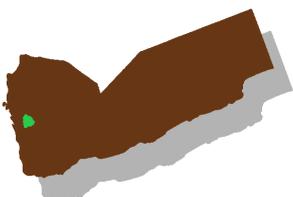
Project components are:

- land development and allocation;
- off-farm income development;
- community development; and
- project management.

About 5 400 rural poor individuals and their families (about 40 000 people in all) will benefit directly from project support in land development and distribution; initiation of off-farm income-generation activities in fisheries, livestock, and small and microenterprise development; strengthening of community management skills and institutions; and financing of community-level social and productive investments.

## Yemen

### Raymah Area Development Project



Loan amount: SDR 8.8 million (approximately USD 12.1 million) on highly concessional terms.

Total project costs are estimated at USD 17.0 million, of which USD 1.0 million will be provided by a bilateral donor in the form of a grant, USD 2.8 million by the borrower and USD 1.1 million by the beneficiaries.

Cooperating institution: United Nations Office for Project Services (UNOPS).

This seven-year project will assist the Government in its efforts to develop rainfed agriculture in the higher rainfall areas of Yemen, alleviate rural poverty and improve rural services in order to reduce rural-urban migration.

Project components are:

- rural infrastructure;
- community development;
- agricultural development; and
- project management.

The target group will comprise approximately 48 000 families, almost 30% of which are headed by women and are among the most vulnerable and severely hit by poverty and marginalization. Project interventions in agricultural development, community development and rural finance will be targeted at smallholders and women members of households. All inhabitants of the area will benefit from interventions in rural roads and water supply.



Number of Projects by Country and Region 1978 • 1997

490 Projects  
111 Countries

Latin America and the Caribbean

88 Projects  
28 Countries

Africa I

Western and Central Africa

107 Projects  
24 Countries



**Africa II**  
Eastern and Southern Africa

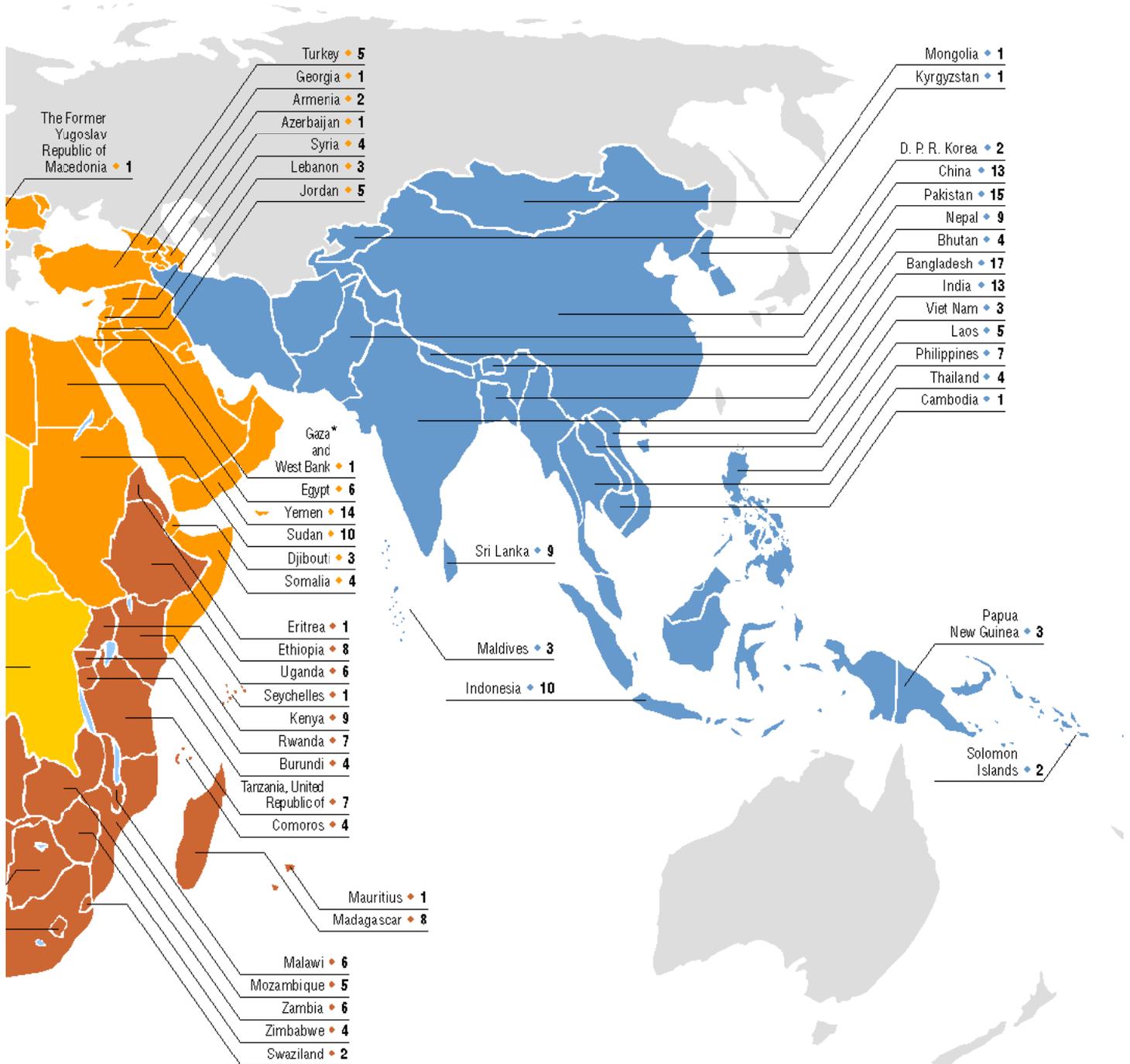
88 Projects  
20 Countries

**Near East  
and North Africa**

80 Projects  
18 Countries

**Asia  
and the Pacific**

127 Projects  
21 Countries



\* This project is not reported in the tables because the territory is not a country

## Regional Activities • List of Projects Approved during 1978 - 1997

Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
<b>1978</b>			<b>(USDm) <sup>1/</sup></b>	
001-SRI	Sri Lanka	Kirindi Oya Irrigation and Settlement <sup>2/</sup>	12.00	12 April
002-TAN	Tanzania, United Republic of	Mwanza/Shinyanga Rural Development	12.00	13 April
003-GUY	Guyana	Black Bush Irrigation	10.00 *	24 October
004-HAI	Haiti	Cul-de-Sac Irrigation and Agricultural Development	3.50	24 October
005-THA	Thailand	Second Northeast Thailand Irrigation	17.50 *	24 October
006-ECU	Ecuador	Fishery Development	5.80 *	24 October
007-CPV	Cape Verde	Assomada Integrated Agricultural Development	3.82	11 December
008-PHI	Philippines	Magat River Multi-Purpose Stage II (Irrigation)	10.00 *	12 December
009-BAN	Bangladesh	Pabna Irrigation and Rural Development	30.00	11 December
010-NEP	Nepal	Integrated Rural Development (Sagarmatha Zone)	13.00	12 December
<b>1979</b>			<b>(SDRm)</b>	
011-MG	Madagascar	Mangoky Agricultural Development	5.00	26 March
012-SO	Somalia	Central Rangelands Development	7.00	26 March
013-YE	Yemen A.R.	Tihama Development III (Wadi Mawr)	9.30	26 March
014-CA	Central African Republic	Livestock Development	1.95	27 March
015-AF	Afghanistan <sup>3/</sup>	Agricultural and Rural Development	9.80	27 June
016-BO	Bolivia	Omasuyos-Los Andes Rural Development	3.15 *	27 June
017-MO	Morocco	Agricultural Credit	19.60 *	27 June
018-PA	Pakistan	Small Farmers' Credit	23.75	27 June
019-PG	Paraguay	Programme for Agricultural and Livestock Expansion	5.90 *	27 June
020-SU	Sudan	Southern Region Agriculture	11.70	27 June
021-SL	Sierra Leone	Magbosi Integrated Agricultural Development	9.60	18 September
022-LA	Laos	Casier-Sud Pioneer Agricultural	4.70	18 September
023-IN	India	Bhima Command Area Development	38.50	18 September
024-BU	Burundi	East-Mpanda Rural Development	11.30	18 December
025-KE	Kenya	Second Integrated Agricultural Development	13.00	18 December
026-SE	Senegal	Integrated Rural Development of M'Bour-Louga	10.40	18 December
027-SO	Somalia	Bay Region Agricultural Development	6.25	18 December
028-DO	Dominican Republic	Consolidation and Development of Rural Settlement	9.30 *	19 December
029-HO	Honduras	Rural Development for the Western Region	7.70	19 December
030-NI	Nicaragua	Agricultural and Industrial Rehabilitation Programme	9.30	19 December
031-BA	Bangladesh	Fertilizer Sector Programme	19.45	19 December
032-IN	India	Rajasthan Command Area Development and Settlement	42.70	19 December
033-PA	Pakistan	South Rohri Fresh Groundwater Irrigation	12.40	19 December
<b>1980</b>				
034-GH	Ghana	Volta Region Agricultural Development	9.55	6 May
035-ID	Indonesia	Smallholder Cattle Development	20.80 *	6 May
036-ME	Mexico	Oaxaca Rural Development	17.45 **	6 May
037-NG	Niger	Second Maradi Rural Development	9.70	7 May
038-PE	Peru	Credit for Small Farmers on the Highlands	9.50 *	7 May
039-SU	Sudan	New Halfa Irrigation Rehabilitation	11.95	7 May
040-ET	Ethiopia	Second Agricultural Minimum Package	13.90	7 May
041-BA	Bangladesh	Small Farmer Agricultural Credit	17.20	16 September
042-CM	Cameroon	North West Rural Development	9.10	16 September
043-DA	Dominica	Agricultural Credit for Food Production and Related Services	1.15	16 September
044-MR	Mauritania	Gorgol Irrigation	7.60	16 September
045-TH	Thailand	National Agricultural Research (Adaptive Research for Rainfed Agriculture)	11.40 *	16 September
046-YA	Yemen A.R.	Southern Uplands Rural Development Phase II	10.60	17 September
047-ZR	Zaire	Smallholder Maize	12.15	17 September
048-PA	Pakistan	Barani Area Development	9.80	3 December
049-IN	India	Sundarban Development	13.35	3 December
050-BH	Bhutan	Small Farm Development and Irrigation Rehabilitation	5.45	4 December
051-BR	Brazil	Ceara Second Rural Development	15.60 **	4 December
052-CU	Cuba	Camalote Rural Development	11.05 *	4 December
053-DJ	Djibouti	Artisanal Fisheries Pilot Development	0.98	4 December
054-EG	Egypt	West Beheira Settlement	21.80 <sup>4/</sup>	4 December
055-LE	Lesotho	Agricultural Marketing and Credit	4.85	4 December
056-GU	Guinea	Siguirri Rural Development	9.85	5 December
057-NE	Nepal	Small Farmer Development	9.80	5 December
058-SR	Sri Lanka	Anuradhapura Dry Zone Agriculture	11.35	5 December
059-TN	Tunisia	Development of Small and Medium-Sized Farms in Governorates of Kef and Sillana	14.70 *	5 December
060-YD	Yemen, P.D.R.	Agricultural Support Services	7.70	5 December

## Regional Activities • List of Projects Approved during 1978 - 1997

Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
<b>1981</b>			<b>(SDRm)</b>	
061-BE	Benin	Borgou Province Rural Development	11.00	22 April
062-CH	China	Northern Pasture and Livestock Development	28.70	22 April
063-LI	Liberia	Smallholder Rice Seed	6.70 *	22 April
064-SL	Sierra Leone	Northern Integrated Agricultural Development II (NIADP II)	4.90	22 April
065-UV	Burkina Faso	Rural Development in the Eastern ORD	11.90	22 April
066-ZA	Zambia	Eastern Province Agricultural Development	9.00 *	22 April
067-JO	Jordan	Cooperative Development of Rainfed Agriculture	9.25 *	8 September
068-YD	Yemen, P.D.R.	Wadi Beihan Agricultural Development	4.90	8 September
069-BU	Burundi	Integrated Rural Development / Ngozi III	6.25	8 September
070-MW	Malawi	Dowa West Rural Development	9.60	8 September
071-GR	Grenada	Artisanal Fisheries Development	1.40 *	8 September
072-PG	Paraguay	Integrated Rural Development in the Department of Paraguari	3.50 *	8 September
073-BA	Bangladesh	Southwest Rural Development	20.45	8 September
074-ID	Indonesia	Sulawesi Paddy Land Development	30.05	8 September
075-WS	Western Samoa	Livestock Development	1.40	9 September
076-BT	Botswana	Arable Lands Development Programme - Phase I (ALDEP I)	6.75 *	17 December
077-GA	Gambia, The	Jahaly and Pacharr Smallholder	4.05	17 December
078-MT	Mauritius	Small-Scale Agricultural Development	5.25 *	17 December
079-RW	Rwanda	Byumba Rural Development	9.08	17 December
080-UG	Uganda	Agricultural Reconstruction Programme in Northern and Eastern Uganda	16.55	17 December
081-IN	India	Madhya Pradesh Medium Irrigation	21.90	17 December
082-NE	Nepal	Command Area Development	9.80	17 December
083-PA	Pakistan	On-Farm Water Management	10.50	17 December
084-PH	Philippines	Smallholder Livestock Development	7.10 *	17 December
085-SR	Sri Lanka	Coconut Development	7.10	17 December
086-BO	Bolivia	Chuquisaca North Agricultural Development	11.70 *	17 December
087-CO	Colombia	Rural Development Arauca II	6.80 *	17 December
088-HA	Haiti	Food Crops Intensification	12.00	17 December
089-NI	Nicaragua	Integrated Rural Development for the Pronorte Region	9.60 *	17 December
090-PM	Panama	Agricultural Credit	7.40 **	17 December
<b>1982</b>				
091-MG	Madagascar	Second Village Livestock and Rural Development	7.00	30 March
092-MR	Mauritania	Gorgol Farmers' Training	1.20	31 March
093-MZ	Mozambique	National Programme for Food Production in the Cooperative and Family Sector	17.70	31 March
094-ID	Indonesia	Seventeenth Irrigation (East Java Province)	21.80 *	31 March
095-SY	Syria	Southern Regional Agricultural Development	15.70 *	31 March
096-TU	Turkey	Erzurum Rural Development	17.20 **	31 March
097-CR	Costa Rica	Agricultural Credit	4.40 **	31 March
098-DO	Dominican Republic	Small-Scale Food Producers' Development	9.00 *	31 March
099-HO	Honduras	Santa Barbara Rural Development	10.85 *	14 September
100-JA	Jamaica	Small Farmers' Credit	8.90 *	14 September
101-BE	Benin	Atacora Province Rural Development	8.25	14 September
102-UV	Burkina Faso	Hauts Bassins/Volta Noire Agricultural Development	9.90	14 September
103-ML	Mali	Village Development Fund	8.05	14 September
104-ZA	Zambia	North Western Province Area Development	11.95	14 September
105-YA	Yemen A.R.	Agricultural Research and Development	5.25	15 September
106-YD	Yemen, P.D.R.	Third Fisheries Development	4.45	15 September
107-CH	China	Hebei Agricultural Development	22.90 *	15 September
108-PH	Philippines	Communal Irrigation Development	10.80 *	15 September
109-SR	Sri Lanka	Kirindi Oya Irrigation and Settlement	5.50	16 September
110-BA	Bangladesh	North-West Rural Development	13.70	9 December
111-SR	Sri Lanka	Badulla Rural Development	12.95	9 December
112-MS	Maldives	Second Fisheries	1.90	9 December
113-PN	Papua New Guinea	Artisanal Fisheries	9.05 *	9 December
114-EG	Egypt	Minya Agricultural Development	23.55	9 December
115-JO	Jordan	Small Farmers' Credit	11.30 *	10 December
116-PE	Peru	Alto Mayo Rural Development	17.90 *	10 December
<b>1983</b>				
117-CG	Congo	La Cuvette Artisanal Fisheries	4.25 *	20 April
118-GB	Guinea-Bissau	Tombali Rice Development	6.45	21 April
119-MG	Madagascar	Highlands Rice	12.85	21 April
120-MW	Malawi	Smallholder Fertilizer	8.50	21 April
121-SZ	Swaziland	Smallholder Credit and Marketing	5.70 *	21 April

## Regional Activities • List of Projects Approved during 1978 - 1997

Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
1983 Cont'd			(SDRm)	
122-TO	Togo	Notsé Rural Development	7.40	21 April
123-ZI	Zimbabwe	National Agricultural Extension and Research	16.70 *	21 April
124-IN	India	Second Uttar Pradesh Public Tubewells	32.00	21 April
125-TH	Thailand	Agricultural Credit	18.75 *	21 April
126-HA	Haiti	Northern Region Rural Development	4.65	21 April
127-MO	Morocco	Central Haouz Irrigation	15.70 *	21 April
128-SA	Saint Lucia	Small Farmers' Agricultural Development	2.00 *	12 September
129-TA	Tonga	Agricultural Credit	0.95	12 September
130-LA	Laos	Agricultural Production	6.60	12 September
131-ET	Ethiopia	Agricultural Credit	10.45	12 September
132-KE	Kenya	National Extension	5.60	13 September
133-ML	Mali	Mali Sud II Rural Development	12.10	13 September
134-SU	Sudan	Northern Region Agricultural Rehabilitation	9.50	13 September
135-EC	Ecuador	Sur de Loja Integrated Rural Development	5.15 *	13 December
136-PM	Panama	Rural Development for the Guaymi Communities	8.50 **	13 December
137-BA	Bangladesh	Small-Scale Flood Control, Drainage and Irrigation	10.40	13 December
138-PA	Pakistan	Small Farmers' Credit II	23.20	13 December
139-TN	Tunisia	Sidi Bouzid Irrigation	6.90 **	13 December
140-CM	Cameroon	Second Western Province Rural Development	13.70 *	13 December
1984				
141-CA	Central African Republic	Ombella Mpoko Rural Development	3.15	3 April
142-CS	Comoros	Rural Services	3.15	3 April
143-TU	Turkey	Agricultural Extension and Applied Research	9.70 **	3 April
144-GA	Gambia, The	Agricultural Development II	4.75	4 April
145-IC	Côte d'Ivoire	Artisanal Fisheries Development in the Aby Lagoon	2.70 *	4 April
146-LI	Liberia	Bong County Agricultural Development II	5.50	4 April
147-SM	Solomon Islands	Rural Services	1.45	4 April
148-CY	Cyprus	Smallholder Sheep and Goat Production	4.65 **	4 April
149-BO	Bolivia	Cotagaita-San Juan del Oro Agricultural Development	11.35	5 April
150-RW	Rwanda	Birunga Maize	3.75	11 September
151-ST	Sao Tome and Principe	Artisanal Fisheries	2.10	11 September
152-SL	Sierra Leone	Agricultural Sector Support	5.10	11 September
153-CH	China	Rural Credit	24.25	11 September
154-GM	Guatemala	Generation and Transfer of Agricultural Technology and Seed Production	4.95 *	11 September
155-SU	Sudan	Stock Route	5.95	12 September
156-YA	Yemen A.R.	Central Highlands Agricultural Development	3.90	12 September
157-EG	Egypt	Fayoum Agricultural Development	10.10 *	14 September
158-MW	Malawi	Kasungu Agricultural Development	13.65	12 December
159-UG	Uganda	Agricultural Development	14.60	12 December
160-ZR	Zaire	Lulua Agricultural Development	6.55	12 December
161-BA	Bangladesh	Grameen Bank	23.60	12 December
162-PA	Pakistan	Gujanwala Agricultural Development	8.65	12 December
163-ES	El Salvador	Agricultural Credit for Phase III of a Programme	5.05 *	12 December
164-PG	Paraguay	Agricultural Credit	7.10 **	12 December
165-SO	Somalia	North-West Region Agricultural Development - Phase II	7.05	12 December
1985				
166-NE	Nepal	Second Small Farmer Development	15.15	2 April
167-EQ	Equatorial Guinea	Agricultural Development on the Mainland	1.65	2 April
168-ET	Ethiopia	Rehabilitation Programme for Drought-Affected Areas	13.05	2 April
169-MR	Mauritania	Small-Scale Irrigation	3.50	3 April
170-GU	Guinea	Gueckedou Agricultural Development	5.05	4 September
171-ID	Indonesia	Second Smallholder Cattle Development	11.60 *	5 September
172-BL	Belize	Toledo Small Farmers' Development	2.10 *	5 September
173-DJ	Djibouti	Artisanal Fisheries Development - Phase II	1.15	5 September
174-SY	Syria	National Agricultural Extension	7.55 **	5 September
175-TN	Tunisia	Sidi Bouzid Rainfed Agricultural Development	6.05 **	5 September
176-TZ	Tanzania, United Republic of	Southern Highlands Smallholder Food Crop	14.50	5 September
177-NR	Nigeria	Multi-State Agricultural Development	12.05	5 December
178-BH	Bhutan	Tashigang and Mongar Area Development	4.45	5 December
179-SR	Sri Lanka	Kegalle Rural Development	7.50	5 December
180-PM	Panama	Agricultural Credit II	5.60 **	5 December
181-SU	Sudan	Western Savannah - Phase II	9.45	6 December
182-SO	Somalia	Livestock Health Services	5.90	6 December

## Regional Activities • List of Projects Approved during 1978 - 1997

Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
<b>1986</b>			<b>(SDRm)</b>	
183-CR	Costa Rica	Northern Zone Agricultural Credit Development	4.85 **	29 April
184-DA	Dominica	Integrated Rural Development	1.30 *	29 April
185-PE	Peru	Cuzco-Arequipa Highlands Rural Development	6.15 *	29 April
186-CA	Central African Republic	National Livestock	3.30	30 April
187-CG	Congo	Kindamba Food Crops Development	3.60 *	30 April
188-KE	Kenya	Animal Health Services Rehabilitation Programme	7.05	30 April
189-IC	Côte d'Ivoire	Dabakala/Katiola Rural Development	5.65 **	17 September
190-GY	Guyana	East Bank Essequibo Development	5.00 *	17 September
191-NE	Nepal	Aquaculture Development	4.20	18 September
192-PN	Papua New Guinea	South Simbu Rural Development	3.00 *	18 September
193-MO	Morocco	Abda Plain Rural Development	6.80 *	18 September
194-BA	Bangladesh	Marginal and Small Farm Systems Crop Intensification	8.95	2 December
195-CH	China	Guangdong Integrated Freshwater Fish-Farming	10.15 *	3 December
196-PH	Philippines	Highland Agriculture Development	3.90 *	3 December
197-AL	Algeria	Cereal and Livestock Smallholder Development in the Wilaya of Tiaret	8.45 **	3 December
198-GH	Ghana	Smallholder Rehabilitation and Development Programme	5.90 <sup>5/</sup>	3 December
199-LE	Lesotho	Local Initiatives Support	4.05	3 December
<b>1987</b>				
200-ZR	Zaire	South Shaba Agricultural Development	6.05	28 April
201-TH	Thailand	Agricultural Diversification and People's Irrigation in the North	7.80 *	28 April
202-YA	Yemen A.R.	Southern Regional Agricultural Development	2.00	29 April
203-HO	Honduras	Intibucá-La Paz Rural Development	4.85 *	29 April
204-CO	Colombia	Boyacá-Santander Integrated Rural Development	7.15 **	29 April
205-ET	Ethiopia	Fourth Livestock Development	4.50	9 September
206-ZA	Zambia	Smallholder Services Rehabilitation	9.10 <sup>6/</sup>	9 September
207-LA	Laos	Rural Credit	3.50	10 September
208-NE	Nepal	Production Credit for Rural Women	4.75	10 September
209-PA	Pakistan	Chitral Area Development	8.70 *	10 September
210-BE	Benin	Second Borgou Rural Development	7.95	2 December
211-CV	Cape Verde	Artisanal Fisheries Development	4.35	2 December
212-MW	Malawi	Smallholder Agricultural Credit	4.95	2 December
213-TO	Togo	Small Ruminants	4.90	2 December
214-IN	India	Orissa Tribal Development	9.25	3 December
215-ID	Indonesia	Income-Generating for Marginal Farmers and Landless	10.60 *	3 December
216-DO	Dominican Republic	South Western Region Small Farmers	6.10 *	3 December
217-JA	Jamaica	Hillside Farmers Support	5.10 *	3 December
218-BO	Bolivia	Chuquisaca South Rural Development	4.20	3 December
<b>1988</b>				
219-SR	Sri Lanka	Small Farmers' and Landless' Credit	4.85	26 April
220-TA	Tonga	Rural Credit	1.70	26 April
221-ST	Sao Tome and Principe	Pilot Food Crop Development	1.35	27 April
222-VE	Venezuela	Sucre Support for Small Producers	7.80 **	28 April
223-BH	Bhutan	Punakha-Wangdi Phodrang Valley Development	2.00	15 September
224-SM	Solomon Islands	Rural Financial Services	1.15	15 September
225-AR	Argentina	Programme of Credit and Technical Support for the Small Producers in Northeast Argentina	8.20 **	15 September
226-AL	Algeria	Pilot Project in Algeria and Tunisia for the Integrated Rural Development of the Mellegue Watershed	10.90 **	15 September
227-TN	Tunisia	Pilot Project in Algeria and Tunisia for the Integrated Rural Development of the Mellegue Watershed	9.30 **	15 September
228-YD	Yemen, P.D.R.	Eastern Regional Agricultural Development	8.10	15 September
229-BU	Burundi	Bututsi Agro-Pastoral Development	6.70	29 November
230-CA	Cameroon	Livestock Sector Development	8.40 *	29 November
231-MG	Madagascar	Agricultural Development Programme in the Highlands	9.90	29 November
232-RW	Rwanda	Gikongoro Agricultural Development	8.35	30 November
233-CH	China	Sichuan Livestock Development	13.40	30 November
234-PA	Pakistan	Punjab Smallholder Dairy Development	12.05 *	30 November
235-CR	Costa Rica	Northern Zone Agricultural Credit Development	3.35 **	30 November
236-NR	Nigeria	Artisanal Fisheries Development	11.15 *	30 November
237-BA	Bangladesh	Oxbow Lakes Small-Scale Fishermen	5.60	1 December

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Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
<b>1989</b>			<b>(SDRm)</b>	
238-KE	Kenya	Kwale and Kilifi District Development	6.20	25 April
239-BA	Bangladesh	Grameen Bank Phase III	6.20	25 April
240-IN	India	Tamil Nadu Women's Development	13.15	26 April
241-HA	Haiti	Small-Scale Irrigation Schemes Rehabilitation	8.20	26 April
242-TZ	Tanzania, United Republic of	Smallholder Support in Zanzibar	8.15	13 September
243-TU	Turkey	Bingöl-Mus Rural Development	15.50 **	14 September
244-CM	Cameroon	Second North West Rural Development	13.75 *	5 December
245-CA	Central African Republic	Bouca Rural Development	7.65	5 December
246-GN	Gabon	Smallholder Support	7.05 **	5 December
247-GH	Ghana	Smallholder Credit, Input Supply and Marketing	9.10 <sup>7/</sup>	5 December
248-ZI	Zimbabwe	Agricultural Credit and Export Promotion	12.05 *	6 December
249-MS	Maldives	Atolls Credit and Development Banking	2.35	6 December
250-NE	Nepal	Hills Leasehold Forestry and Forage Development	10.00	7 December
251-GM	Guatemala	Zacapa-Chiquimula Smallholders' Rural Development	5.30 *	7 December
252-SO	Somalia	Bay Region Agricultural Development - Phase II	8.90	7 December
253-YE	Yemen A.R.	Agricultural Credit	11.75	7 December
254-CH	China	Shandong/Yantai Agricultural Development	16.80	7 December
<b>1990</b>				
255-ID	Indonesia	East Java Rainfed Agriculture	15.40 *	19 April
256-LA	Laos	Xieng Khouang Agricultural Development	4.10	19 April
257-PA	Pakistan	Second Barani Area Development	15.20 *	19 April
258-BR	Brazil	Smallholder Technological Development in the Cerrado (State of Goias)	13.50 **	19 April
259-BR	Brazil	Smallholder Technological Development in the Cerrado (Federal District)	3.30 **	19 April
260-MO	Morocco	Livestock and Pasture Development in the Eastern Region	10.85 *	19 April
261-SC	Seychelles	Employment Generation	0.85 **	19 April
262-TO	Togo	Support to Village Groups in the Eastern Savannah Region	6.85	19 April
263-EQ	Equatorial Guinea	Crop Diversification and Agricultural Services	3.70	1 October
264-RW	Rwanda	Byumba Agricultural Development - Phase II	6.35	1 October
265-PA	Pakistan	Smallholder and Women's Rural Credit	19.00 *	2 October
266-BO	Bolivia	Consolidation and Development of Smallholder Settlements in the Department of Santa Cruz	8.70 *	2 October
267-ES	El Salvador	Smallholders' Agricultural Development in the Paracentral Region	6.50 *	2 October
268-SU	Sudan	Southern Roseires Agricultural Development	7.50	2 October
269-YR	Yemen	Fourth Fisheries Development	5.00	2 October
270-ME	Mexico	Development for Marginal Rural Communities in the Ixtlera Region	21.65 **	3 October
271-KE	Kenya	Farmers' Group and Community Support	4.55 <sup>8/</sup>	11 December
272-CG	Congo	Marketing and Local Initiatives	6.10 *	12 December
273-NR	Nigeria	Katsina State Agricultural and Community Development	8.55	12 December
274-ST	Sao Tome and Principe	Second Artisanal Fisheries Development	1.20	12 December
275-EC	Ecuador	Upper Basin of the Cañar River Rural Development	4.85 *	12 December
276-AL	Algeria	Artisanal Fisheries Pilot Development	8.10 **	12 December
277-TU	Turkey	Yozgat Rural Development	11.50 **	13 December
278-ML	Mali	Village Development Fund Programme - Phase II	9.20	13 December
<b>1991</b>				
279-VE	Venezuela	Support Project for Small Producers in the Semi-Arid Zones of Falcon and Lara States	11.35 **	4 April
280-BA	Bangladesh	Smallholder Livestock Development	7.65	4 April
281-CH	China	Shanxi Integrated Agricultural Development	17.85	4 April
282-IN	India	Andhra Pradesh Tribal Development	14.05	4 April
283-SR	Sri Lanka	Second Badulla Integrated Rural Development	9.90	4 April
284-IC	Côte d'Ivoire	Rural Development Project in the North East	10.35	4 April
285-GU	Guinea	Second Siguiru Rural Development	9.40	4 September
286-MG	Madagascar	Midwest Development Support	8.25	4 September
287-BA	Bangladesh	Special Assistance Project for Cyclone-Affected Rural Households	11.55	4 September
288-PA	Pakistan	Neelum and Jhelum Valleys Community Development	11.90 *	4 September
289-BE	Benin	Second Atacora Rural Development	6.25	11 December
290-CA	Central African Republic	Savannah Food Crops Rural Development	8.45	11 December
291-CS	Comoros	Nioumakélé Small Producers Support	2.95	11 December
292-NG	Niger	Aguié Rural Development	8.25	11 December
293-ZA	Zambia	Northwestern Province Area Development - Phase II	9.25 <sup>9/</sup>	11 December
294-JA	Jamaica	Rural Financial Services	2.95 **	11 December

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Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
1991 Cont'd			(SDRm)	
295-SG	Saint Vincent and the Grenadines	Smallholder Crop Improvement and Marketing	1.65 *	11 December
296-GM	Guatemala	Cuchumatanes Highlands Rural Development	5.50 *	11 December
297-PE	Peru	Promotion of Technology Transfer to Peasant Communities in the Highlands	11.65 *	12 December
298-TN	Tunisia	Sidi M'Hadheb Agricultural and Fisheries Development	8.70 **	12 December
1992				
299-BH	Bhutan	First Eastern Zone Agricultural	2.90	14 April
300-CH	China	Jilin Low-Lying Land Development	20.00	14 April
301-ID	Indonesia	South Sumatera Smallholder Tree Crops Development	14.45 *	14 April
302-PH	Philippines	Visayas Communal Irrigation and Participatory	11.00 *	14 April
303-ME	Mexico	Rural Development for the Indigenous Communities of the State of Puebla	18.25 **	15 April
304-SU	Sudan	Northern Province Irrigation Rehabilitation - Phase II	4.35 <sup>10/</sup>	15 April
305-LB	Lebanon	Smallholder Livestock Rehabilitation	7.30 *	15 April
306-EG	Egypt	Newlands Agriculture Services	18.30 <sup>11/</sup>	15 April
307-NR	Nigeria	Sokoto State Agricultural and Community Development	6.50	8 September
308-SL	Sierra Leone	North-Central Agricultural Development	6.60 <sup>12/</sup>	9 September
309-SR	Sri Lanka	North-western Province Dry Zone Participatory Development	6.15	9 September
310-PG	Paraguay	Peasant Development Fund - North-Eastern Region of Paraguay	8.50 **	9 September
311-SY	Syria	Southern Regional Agricultural Development - Phase II	12.60 *	9 September
312-GA	Gambia	Agricultural Services Support	2.55	2 December
313-GU	Guinea	Smallholder Development in the Forest Region	9.85	2 December
314-RW	Rwanda	Intensified Land Use Management in the Buberuka Highlands	6.75	2 December
315-SE	Senegal	Village Organization and Management	5.80	2 December
316-UG	Uganda	Smallholders Cotton Rehabilitation	7.15	2 December
317-IR	Iran	Agricultural Extension and Women's Development	14.35 **	3 December
318-MR	Mauritania	Maghama Improved Flood Recession Farming	7.45	3 December
319-PA	Pakistan	Manshera Village Support	10.35 *	3 December
320-WS	Western Samoa	Rural Activation	1.30	3 December
321-EC	Ecuador	Saraguro-Yacuambi Rural Development	8.15 *	3 December
322-ES	El Salvador	Rehabilitation and Development for War-Torn Areas in the Department of Chalatenango	9.25 *	3 December
1993 <sup>13/</sup>				
323-SZ	Swaziland	Smallholder Agricultural Development	5.10 *	6 April
324-TZ	Tanzania, United Republic of	Southern Highlands Extension and Rural Financial Services	11.50	6 April
325-IN	India	Maharashtra Rural Credit	21.25	6 April
326-PN	Papua New Guinea	North Simbu Rural Development	4.35 *	6 April
327-TA	Tonga	Outer Islands Credit	2.20	6 April
328-VN	Viet Nam	Participatory Resource Management - Tuyen Quang Province	13.35	7 April
329-JO	Jordan	Income Diversification	7.30 *	7 April
330-YR	Yemen	Tihama Environment Protection	7.05	7 April
331-PM	Panama	Rural Development for Ngobe Communities	5.75 **	7 April
332-UR	Uruguay	National Smallholder Support	8.55 **	7 April
333-SN	Suriname	Smallholder Support	2.60 **	7 April
334-MZ	Mozambique	Nampula Artisanal Fisheries	4.35	15 September
335-CN	China	Yunnan-Simao Minorities Area Agricultural Development	18.40	15 September
336-HO	Honduras	Agricultural Development Programme	5.50	15 September
337-CI	Côte d'Ivoire	National Agricultural Services Restructuring	7.05 *	2 December
338-MW	Malawi	Rural Financial Services: Mudzi Financial Services Sub-Project	8.65	2 December
339-NG	Nigeria	Benue and Niger States Agricultural Support	20.00	2 December
340-ST	Sao Tome and Principe	National Smallholders Support Programme	1.50	2 December
341-ZW	Zimbabwe	Smallholder Dry Areas Resource Management	10.00	2 December
342-ET	Ethiopia	Southern Region Cooperatives Development and Credit	7.55 <sup>14/</sup>	2 December
343-BD	Bangladesh	Netrakona Integrated Agricultural Production and Water Management	6.40	2 December
344-BR	Brazil	Low-Income Family Support in the Semi-Arid Region of Sergipe State	12.90 **	2 December
345-DO	Dominican Republic	Agricultural Development in San Juan de la Maguana	4.25 *	2 December
346-NI	Nicaragua	Project for the Capitalization of Small Farmers in the Tropisec Area of the Segovias - Region I (TROPISSEC)	8.25	2 December
347-AL	Albania	Northeastern Districts Rural Development	8.35	2 December
348-TN	Tunisia	Integrated Agricultural Development in the Governorate of Kairouan	9.00 **	2 December

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Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
<b>1994</b>			<b>(SDRm)</b>	
349-IN	India	Andhra Pradesh Participatory Tribal Development	18.95	19 April
350-ID	Indonesia	Eastern Islands Smallholder Cashew Development	18.45 *	19 April
351-LA	Laos	Bokeo Food Security	2.95	19 April
352-NP	Nepal	Groundwater Irrigation and Flood Rehabilitation	7.00	19 April
353-PK	Pakistan	Pat Feeder Command Area Development	20.25 *	19 April
354-BO	Bolivia	Camelid Producers Development in the Andean High Plateau	5.45	20 April
355-EG	Egypt	Agricultural Production Intensification	14.45	20 April
356-MA	Morocco	Tafilalet and Dades Rural Development	11.80 <sup>*15/</sup>	20 April
357-MA	Morocco	Tafilalet and Dades Rural Development	4.10 <sup>*15/</sup>	20 April
358-EQ	Equatorial Guinea	Peasant Production and Marketing Promotion	3.15	20 April
359-MZ	Mozambique	Niassa Agricultural Development	8.80	20 April
360-UG	Uganda	Cotton Sub-Sector Development	8.95	20 April
361-CF	Central African Republic	Livestock Development and Rangeland Management	3.40	6 September
362-NA	Namibia	Northern Regions Livestock Development	4.20 *	6 September
363-SY	Syria	Jebel al Hoss Agricultural Development	8.25 *	6 September
364-CN	China	Qinghai/Hainan Prefecture Agricultural Development	13.50	5 December
365-ER	Eritrea	Eastern Lowlands Wadi Development	8.55	5 December
366-KE	Kenya	Western Kenya District-Based Agricultural Development	7.95 <sup>16/</sup>	5 December
367-ML	Mali	Income Diversification Programme in the Mali Sud Area	10.10	5 December
368-ZM	Zambia	Southern Province Household Food Security Programme	10.40	5 December
369-BF	Burkina Faso	Special Programme for Soil and Water Conservation - Phase II	7.10 <sup>17/</sup>	5 December
370-LB	Lebanon	Irrigation Rehabilitation and Modernization	6.70 *	5 December
371-CR	Costa Rica	Agricultural Development for the Peninsula of Nicoya	3.40 **	6 December
372-AL	Albania	Small-Scale Irrigation Rehabilitation	6.10	6 December
373-BO	Bolivia	Sustainable Development by Beni Indigenous Peoples	4.30	6 December
374-CL	Chile	Agricultural Development for Peasant Communities and Smallholders of the Fourth Region	8.40 **	6 December
<b>1995</b>				
375-GM	Gambia, The	Lowlands Agricultural Development Programme (LADEP)	3.40	12 April
376-MG	Madagascar	Upper Mandrare Basin Development	3.55 <sup>18/</sup>	13 April
377-ZM	Zambia	Smallholder Irrigation and Water Use Programme	4.30	13 April
378-BD	Bangladesh	Employment-Generation for the Rural Poor	9.95	13 April
379-IN	India	Mewat Area Development	9.65	13 April
380-AM	Armenia	Irrigation Rehabilitation	5.40	13 April
381-NE	Niger	Special Country Programme Phase-II	7.95 <sup>19/</sup>	13 September
382-ZW	Zimbabwe	South Eastern Dry Areas	7.15	13 September
383-MV	Maldives	Southern Atolls Development	1.90	13 September
384-LK	Sri Lanka	North-Central Province Participatory Rural Development	5.45	13 September
385-PA	Panama	Sustainable Agricultural Development and Environmental Protection Project for the Darien	5.35 **	14 September
386-PE	Peru	Management of Natural Resources in the Southern Highlands	8.25 *	14 September
387-TR	Turkey	Ordu-Giresun Rural Development	13.40 **	14 September
388-GH	Ghana	Upper West Agricultural Development	6.75	14 September
389-GN	Guinea	Smallholder Development in North Lower Guinea	10.20	14 September
390-KG	Kyrgyzstan	Sheep Development	2.35	14 September
391-BD	Bangladesh	Small-Scale Water Resources Development Sector	7.00	6 December
392-JO	Jordan	Agricultural Resource Management in the Governorates of Karak and Tafila	8.70 *	6 December
393-SY	Syria	Coastal/Midlands Agricultural Development	13.65 *	6 December
394-TN	Tunisia	Integrated Agricultural Development in the Governorate of Siliana	7.55 **	6 December
395-CN	China	Jiangxi/Ganzhou Integrated Agricultural Development	15.95	6 December
396-ID	Indonesia	Eastern Islands Smallholder Farming Systems and Livestock Development	12.05	6 December
397-PH	Philippines	Cordillera Highland Agricultural Resource Management	6.15	6 December
398-KP	D.P.R. Korea	Sericulture Development	10.45 *	6 December
399-BJ	Benin	Income-Generating Activities	8.05	6 December
400-TZ	Tanzania, United Republic of	Mara Region Farmers' Initiative	9.65	6 December
401-TG	Togo	Village Organization and Development	5.10	6 December
402-SN	Senegal	Rural Micro-Enterprises	2.50 <sup>20/</sup>	6 December
403-AO	Angola	Northern Region Foodcrops Development	6.70 <sup>21/</sup>	7 December
404-BR	Brazil	Community Development for the Rio Gaviao Region	13.50 **	7 December
405-MX	Mexico	Rural Development of the Mayan Communities in the Yucatan Peninsula	6.95 **	7 December
406-NI	Nicaragua	Rural Development for the Southern Pacific Dry Region (PROSESUR)	8.25	7 December
407-PY	Paraguay	Peasant Development Fund Credit - Eastern Region of Paraguay	6.65 **	7 December

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Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
<b>1996</b>			<b>(SDRm)</b>	
408-BA	Bosnia and Herzegovina	Farm Reconstruction - Restocking Activities	4.35	17 April
409-ML	Mali	Zone Lacustre Development - Phase II	8.65	17 April
410-MG	Madagascar	North-East Agricultural Improvement and Development	8.05	17 April
411-RW	Rwanda	Rural Small and Micro-Enterprise Promotion	3.75	17 April
412-MN	Mongolia	Arhangai Rural Poverty Alleviation	3.45	17 April
413-DM	Dominica	Rural Enterprise	1.80 *	17 April
414-LC	St. Lucia	Rural Enterprise	1.55 *	17 April
415-GA	Gabon	Support to Rural Women	8.85 **	17 April
416-PH	Philippines	Rural Micro-Enterprise Finance	10.15	18 April
417-AR	Argentina	Rural Development for the Northeastern Provinces (PRODERNEA)	11.35 **	18 April
418-BF	Burkina Faso	South West Rural Development	10.15	11 September
419-CI	Cote d'Ivoire	Marketing and Local Initiatives Support	7.25	11 September
420-KM	Comoros	Pilot Agricultural Services	0.70	11 September
421-ET	Ethiopia	Informal Seed Component of the Seed Systems Development	4.60	11 September
422-KE	Kenya	Second National Agricultural Extension	6.40 <sup>22/</sup>	11 September
423-KH	Cambodia	Agriculture Productivity Improvement	3.30	11 September
424-CN	China	Northeast Sichuan and Qinghai/Haidong Integrated Agricultural Development	19.10	11 September
425-PK	Pakistan	Dir Area Support	11.35	11 September
426-CO	Colombia	Rural Micro-Enterprise Development Programme	11.00 **	11 September
427-VE	Venezuela	Economic Development of Poor Rural Communities	8.25 **	11 September
428-MK	The Former Yugoslav Republic of Macedonia	Southern and Eastern Regions Rural Rehabilitation	5.65	11 September
429-GH	Ghana	Village Infrastructure Programme	6.95	4 December
430-GN	Guinea	Fouta Djallon Local Development and Agricultural Rehabilitation Programme	6.95	4 December
431-TG	Togo	National Agricultural Services Support	6.95	4 December
432-MZ	Mozambique	Family Sector Livestock Development Programme	13.45	4 December
433-TZ	Tanzania, United Republic of	Agricultural and Environmental Management	10.30	4 December
434-VN	Viet Nam	Agricultural Resources Conservation and Development in Quang Binh Province	10.05	4 December
435-GT	Guatemala	Programme for Rural Development and Reconstruction in the Quiche' Department (PRODERQUI)	10.45 *	4 December
436-GY	Guyana	Poor Rural Communities Support Services	7.30	4 December
437-MA	Morocco	Rural Development for Taourirt-Taforalt	13.50 *	4 December
438-ET	Ethiopia	Special Country Programme - Phase II	15.65	4 December
439-IN	India	Rural Women's Development and Empowerment	13.30	4 December
440-EG	Egypt	East Delta Newlands Agricultural Services	17.30	4 December
<b>1997</b>				
441-MG	Madagascar	Second Environment Programme Support	5.65	29 April
442-UG	Uganda	Vegetable Oil Development	14.35	29 April
443-BD	Bangladesh	Agricultural Diversification and Intensification	13.65	29 April
444-IN	India	North Eastern Region Community Resource Management for Upland Areas	16.55	29 April
445-BO	Bolivia	Small Farmers Technical Assistance Services (PROSAT)	5.85	29 April
446-HN	Honduras	Rural Development in the Central Eastern Region	8.90	29 April
447-AZ	Azerbaijan	Farm Privatization	6.45	29 April
448-LB	Lebanon	Agriculture Infrastructure Development	8.70 *	30 April
449-BA	Bosnia and Herzegovina	Small Farm Reconstruction and Development	10.10	30 April
450-GE	Georgia	Agricultural Development	4.70	30 April
451-CN	China	Southwest Anhui Integrated Agricultural Development	19.10	11 September
452-NP	Nepal	Poverty Alleviation in Western Terai	6.55	11 September
453-PK	Pakistan	Northern Areas Development	10.75	11 September
454-YE	Yemen	Southern Governorates Rural Development	8.15	11 September
455-AM	Armenia	North-West Agricultural Services	9.55	4 December
456-YE	Yemen	Raymah Area Development	8.75	4 December
457-BD	Bangladesh	Third Rural Infrastructure Development	8.50	4 December
458-ID	Indonesia	Pembinaan Peningkatan Pendapatan Petani Kecil - Phase III (Income-Generating for Marginal Farmers and the Landless - Phase III) - (P4K - Phase III)	18.25 *	4 December
459-LA	Laos	Northern Sayabouri Rural Development	5.30	4 December
460-VN	Viet Nam	Ha Giang Development for Ethnic Minorities	9.20	4 December
461-GH	Ghana	Root and Tuber Improvement Programme	6.55	4 December
462-SN	Senegal	Village Management and Development	6.90	4 December
463-AO	Angola	Northern Fishing Communities Development Programme	5.30	4 December

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Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
1997 Cont'd			(SDRm)	
464-EC	Ecuador	Indigenous and Afro-Ecuadorian Peoples' Development	10.85 *	4 December
465-SV	El Salvador	Rural Development for the North-Eastern Region	13.05 *	4 December
466-PA	Panama	Sustainable Rural Development in the Provinces of Coclé, Colón and Panama	8.90 **	4 December
467-PE	Peru	Development of the Puno-Cusco Corridor	13.90 **	4 December
468-JO	Jordan	National Programme for Rangeland Rehabilitation and Development - Phase I	2.90 *	4 December
469-KP	D.P.R. Korea	Crop and Livestock Rehabilitation	20.9	4 December

Grant No.	Country	Name of Project	Original Amount of Grant (SDRm)	Date of Approval
1993				
265	Gaza and the West Bank	Gaza Strip and Jericho Relief and Development Programme	2.20 <sup>23/</sup>	2 December
1997				
377	Rwanda	Rwanda Returnees Rehabilitation Programme	2.10	11 September

1/ Loans approved in 1978 were denominated in USD but all subsequent loans have been denominated in Special Drawing Rights (SDR).

2/ Supplementary financing of SDR 5.5 million to the project was approved by the Executive Board in September 1982 (under loan 109-SR).

3/ The approval for the loan to the project for Afghanistan was rescinded by the Executive Board as of 31 December 1981.

4/ An amount of SDR 2.1 million was transferred from this loan to loan 306-EG, approved in 1992.

5/ The loan amount for this programme totals SDR 10.3 million. SDR 5.9 million are financed under IFAD's Regular Programme and SDR 4.4 million are financed from the Special Programme.

6/ The loan amount for this project totals SDR 16.2 million. SDR 9.10 million are financed under IFAD's Regular Programme and SDR 7.10 million are financed from the Special Programme.

7/ The loan amount for this project totals SDR 13.05 million. SDR 9.10 million are financed under IFAD's Regular Programme and SDR 3.95 million are financed from the Special Programme.

8/ The Fifty-Seventh Session of the Executive Board approved the reallocation of loan funds from Loan SRS-027-KE: Coast Arid and Semi-Arid Lands Development Project; Loan 271-KE : Farmers' Groups and Community Support Project; and Loan 366-KE: Western Kenya District-Based Agricultural Development Project to the 422-KE Second National Agricultural Extension Project.

9/ The loan amount for this project totals SDR 12.0 million. SDR 9.25 million are financed under IFAD's Regular Programme and SDR 2.75 million are financed from the Special Programme.

10/ The loan amount for this project totals SDR 8.7 million. SDR 4.35 million are financed under IFAD's Regular Programme and SDR 4.35 million are financed from the Special Programme.

11/ See note 4 above.

12/ The loan amount for this project totals SDR 10.25 million. SDR 6.6 million are financed under IFAD's Regular Programme and SDR 3.65 million are financed from the Special Programme.

13/ As of September 1993, some IFAD country codes have changed in order to bring them in line with the International Standards Organization (ISO) codes.

14/ The loan amount for this project totals SDR 12.6 million. SDR 7.55 million are financed under IFAD's Regular Programme and SDR 5.05 million are financed from the Special Programme.

15/ Two loans for one project were approved under the IFAD Regular Programme bringing the total loan amount to SDR 15.9 million.

16/ See note 8 above.

17/ The loan amount for this project totals SDR 11.85 million. SDR 7.1 million are financed under IFAD's Regular Programme and SDR 4.75 million are financed from the Special Programme.

18/ The loan amount for this project totals SDR 4.65 million. SDR 3.55 million are financed under IFAD's Regular Programme and SDR 1.10 million are financed from the Special Programme.

19/ The loan amount for this project totals SDR 9.55 million. SDR 7.95 million are financed under IFAD's Regular Programme and SDR 1.60 million are financed from the Special Programme.

20/ The loan amount for this project totals SDR 5.00 million. SDR 2.50 million are financed under IFAD's Regular Programme and SDR 2.50 million are financed from the Special Programme.

21/ The loan amount for this project totals SDR 9.00 million. SDR 6.70 million are financed under IFAD's Regular Programme and SDR 2.30 million are financed from the Special Programme.

22/ See note 8 above.

23/ The entire amount financed by IFAD for this programme is in the form of a grant.

Loans are on highly concessional terms except for those marked \* which are on intermediate terms, and \*\* which are on ordinary terms.

## Regional Activities • List of Projects Approved under IFAD's SPA 1986 - 1995

Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
<b>1986</b>				
			<b>(SDRm)</b>	
SRS 001-MR	Mauritania	Agricultural Rehabilitation	4.00	30 April
SRS 002-GH	Ghana	Smallholder Rehabilitation and Development	4.40 <sup>1/</sup>	3 December
SRS 003-ET	Ethiopia	Special Country Programme	9.30	3 December
SRS 004-ML	Mali	Development in the Zone Lacustre	4.85	3 December
SRS 005-SU	Sudan	Northern Province Irrigation Rehabilitation	8.05	3 December
<b>1987</b>				
SRS 006-GB	Guinea-Bissau	Rural Incentives Programme	3.50	28 April
SRS 007-ZA	Zambia	Smallholder Services Rehabilitation	7.10 <sup>2/</sup>	9 September
SRS 008-MZ	Mozambique	Second Agricultural Rehabilitation	11.85	10 September
SRS 009-NG	Niger	Special Country Programme	10.25	3 December
SRS 010-UG	Uganda	Southwest Region Agricultural Rehabilitation	9.10	4 December
SRS 011-BF	Burkina Faso	Special Programme for Soil and Water Conservation and Agroforestry in the Central Plateau	7.00	4 December
<b>1988</b>				
SRS 012-GU	Guinea	Fouta Djallon Agricultural Rehabilitation	11.40	14 September
SRS 013-LE	Lesotho	Soil and Water Conservation and Agroforestry Programme	6.00	14 September
SRS 014-ML	Mali	Kidal Food and Income Security Programme	7.55	30 November
SRS 015-SE	Senegal	Agroforestry Development	8.30	30 November
SRS 016-SU	Sudan	En Nahud Cooperative Credit	6.55	30 November
<b>1989</b>				
SRS 017-DJ	Djibouti	Agro-Pastoral Development in the Gobaad Basin	1.00	13 September
SRS 018-SE	Senegal	Second Small Rural Operations	5.10	13 September
SRS 019-GH	Ghana	Smallholder Credit, Input Supply and Marketing	3.95 <sup>3/</sup>	5 December
SRS 020-AN	Angola	Malanje Smallholder Sector Rehabilitation	5.65	5 December
SRS 021-GA	Gambia, The	Small-Scale Water Control	2.85	5 December
SRS 022-MR	Mauritania	Agricultural Rehabilitation Programme II	8.65	6 December
SRS 023-NG	Niger	Special Country Programme	3.35 <sup>4/</sup>	6 December
SRS 024-TZ	Tanzania, United Republic of	Smallholder Development for Marginal Areas	11.45	6 December
<b>1990</b>				
SRS 025-CV	Cape Verde	Community-Based Agricultural and Livestock Development	4.10	1 October
SRS 026-GH	Ghana	Upper-East Region Land Conservation and Smallholder Rehabilitation	9.20	1 October
SRS 027-KE	Kenya	Coast Arid and Semi-Arid Lands Development	11.00 <sup>5/</sup>	12 December
<b>1991</b>				
SRS 028-ZA	Zambia	Northwestern Province Area Development - Phase II	2.75 <sup>6/</sup>	11 December
SRS 029-CD	Chad	Food Security Project in the Northern Guéra Region	7.95	11 December
SRS 030-SE	Senegal	Agricultural Development in Matam	11.70	11 December
<b>1992</b>				
SRS 031-MR	Mauritania	Banc D'Arguin Protected Area Management	1.20	15 April
SRS 032-SU	Sudan	Northern Province Irrigation Rehabilitation - Phase II	4.35 <sup>7/</sup>	15 April
SRS 033-SL	Sierra Leone	North-Central Agricultural Development	3.65 <sup>8/</sup>	9 September

## Regional Activities • List of Projects Approved under IFAD's SPA 1986 - 1995

Loan No.	Country	Name of Project	Original Amount of Loan	Date of Approval
<b>1993</b>			<b>(SDRm)</b>	
SRS-034-BI	Burundi	Ruyigi Rural Resources Management	5.05	15 September
SRS-035-MW	Malawi	Agricultural Services Project: Smallholder Food Security Sub-Project	9.35	15 September
SRS-036-SD	Sudan	White Nile Agricultural Services	7.60	15 September
SRS-037-ET	Ethiopia	Southern Region Cooperatives Development and Credit	5.05 <sup>10/</sup>	2 December
SRS-038-GH	Ghana	Rural Enterprises	5.55	2 December
SRS-039-KE	Kenya	Eastern Province Horticulture and Traditional Food Crops	7.90	2 December
SRS-040-LS	Lesotho	Rural Finance and Enterprise Support	2.95	2 December
<b>1994</b>				
SRS-041-TD	Chad	Ouadis of Kanem Agricultural Development	4.10	19 April
SRS-042-KM	Comoros	Support to Economic Grassroots Initiative	2.45	6 September
SRS-043-MR	Mauritania	Oasis Development - Phase II	5.40	6 September
SRS-044-BF	Burkina Faso	Special Programme for Soil and Water Conservation - Phase II	4.75 <sup>11/</sup>	5 December
<b>1995</b>				
SRS-045-MG	Madagascar	Upper Mandare Basin Development	1.10 <sup>12/</sup>	13 April
SRS-046-NE	Niger	Special Country Programme-Phase II	1.60 <sup>13/</sup>	13 September
SRS-047-SN	Senegal	Rural Micro-Enterprises	2.50 <sup>14/</sup>	6 December
SRS-048-AO	Angola	Northern Region Foodcrops Development	2.30 <sup>15/</sup>	7 December

1/ The loan amount for this programme totals SDR 10.3 million. SDR 5.9 million are financed under IFAD's Regular Programme and SDR 4.4 million are financed from the Special Programme.

2/ The loan amount for this project totals SDR 16.2 million. SDR 9.10 million are financed under IFAD's Regular Programme and SDR 7.10 million are financed from the Special Programme.

3/ The loan amount for this project totals SDR 13.05 million. SDR 9.10 million are financed under IFAD's Regular Programme and SDR 3.95 million are financed from the Special Programme.

4/ This is a supplementary loan for the Special Country Programme approved in 1987.

5/ The Fifty-Seventh Session of the Executive Board approved the reallocation of loan funds from Loan SRS-027-KE: Coast Arid and Semi-Arid Lands Development Project; Loan 271-KE: Farmers' Groups and Community Support Project; and Loan 366-KE: Western Kenya District-Based Agricultural Development Project to the 422-KE Second National Agricultural Extension Project.

6/ The loan amount for this project totals SDR 12.0 million. SDR 9.25 million are financed under IFAD's Regular Programme and SDR 2.75 million are financed from the Special Programme.

7/ The loan amount for this project totals SDR 8.70 million. SDR 4.35 million are financed under IFAD's Regular Programme and SDR 4.35 million are financed from the Special Programme.

8/ The loan amount for this project totals SDR 10.25 million. SDR 6.6 million are financed under IFAD's Regular Programme and SDR 3.65 million are financed from the Special Programme.

9/ As of September 1993, some IFAD country codes have changed in order to bring them in line with the International Standards Organization (ISO) codes.

10/ The loan amount for this project totals SDR 12.6 million. SDR 7.55 million are financed under IFAD's Regular Programme and SDR 5.05 million are financed from the Special Programme.

11/ The loan amount for this project totals SDR 11.85 million. SDR 7.1 million are financed under IFAD's Regular Programme and SDR 4.75 million are financed from the Special Programme.

12/ The loan amount for this project totals SDR 4.65 million. SDR 3.55 million are financed under IFAD's Regular Programme and SDR 1.10 million are financed from the Special Programme.

13/ The loan amount for this project totals SDR 9.55 million. SDR 7.95 million are financed under IFAD's Regular Programme and SDR 1.60 million are financed from the Special Programme.

14/ The loan amount for this project totals SDR 5.00 million. SDR 2.50 million are financed under IFAD's Regular Programme and SDR 2.50 million are financed from the Special Programme.

15/ The loan amount for this project totals SDR 9.00 million. SDR 6.70 million are financed under IFAD's Regular Programme and SDR 2.30 million are financed from the Special Programme.



## Agricultural Research and Training

Agricultural research and training (AR&T) grants approved during 1997 were designed to sharpen the Fund's focus on farmer-participatory adaptive research initiatives that can lend more direct support to investment projects. The technical assistance grant (TAG) programmes emphasize the expansion of feasible technology alternatives for smallholders, designed not only to enhance agricultural output and productivity but also to improve income-generation potential.

Particular attention was given to smallholder crops and commodities constituting a mainstay for rural household income and nutrition but for which traditional production technologies had ceased to be a viable or sustainable option, thus necessitating improvements through adaptive research and training.

**In view of the Fund's evolving TAG operational focus, an effort was made during the year to produce strategic guidelines for agricultural research and training, consisting of a strategy statement, a statement of areas of focus and a set of criteria for selection of AR&T TAGs, accompanied by a set of in-house procedures for the AR&T TAG cycle.**

Forming one integrated package, the guidelines embody a number of principles, including a stronger and more explicit linkage between grant-financed research and the Fund's lending programme, complemented by regional strategies that will guide AR&T TAG identification, development and implementation.

The specific programmes approved by the Executive Board during 1997 reflect this strategy and formulation process:

Arab Centre for the Studies of Arid Zones and Dry Lands (ACSAD): **Participatory Rainfed Agricultural Technology Development and Transfer to Farmers in the Semi-Arid Areas of the Near East and North Africa**

The programme's overall objectives are to raise the incomes of small farmers in rainfed areas by the increased adoption of new technologies that promise higher yields through appropriate farm management practices.

The aim is to afford the resource-poor farmer higher levels of agricultural intensification and optimal use of inputs that can stabilize and sustain higher production levels. These objectives will be achieved through testing and validation in multilocational adaptive on-farm trials in order to develop farm technology packages in low-rainfall areas based on the gradual elimination of fallow and the integration of animal production into the farming system. Integrated rainfed farming packages, primarily forage and food legumes as replacements for fallow, as well as newly introduced disease-resistant varieties of wheat and barley that are tolerant to drought and salinity, will be tested and validated with potential farmer beneficiaries, many of whom belong to the target groups of ongoing IFAD-financed investment projects. IFAD's contribution to the programme over three years will be USD 660 000.



International Jute Organization (IJO):  
**Adaptive Research on Improved Varieties of Jute and Allied Fibres and their Utilization for Enhanced Income-Generation**

The programme's objectives are to conduct adaptive research trials of selected, improved varieties with an eye to increasing the income-generation potential of jute and kenaf production and post-harvest systems; and to promote technology transfer through the exchange of breeding materials and processing technologies. Participatory adaptive research will concentrate on developing specific post-harvest technologies that promise value-addition to the smallholder producer. This involves the selection, with potential beneficiaries, of elite germplasm suitable for specific growing conditions, drawing on the results of past efforts in varietal improvement of jute and kenaf. The focus will be to identify adapted material that has demonstrated potential for enhancing income-generation, based on fibre quality and market characteristics.



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IFAD-financed research will assess the socio-economic and agro-ecological potential for further refinement and improvement for jute and kenaf-based microenterprises. The production-to-marketing chain will be studied to formulate appropriate recommendations in a developmental context. Lessons will be drawn from IFAD projects in other regions (e.g., Mexico) on the marketability and exportability of jute-based products, in the context of examining the income-generation potential of these products for the rural smallholder. IFAD's grant of USD 400 000 will finance in part the adaptive research component relating to participatory breeding for enhancing the income-generation potential for smallholders of jute and kenaf. The programme will have a duration of two years.

Centre for Environment and Development in the Arab Region and Europe (CEDARE):  
**Programme for the Development of a Regional Strategy for the Utilization of the Nubian Sandstone Aquifer System (NSAS)**

The Nubian Sandstone Aquifer System underlies an area in excess of 2 million square kilometres within the eastern Sahara in north-east Africa. The Governments of Chad, Egypt, Libyan Arab Jamahiriya and The Sudan have all recognized the need to frame a common strategy for developing the groundwater resources of the NSAS through data exchanges and consultations. At present, these countries' national strategies and policies do not fully promote the overall management and development of this important groundwater reservoir,

with strong implications for both intraregional (spatial) and intergenerational (temporal) equity, such as:

- reciprocal externalities, through the risk of interference between well-fields, i.e., water extraction in one country may cause water-level decline and thus a rise in pumping costs in a neighbouring country;
- environmental externalities, through deterioration of water quality due to excessive withdrawal at the northernmost edge of the aquifer, in the vicinity of the freshwater/saltwater interface; and
- inter-temporal externalities, through localized depletion of the groundwater reservoir with opportunity costs imposed on future generations.

The programme's overall objective is the formulation of a regional strategy for the environmentally sustainable management of the vast common-property resource represented by the NSAS. This would be achieved by creating an enabling environment for the definition of a regional NSAS development strategy, and a regional groundwater development strategy aimed at optimizing levels of groundwater withdrawal from the NSAS in each country in order to avoid any negative reciprocal externalities; and assisting in the capacity-building of national institutions and technicians for the continuous monitoring of the aquifer. This two-year programme will be financed in part through an IFAD grant of USD 700 000.



International Plant Genetic Resources Institute (IPGRI):  
**Programme for the Sustainable Use of Coconut Genetic Resources to Enhance Incomes and Nutrition of Coconut Smallholders in the Asia-Pacific Region**

Coconut is a multi-purpose smallholder tree crop, with about 96% of the world's production coming from farms 0.5-4.0 ha in size. The crop contributes significantly to food security, nutritional improvement, employment and income-generation. Past research has demonstrated that high returns can be achieved if the multi-purpose nature and diverse genetic potential of the coconut are appropriately exploited, while conserving the diversity of the crop's germplasm through utilization.

The owners (holders) of much of the genetic diversity in coconuts are small farmers who have traditionally used coconut for fruit, oil, fibre, wood and fuel. The objectives of the proposed three-year collaborative research programme are to support interdisciplinary research involving coconut farmers and other end-users in order to identify, test and disseminate ways of increasing farm productivity, diversifying coconut products and use, and conserving valuable germplasm through capacity-building, collaborative research and training; and to enhance collaboration among national researchers and IPGRI so as to achieve sustainable germplasm conservation and use through the promotion of multi-purpose utilization of the coconut and to link these to developmental efforts. IFAD's contribution to the programme, over three years, will be USD 907 000.

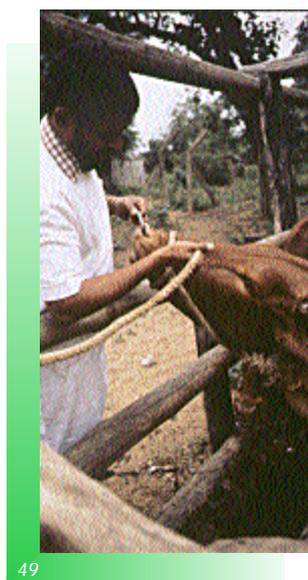
International Centre for Maize and Wheat Improvement (CIMMYT) and the International Institute of Tropical Agriculture (IITA):  
**Programme for Developing and Disseminating Stress-Tolerant Maize for Sustainable Food Security in East, West and Central Africa**

Maize is the principal cereal crop in East Africa and is a major food and cash crop throughout west, central and eastern Africa. A large number of IFAD projects in Africa target resource-poor maize producers who suffer heavy crop losses due to inadequate rainfall and infertile soils. In the absence of opportunities to diversify their cropping systems, these farmers lack options for overcoming production problems in ways that are both economically feasible and ecologically sound. Stress-tolerant maize varieties offer a cost-effective means of stabilizing production and enhancing yields without creating farmer dependence on sometimes scarce, expensive chemical inputs or on irrigation. Such varieties carry an enhanced level of tolerance to low-rainfall and low-nitrogen conditions and a useful level of resistance to pests.

Building on previous research supported by IFAD and the research activities of the Consultative Group on International Agricultural Research (CGIAR) Centres and the National Agricultural Research Systems (NARS), the programme will address three major constraints on maize production in sub-Saharan Africa: low rainfall, low soil-nitrogen, and *striga* infestation. The research strategy is to follow an interdisciplinary systems approach, with farmer participation in the development of technology, focusing on the major maize-based cropping systems practised by resource-poor farmers. IFAD's grant of USD 1.0 million over a period of three years will cover farmer-participatory regional NARS research activities in Africa.

International Livestock Research Institute (ILRI):  
**Programme for Enhancing the Impact of Immunization against East-Coast Fever with an Improved Sub-Unit Vaccine on the Smallholder Dairy Sector in Eastern Africa**

In eastern, central and southern Africa, improvements in livestock production efficiency have been severely constrained by several tick-borne diseases in cattle. The most important of these diseases is East-Coast fever (ECF), caused by the protozoan parasite *theileria parva*. This disease is of great economic importance in the region, with annual losses estimated at over USD 168 million in 1989. The losses in the form of high morbidity and mortality are particularly important in the case of the dairy industry. Milk is a highly valued commodity that is in short supply throughout the region.



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In addition to being an important source of dietary protein and minerals, milk also provides a cash income to dairy farmers for the purchase of essential inputs. In many communities, women are responsible for the management of dairy enterprises.

The objective of the programme is to evaluate the impact of a new recombinant vaccine against ECF called "p67". The more specific objectives are to: confirm the efficacy of the p67 vaccine in smallholder dairy units in different agro-ecological zones and countries of eastern Africa; evaluate mechanisms for the optimal delivery, adoption and impact of p67; determine the impact of the vaccine in smallholder dairy systems on a series of livestock productivity and economic indicators; and evaluate the socio-economic benefits of reduced ECF risk to livestock breeders and consumers of livestock products. IFAD's contribution to this three-year programme will be USD 600 000.





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International Centre of Insect Physiology and Ecology (ICIPE):  
**Semiochemicals Research for Sustainable Management and Control of the Desert Locust - Phase II**

The desert locust is the most devastating of all the major locust species that plague agricultural crops and pastures, particularly in tropical and subtropical parts of Africa. It is a relatively insignificant pest in its solitary phase in the so-called recession areas, existing mainly as scattered, harmless grasshopper bands. The desert locust becomes a major pest when, stimulated by favourable climatic and other factors after a long dry spell, it gregarizes (characterized by aggressiveness and high frequency of mating and reproduction) and starts to swarm and attack food-producing areas.

The proposed phase II programme will consolidate the results of IFAD-initiated research and form the core of an integrated control programme, drawing on complementarities with other research efforts, with an emphasis on field applicability. The programme will also involve collaborative research on the use of semiochemicals in trapping and a number of complementary areas of remote sensing and biomathematical modelling, as well as the efficient use of biological locust-growth inhibiting agents, currently supported by many donors. These donors have already agreed on a complementary approach of undertaking field research, in parallel, on a number of promising dimensions that can come together to form a comprehensive control strategy against the desert locust. The long-term objective is to deploy semiochemicals and behavioural analysis in the refinement of early warning and forecasting systems for the desert locust and in the management of the pest, together with other compatible tactics in an overall integrated-pest-management (IPM) strategy. The three-year programme will be financed by an IFAD grant of USD 1.0 million.

Centre for International Forestry Research (CIFOR):  
**Programme for Action Research on Local Forest Management in Asia: Implications for Smallholder Livelihoods, Tenure and Governance and Related Impacts on Forest-Fringe Dwellers**

Although some 350 million people worldwide rely on forests for their livelihood, most of them have little say in how forests are managed. Policy-makers, however, now realize that participatory approaches to forest management are the key to meeting these people's economic and nutritional needs and ensuring the availability of forest resources for future generations. Many governments have in fact adopted policies promoting local forest management (LFM), defined here as the involvement of peoples living near a forest in activities intended to maintain or enhance the forest and improve local people's well-being.

This programme will examine — by way of comparative impact assessments — the relationship between the structure and impact of LFM interventions, with a focus on drawing empirically based conclusions, with a view to establishing:

- whether LFM leads to better economic conditions for local villagers;
- how policies, economic incentives and institutional frameworks affect LFM and local people's well-being; and
- how multiple interests can be accommodated in LFM decision-making.

The programme will also provide a more in-depth understanding of trends in livelihood, tenure and governance that shape the context and outcome of these interventions. Lastly, it will test a methodology for grass-roots LFM planning to generate concrete development options demonstrating how envisaged changes in economic growth, rural development and forest conditions will affect livelihood opportunities and forest sustainability. IFAD will contribute USD 1.0 million to this three-year programme.

International Livestock Research Institute (ILRI):  
**Programme to Improve Crop-Livestock Productivity through Efficient Nutrient Management in Mixed-Farming Systems of Semi-Arid West Africa**

Semi-arid western Africa is one of the areas of the world where rural poverty and food insecurity are of greatest concern: not only does the region's agricultural productivity suffer from nutrient shortages (e.g., metabolizable energy; protein and phosphorus for livestock production; and nitrogen, phosphorus and organic matter for crop production), but low rural incomes, changes in subsidy policies and infrastructural constraints have prevented the widespread use of inorganic fertilizers and feed supplements. Accordingly, local farming systems are evolving towards more integrated forms of production, bearing in mind that crop-livestock interaction is partly complementary and partly competitive. Research has demonstrated that whereas the use of nutrients from indigenous sources increases profitability, external sources of nutrients are needed in order to sustain such farming systems.



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This programme seeks to boost the productivity of crop-livestock farming systems in the region through better nutrient management. Specifically, it will assess the potential impact and acceptability of alternative nutrient-management techniques; raise farmers' incomes by increasing meat and milk production and the supply of nutrients for soil improvement through better use of available feed resources; improve the efficacy of livestock-mediated nutrient transfers within village territories through better land use and institutional arrangements; and promote the adoption of nutrient-management interventions. IFAD's contribution to this three-year programme will be USD 600 000.

International Centre for Agricultural Research in the Dry Areas (ICARDA):  
**Programme for the Development of Integrated Crop-Livestock Production in Low Rainfall Areas of Mashreq and Maghreb - Phase II: Participatory Validation of Integrated Prototype Technology Packages to Improve Adoptability under Favourable Policy and Institution Environments**

In the low rainfall areas of the Mashreq and Maghreb regions, small ruminants are the main economic output and make up a large share of the income of farmers and nomadic or semi-nomadic herders. Rangeland resources, however, are insufficient to meet the current demand for feeding these animals, and at the same time the absolute level of feed resources is falling due to overgrazing, removal of vegetation through ploughing (often for fuel wood) and soil erosion.

With the overall objective of developing productive and sustainable small-ruminant-based systems through integrated crop and livestock production (within cropped and rangeland areas), this programme focuses on:

- adaptive research and the transfer of available technology that aims to improve the productivity of barley, forages and other feed crops, rangelands, and small ruminants; and
- policy and institutional research, including analysis of the impact and role of government policies, property rights and local institutions in resource management and crop and livestock production.

IFAD will contribute USD 1.5 million to this four-year programme.

International Centre of Insect Physiology and Ecology (ICIPE):  
**Programme for Participatory Development of Environmentally-Friendly Pest Management Options Towards Sustainable Vegetable Cultivation by Smallholders in Sub-Saharan Africa**

Vegetable production is an important part of smallholder farming systems in sub-Saharan Africa, particularly for women. In addition to generating cash income, vegetables provide farming families with a nutritionally rich source of food and are helping smallholders switch from a subsistence to a market-oriented production system. These smallholders, however, need to adopt technologies that will not only raise their productivity but also meet the quality requirements of consumers. In this regard, pesticides represent a major cost for poor smallholders and are hazardous both to producers' and consumers' health and to beneficial insects.

Given the increasingly stringent regulations of importing markets, the vegetable industry's expansion and sustainability will remain vulnerable unless it can shift from dependency on chemical pesticides to more "environmentally friendly" pest control options. This research programme complements national research efforts to develop high-yielding, pest-tolerant varieties in the region by bringing together available information on improved production techniques from research institutions in sub-Saharan Africa and integrating them with pest-control methods that are based on biological controls and minimal use of non-toxic chemicals; the programme will also promote the exchange of research results throughout the region. IFAD will contribute USD 600 000 to this three-year programme.



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**Environmental Assessment**

**T**AGs for environmental assessment (EA) are provided for proactive assessment in the preparation of projects having potentially significant environmental implications. IFAD pays close attention to environmental and natural-resource management issues in project design and implementation. To strengthen this orientation, the Fund has adopted formal procedures for EA; all IFAD-initiated projects entering the pipeline are subject to environmental screening and scoping. Proposed projects that are classified as Category "High B" or Category "A" are subjected to an initial environmental examination (IEE) and, where necessary, a full EA before appraisal.

In 1997, EA TAGs were approved and IEEs were subsequently initiated and completed to assist in preparing the following IFAD projects: Marketing and Rural Finance Project (The Congo), Madhya Pradesh Tribal Development Project (India) and Aquaculture Development Project (Bangladesh). EA activities were initiated and/or continued for the following projects under EA TAGs approved in previous years: Community-Based Natural Resource Management Programme (Botswana), Development of Small-Scale Fisheries and Aquaculture (Colombia), Artisanal Fisheries Development Project - Phase II (Nigeria) and Smallholders Cotton Rehabilitation Project (Uganda).



## 1997 Evaluation Activities

Eighteen evaluations were undertaken in 1997, including fourteen project evaluations, three TAG evaluations and one country portfolio evaluation (CPE). Of the fourteen project evaluations, six were undertaken of projects at mid-term (three of which were joint mid-term review-cum-evaluation exercises), four in Asia and the Pacific and two in the Near East and North Africa. Six interim evaluations were performed, three in Latin America and the Caribbean, two in Africa and one in Asia and the Pacific. Two of these interim evaluations were focused evaluations, a new approach for the Fund. One in the United Republic of Tanzania was focused on the credit component of three projects in order to draw lessons for a future project. In Lesotho the evaluation was focused on soil and water conservation in order to draw lessons that are crucial in this difficult field for future interventions in Lesotho and areas of similar ecology.

One completion evaluation and one ex-post evaluation were carried out in Africa. Finally, two of the three TAG evaluations were in Latin America and the Caribbean and the remaining one in Asia and the Pacific.

The second and final phase of the Mauritania Country Portfolio Evaluation was undertaken in 1997. The evaluation covered all eight IFAD-financed projects in the country.

**A total of 24 loans and three grants were evaluated in one form or another in 1997, including the Mauritania Country Portfolio Evaluation and the focused evaluation of credit activities in the United Republic of Tanzania.**

In addition to the above activities, the evaluation of the Special Programme for Africa (SPA) requested by the Executive Board was carried out in 1997. This is the first comprehensive evaluation of the SPA. The findings, conclusions and lessons learned will be presented to the Evaluation Committee of IFAD's Executive Board in 1998.

More than ten rapid project evaluations were undertaken in the framework of this evaluation, which also included field visits for detailed assessments. In addition to the main report, the SPA evaluation will include: 24 case studies; two thematic studies (one on Small-Scale Irrigation Development in Sub-Saharan Africa (SSA) and another on Rainfed Agriculture Development and Land Husbandry in Semi-Arid Areas of SSA); and a set of 35 lessons learned on rural development in SSA, which will ultimately be introduced in the Evaluation Knowledge System (EKSYST). As a separate exercise in SSA, a thematic study on Agroforestry in the Sahel was also conducted.

IFAD organized and participated in several missions to support monitoring and evaluation systems at the grass-roots level. Four such missions were undertaken in 1997: assessment of baseline conditions in Peru; establishment of a Provincial Agricultural Development Monitoring System in Tunisia; support and supervision of the Programme for Strengthening the Regional Capacity for Evaluation of Rural Poverty Alleviation Projects in Latin America and the Caribbean (PREVAL); and, lastly, technical support for the review of the Consultative Group to Assist the Poorest (CGAP).

## Lessons Learned from Evaluation

### Some General Lessons on Household Food Security and Gender

A workshop on household food security and gender took place at IFAD, 15-16 May 1997. A review of evaluation experience was presented based on a sample of 50 operations financed and evaluated by the Fund. This experience can be summarized in the following lessons:

- A major limiting factor to higher project impact on food security is very often the lack of technology fitting the resource constraints of the target groups. The availability and relevance of an "improved technical package" must primarily be considered from the farmer's perspective. While the specialist assesses a given technical package in terms of productivity and income increases, the farmer looks also at its utility, return on the most scarce resource, opportunity cost and associated risks.



From left to right: Mr A. Slama, Director Technical Advisory Division of IFAD; Mr F. H. Al-Sultan, President of IFAD; Ms M. Fikry, Senior Technical Adviser in Gender and Household Food Security.

### Some Specific Lessons on Research and Development

It is useful to spell out in more detail the first two general lessons mentioned above on the availability of technical packages, taking into account recent evaluations carried out in southern African countries:

- *Extension activities.* Agricultural transfer of technology has often failed to benefit small and marginal farmers, particularly in those regions defined as agro-ecologically diverse, resource poor and risk prone.

It is recognized that farmer-led approaches better integrate research and extension functions, drawing upon knowledge and research capacities of local communities and combining them with those of formal research and development organizations. Local capacity for experimentation must be supported so as to permit technology to be adapted to the constraints of IFAD target groups. Local knowledge and outside knowledge should interplay in a mutually enriching manner.

- Before completing the formulation of a new project, a thorough assessment of existing farming systems should be commissioned or undertaken. Particular attention should be paid to farmers' practices and to the availability and results of on-farm trials over a number of years, so as to assess the year-to-year variability of yields and the associated risks. In the absence of such information, scenarios of good and bad years should be worked out through a dialogue between agricultural scientists and farmers of the target group, who have considerable knowledge of local conditions.
- Food security is not necessarily achieved through increased food for consumption, especially for smaller farmers. Cash-crop and non-farm income are often crucial to the food security of poor households. Furthermore, targeting poor communities is more practical than targeting food-insecure households.
- Credit has frequently been used in IFAD-funded projects as an instrument to promote household food security. IFAD's methods of group lending, peer pressure and gender sensitization have frequently produced very favourable results, especially when loan amounts were extended beyond critical thresholds.
- The preference of women for livestock activities is based on tradition and on concern for the food security of their families; realistically, poor women with little land have few other choices. This should be better recognized and more importance given to livestock activities.
- Increased attention should be also devoted to labour-saving technology in activities where women are involved, for example seed selection, weeding, transplanting, farmyard manure collection and agricultural processing.

- *Importance of recognizing research and development needs.* It is fundamental to identify early in design those recommendations and institutional innovations that are available — i.e., already sufficiently tested, tried out and adapted to the point where they are suited for extension purposes, or have begun to be adopted. This means discerning also those innovations that need further development and adaptation to the conditions of the target area and target group, and those that should be discarded. Diagnosis of research and development needs should be conducted together with the target group in representative locations. By such diagnosis, farmers' actual preferences and community-level constraints can be better revealed and understood, so that ill-adapted and ineffective extension activities can be avoided.
- *Knowledge generation and diffusion.* Four consecutive steps are necessary:
  - methodology and processes that relate to research and development and to the pursuit of institutional innovations must be defined, explained and understood at the outset;

- the required capabilities for these processes must be precisely defined;
- this activity must be undertaken through a series of workshops involving agricultural scientists, extension officers and intended beneficiaries during the design phase; and
- training must continue over the project lifetime. Finally, research and development takes time: this dimension needs to be taken into account in order to secure continuity in the approach beyond the end of the project.

- *Innovative solutions for technical assistance.* In relation to long-term technical assistance, a compromise is required between the need to reduce costs and the securing of continuing benefits from the knowledge-generation process. Long-term partnership arrangements with institutions specializing in research and development are called for, with regular support missions, training courses and attendance at workshops. Such "twinning" arrangements should be explored with both bilateral and multilateral donors.

## Sharing Lessons Learned on the National Level

### The Round Table Conference in Ghana

The report of the Ghana Country Portfolio Evaluation was presented to the Evaluation Committee of the Executive Board in December 1996. A Round Table Conference was convened in Accra from 29 to 31 May 1997 under the auspices of the Ministry of Food and Agriculture to discuss the findings and recommendations of the CPE with the Government of Ghana and concerned development partners. The Minister for Food and Agriculture inaugurated the conference in the presence of IFAD Executive Directors from Egypt, India, the United States and Venezuela; IFAD staff; ministers, directors and senior officials of concerned ministries; staff of implementing agencies, NGOs, multilateral and bilateral donor agencies in Accra; representatives of IFAD's cooperating institutions and project beneficiaries. The conference was attended by 150 participants of whom eight were central, regional and deputy ministers, reflecting the importance accorded to the conference at the policy-making level. Participants were divided into four working groups, each discussing the findings and conclusions of the CPE on a specific set of issues.

At the end of their deliberations the groups prepared reports reflecting their respective findings and recommendations. The following are the main highlights of the group discussions:

- *Food-crop technology development.* While adequate technology exists for export crops and commercial food crops, little has been done for the development and wide dissemination of technologies for roots and tubers, known to be the food-security crops of the poor, and millet and sorghum, the main crops grown in poverty-stricken and degradation-prone northern Ghana. Fund-supported activities played a pivotal role in the area of technology transfer and adaptation for cassava planting material, and a number of new improved varieties with higher yields were released. While farmer demand for the new varieties is rapidly expanding, the multiplication and distribution of these varieties are lagging.
- The conference recommended that, in the future, government and IFAD support for research and technology development should:
- enhance the focus on the drier zones in Ghana through expanded emphasis on developing better food-crop varieties in close cooperation with specialized international institutions;

- emphasize farm systems research aimed at maintaining soil fertility and minimizing land degradation in the northern regions; and
  - reorganize the current system of multiplication of cassava planting materials through decentralization at the regional level, use of rapid multiplication techniques, use of private-sector operators and farmer contractors, and the confining of the role of government agencies to technical supervision.
  - *Household food security and small-scale irrigation in the northern regions.* IFAD's support for the rehabilitation and construction of small dams in northern Ghana was specifically noted for its positive impact on household food security. In such low and variable-rainfall regions, these dams are valuable investment opportunities for the production of high-value crops during the dry (food-shortage) season. The viability of the dams is strongly dependent on adequate catchment-area protection and on operation and maintenance of the irrigation structures.
- These in turn depend on the creation of strong water users' associations.
- In support of CPE conclusions, the conference made the following recommendations:
- following dam site selection by technical personnel, the communities should be closely involved during the subsequent stages;
  - intensive education of the communities on the need to protect catchment areas should be pursued;
  - as construction activities are undertaken in the dry season, labour involved should be adequately compensated for lost off-farm earning opportunities;
  - complementarity between the private and public sector should be promoted by using private contractors for scheme construction work, while government agencies remain involved in design and supervision; and
  - water users' associations should be legalized through by-laws enacted by district assemblies.
- *Smallholder credit.* Credit in IFAD-supported projects in Ghana is delivered to individuals through the mechanism of groups formed and trained by NGOs and/or line agencies. A major weakness continues to be the large presence of non-cohesive and inadequately trained groups. This has led to reluctance on the part of credit institutions to approve group loans, contributed to a low level of servicing and repayments, and threatened the sustainability of the credit operations for the participating banks. Despite attempts at linking credit to savings, the mobilization of savings remains irregular. A number of institutional and managerial issues were identified as hampering the performance of the participating banks in servicing the target groups. The conference recommended:
    - more realistic design targets for group formation;
    - two distinct phases of group credit: group mobilization and training, with a minimum time period, and credit disbursement;
    - increased outreach by banks in the serviced rural areas;
    - more realistic and flexible credit ceilings;
    - trained and motivated bank staff;
- a farming system approach to bank credit policy, with loans allowing the financing of a major crop, other economic activities, and small consumer loans; and
  - an independent assessment to determine the adequacy of operating margins for the banks.
  - *Rural infrastructure.* Improvements to village infrastructure, including water and rural roads rehabilitation, have been greatly valued by rural communities and acted as catalysts for the implementation of other activities. In particular, the conference noted that the provision of potable water has been a major impact point in all IFAD projects. As these services are in high demand in rural areas, the conference recommended that they be considered an integral part of future IFAD projects.
  - *Targeting.* Most IFAD projects based their targeting to the rural poor on cut-off exclusionary criteria. During implementation this approach proved problematic, particularly in the context of traditional communities with strong social cohesiveness and complex interdependency webs. Poverty, as defined by the people themselves, is a communal rather than an individual phenomenon.

The conference concluded that:

- targeting should be aimed at the communities as a whole, rather than forcefully breaking up or bypassing the local social structure;
- criteria for selecting beneficiaries should be determined by the beneficiaries themselves;
- poverty in the northern and upper regions is so pervasive as to justify targeting by area; and
- provision for community involvement during implementation should be made clear at the project design stage.

- *NGOs in project implementation.* In some instances, NGOs participating in IFAD projects were more of a burden than an asset: they drew on project financial resources without returning proportional benefits. In examining this issue, the conference recognized that in pursuit of decentralization, civil-society development and sustainability of project benefits, the use of NGOs should be encouraged. However there is a need to develop a number of criteria for NGO selection based on the experience and effectiveness of the NGO, the NGO's facilities on the ground, and the extra cost required to make the NGO effective. If the NGO is supported using project funds,

the capacity-building activity should be focused and should relate directly to expected project benefits.

- *Coordinating donor activities.* From the start IFAD has directed substantial funding to support the northern and upper regions of Ghana. Recently, due to the congruence of donors' mandates with respect to poverty alleviation, there has been an increasing flow of donor funds to these regions. This has taxed the regional administrative capabilities, particularly in view of the recent decentralization policy. The conference therefore recommended that the Ministry of Food and Agriculture set up a committee to coordinate donor projects at the national level and to determine their allocation to various regions on the basis of well-defined criteria.

## Food Production with Soil and Water Conservation:

### Learning from Local Knowledge in Lesotho

Over the years Lesotho has experienced a dramatic loss of fertile soil due to its topography, highly concentrated rainfall, fragile soils and above all human and livestock population pressure. Soil erosion and gully formation have been major factors in the loss of arable land. During the last twenty years, arable land was reduced from 14 to 9% of the country's total area. Current crop yields are about half the level achieved in the late 1970s, and fluctuations in production caused by variability in rainfall are one of the major causes of household food insecurity.

During 1997 IFAD conducted an evaluation of the soil and water conservation components of the IFAD-supported Soil and Water Conservation and Agroforestry Programme (SWaCAP) in Lesotho. The implementation of conservation activities by the rural poor is often hampered by the intrinsic conflict between the short-term need for immediate food production through utilization of fragile resources and the long-term requirement of conserving natural resources to maintain production levels. Subsidizing conservation activities in order to motivate their adoption by farmers is often unsustainable. As soon as the subsidies are discontinued, conservation practices, too, are discontinued.

SWaCAP-supported activities suffered from these difficulties but, during implementation, programme staff identified an endogenous production-cum-conservation farming system that seems to reconcile this conflict successfully. The system is based on the efforts of a Mosotho, Dr J. J. Machobane, who developed it over 40 years ago against numerous economic and political odds.

The Machobane farming system is an intensive relay and intercropping system based upon the crops Basotho have cultivated for over a hundred years: sorghum, maize, beans, wheat and pumpkins. Two new crops are added to the system: potatoes and watermelons. Potatoes serve primarily as the cash crop, while the others provide a balanced diet and a continuous supply of food throughout the year.

Machobane farming follows four basic principles in crop production:

- maximization of the calendar year;
- use of organic sources to build and maintain soil fertility;
- maximization of plant arrangements; and
- production of cash as well as subsistence crops.



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The system progresses through a five-year cycle, adding components and complexity as farmers gain experience and knowledge.

The main technical parameters of the system are the following:

- the resource base and farm residues are used to grow several crops simultaneously in the same field;
- adequate soil fertility and moisture-retention capacity can be achieved through localized placement of ash and manure;
- household 'waste' produced by a typical farm family (manure and ash) is sufficient for one acre of land;
- intensive cropping of one acre of land is sufficient to grow enough, between home consumption and sale, to secure adequate food for the family;
- continuous intensive cropping, using organic matter, offers a synergistic, effective means of soil and moisture conservation; and
- such a cropping method will substantially reduce farm income instability by lowering yield fluctuations and spreading risk of variations in yields and prices over several crops.

The approach emphasizes self-reliance, hard work, dedication and the willingness by participants to learn by doing and to voluntarily train other farmers. It advocates a strong commitment as a starting point for the development of endogenous capabilities, within a framework in which natural resource development and peoples' attitudes are interdependent.

The agronomic and conservation benefits of the system can be multiple. Intercropped agricultural systems are more productive per unit of land. When judiciously selected, plants in combination are not in competition for nutrients, as their nutrient uptake patterns are different. Plants have a variety of leaf architectures; when upright, trailing and climbing plants are mixed, they can maximize incoming solar radiation and provide protection from excess dampness and destructive hail storms with positive effects on yields. For conservation purposes, the constant plant cover and fine root growth implied in the system protect the soil's surface from the intense impact of raindrops, which can break soil aggregates. Different leaf structures can break the fall of raindrops and shelter the soil from its direct impact. The mixture of plant roots and leaf implied in the system is superior to monocrop from a soil-protection standpoint.

SWaCAP's staff persuaded Dr Machobane to become involved in reinstalling Machobane farming activities, which had practically ceased since the mid-1960s. A small amount of SWaCAP funds was used to test and promote the system. The output of the developed Machobane fields proved triple that of monocropped fields. Between 1991 and 1997 the number of farmers using the Machobane system increased from 22 to 2 000, a ninety-fold increase. New Machobane farmers received free potato seeds in the first season only. By 1996 growers did not receive subsidies of any kind except for free training from fellow farmers.

While several interpretations can be advanced for the fast adoption of the system by a large number of farmers, a focused survey of Machobane farmers undertaken during the evaluation reveals that the single most important factor is that the system offers farmers, within one season of adoption, what seems to be a sustainable increase in net income from a cash/food crop. This incentive is sufficiently attractive that farmers are willing to invest their time, despite scarcity of labour, to train other farmers willing to adopt the system. The low level of financial input of this technology, its endogenous origin and the fact that its success is demonstrated by other farmers in the communities are also crucial factors.

Despite the apparent advantages and large potential of the system, a number of emerging constraints need to be closely assessed. Occasional excess supply of potatoes due to competition from South Africa, the possible need for more farm labour to maintain the system and the availability of sufficient manure and ash at farm level are aspects that need close monitoring and assessment over the medium term. The evaluation recommended that IFAD should continue its support to Machobane farming, and that this should be done in conjunction with detailed cost-benefit studies to assess its long-term implications for labour, input and product markets, soil biology and pest and disease dynamics.

## Sharing Lessons Learned on the International Level

IFAD's in-house, computerized Evaluation Knowledge System (EKSYST) was initially developed as a PC-based system for capturing and sharing information, experiences and lessons learned from the evaluations of IFAD's projects and programmes.

**With the aim of sharing lessons learned with the international development community, in 1997 IFAD made available an Internet version of EKSYST. This initiative is part of an experimental evaluation website, IFADEVAL, which supports the Fund's objective of becoming a knowledge organization on rural poverty alleviation.**

IFADEVAL was inaugurated by the President of IFAD at the *Global Conference on Knowledge for Development in the Information Age* held in Toronto in June 1997, at the initiative of the World Bank and the Government of Canada.

IFAD, as a co-sponsor of the conference, organized and chaired a workshop entitled "Knowledge for and by the Rural Poor". During the workshop, four of the Fund's initiatives were presented and discussed: the IFADEVAL website; the local action-research-based Integrated Participatory

Seasons' Observatories System (IPSOS); the information network linking IFAD-funded projects in Latin America and the Caribbean (FIDAMERICA); and the Knowledge Network on Grass-Roots Initiatives in Land Reform and Tenurial Security, a major follow-up to the 1995 Conference on Hunger and Poverty.

Through IFADEVAL, users now have access to 62 lessons learned from evaluations on various subjects, including credit and rural financial services, farm technology generation and research and extension, as well as on institutional frameworks for project implementation.

These lessons will be revised as new evidence requires, and additional lessons will be added periodically as they become available.

Other functions of IFADEVAL include: two interactive evaluation discussion fora (a general forum open to all interested parties and a more specialized one open to members of the UN Administrative Committee on Coordination [ACC] Network on Rural Development and Food Security); information on upcoming international conferences and workshops on evaluation; a section on publications indicating titles and abstracts of selected IFAD studies, which can be ordered on-line; and links to other UN agencies, bilateral and multilateral institutions, and NGO websites applying lessons learned on rural poverty alleviation.



From left to right: Mr F. H. Al-Sultan, President of IFAD; Hon J. Manley, Minister Department of Industry of Canada; Mr J. Stiglitz, senior Vice-President of the World Bank; Ms J. Male, Head Teacher of Mengo Senior School, Uganda; Mr M. Strong, Senior Adviser to the President of the World Bank

## Knowledge for and by the Rural Poor

Knowledge has become as important a product of the modern service economy as physical goods like cars and televisions. But knowledge is not the prerogative of only the rich or of advanced post-industrial societies. It has been conventional to think of the millions of poor farmers, herders and fishermen as backward ignorant people. But as we have deepened our understanding of their lives, it has become increasingly apparent that these groups possess considerable and crucial knowledge of their own conditions — the soils they till, the patterns of weather, the characteristics of their crops and animals. In fact, without such knowledge, the poor would not be able to survive in the difficult conditions in which they search for a livelihood. Knowledge is as crucial to them as it is to a computer programmer.

The problem has been that the traditional knowledge of the poor has remained fragmented and has not been enhanced by cross-fertilization of experiences or systematic efforts at upgrading. Village communities trying to tackle a particular problem have little access to the experiences of other communities, even those nearby, who perhaps have addressed and overcome similar problems.

In order for knowledge to become a more powerful force in helping millions of rural poor work their way out of poverty, two things are required. First, the poor need access to the experiences and knowledge of comparable communities. Second, this knowledge should be sharpened by access to outside knowledge, but in ways that would enable the poor to choose for themselves the external knowledge most relevant to their needs.

In 1994 the report of the Rapid External Assessment of IFAD highlighted its role as a knowledge organization and called on it to become "the world's leading repository of information on rural development and the world's most influential adviser in this challenging complex activity".

The External Assessment and the support it received from Member States has encouraged IFAD to reinforce its endeavours in this field. At the same time, new technologies are becoming available that can help to connect and inform peoples in ways unimaginable even a few years ago. IFAD is determined that the potential opened up by these technologies should not remain the privilege of only the wealthy. It should be made available to the poor to reach real-world solutions for real-world problems.

For everything from pesticide use to credit availability, information is the cornerstone of sustainable development. Physical isolation, scarce resources and harsh conditions are the constants of rural life. Access to data and knowledge are the variables that can transform rural life. Computer technology can make this transformation possible.

Four of the Fund's initiatives are particularly relevant and have in common some decisive elements: local ownership, practical application, day-to-day use and replicable results.

The first is the recently completed Evaluation Knowledge System, a unique electronic database that enables project evaluations to be shared among strategic planners and project designers. For example, because the two countries have similar terrain, an evaluation of slope agriculture in Nepal can now help Peruvian farmers. Selected EKSYST lessons are now made available on the Internet, and visitors to the site can comment and exchange information through an interactive forum.

The second relates to our electronic network of rural communities in Latin America and the Caribbean, FIDAMERICA, which is dramatically strengthening the impact and effectiveness of IFAD-supported projects. A peasant group in Tupiza, Bolivia, for example, used FIDAMERICA's electronic list to send an urgent request for certified seed of a specific potato variety. Within two days, a group of farmers in southern Chile was able to supply the seed. This is just one benefit that emerged from FIDAMERICA's first electronic conference last October, a groundbreaking on-line gathering of 47 institutions and peasants and technicians working at the field level.

The third initiative is the Integrated Participatory Seasons' Observatories System, or IPSOS. Poverty has more than one cause, and the struggle for life is a struggle through the seasons. IPSOS therefore collects, cross-references, and shares key information on a range of factors that affect local

conditions, from rainfall and soil erosion to income and health care. And IPSOS relies on local residents — the most deprived groups decide what data to collect based on their perceptions of what is most crucial to their livelihoods.

The final initiative concerns efforts to promote agrarian reform. In order to build on the success of grass-roots land-reform efforts, IFAD and several partners are establishing a knowledge network that will spread these lessons around the globe. Land-reform programmes often fail due to highly centralized approaches, lack of meaningful political commitment and limited opportunity for peasant participation. By constructing a database of successful grass-roots reform programmes and linking them via electronic mail, IFAD can help millions take control of their own destiny. The experience of lawyers in India, for instance, who help tenant farmers interpret and use existing law to secure land rights, could be useful to Guatemalan lawyers who want to help Mayan Indians do the same.

Information, it is said, is now the most precious commodity in the global economy. But information is valuable not only to currency traders and television executives, it is equally critical to the survival of the rural poor. Recognizing this, IFAD is weaving together the promise that technology offers with the challenge of meeting human needs — making new technologies available while giving rural communities a decisive voice in their selection and application.

For all of us working in the field of development, the ultimate test of our efforts to generate and share knowledge should be whether it helps the daily lives of the poor, reduces their insecurity and vulnerability. Investment in knowledge in this way represents a commitment to people and a better future for all of us and is worthwhile not only by financial measures but also in human terms.

*Mr Fawzi H. Al-Sultan*  
President of IFAD

(Excerpts from his speech to the plenary session of the *Global Conference on Knowledge for Development in the Information Age*, Toronto, Canada, June 1997)

Following an independent review of the ACC Subcommittee on Rural Development, commissioned by a number of UN organizations and the World Bank, the subcommittee was dissolved and replaced with a new mechanism: the ACC Network on Rural Development and Food Security, to be chaired by FAO. The review underlined the leadership of IFAD in the evaluation field and, in consequence, recommended that the Fund be in charge of the evaluation activities supporting the new mechanism. This challenging task will be carried out through an innovative method proposed by the Fund: a specialized forum on the IFADEVAL website, the Evaluation Knowledge Web, available to members of the network. A continuous exchange of lessons learned on these two related issues via the Internet will replace annual meetings of the former Panel on Monitoring and Evaluation convened and chaired by IFAD. Electronic networking was found extremely useful in allowing IFAD to participate as a member of the CGAP Working Group on Impact Assessment, and to make contributions on the introduction of a transaction-cost perspective in the evaluation of microfinance experiences.

Jointly with the TAG for evaluation in Latin America and the Caribbean, IFAD organized and actively participated in an electronic six-week Latin American Virtual Meeting on Evaluation, involving project staff, NGOs, and private and public institutions of the region, in all, 166 participants from 24 countries.

With the aim of networking, sharing experiences and establishing new partnerships, IFAD participated in the European Evaluation Association Conference in Sweden and in the Meeting on Evaluation Experiences in Central America, held in Guatemala and organized by the Association of European Researchers on Central America (ASSERCA). Participation in international meetings and workshops on evaluation included two workshops on participatory monitoring and evaluation at World Bank headquarters in Washington and two held at IFAD for monitoring and evaluation experiences in Latin America. An internal workshop was held at IFAD on Participatory Monitoring Systems.

## Strengthening Evaluation Capabilities in Latin America and the Caribbean

Several multilateral financial institutions have acknowledged the extremely limited expertise available for the evaluation of rural poverty alleviation programmes and projects in the region and the lack of training opportunities in this field. This gap deprives the countries and the Fund of the full learning to be gained from their accumulated experience. This has also been an important constraint on the development of monitoring and evaluation systems at the project level and for evaluations. Thus in 1995 IFAD approved a TAG to the Inter-American Institute for Cooperation on Agriculture (IICA) to implement the *Programme for Strengthening the Regional Capacity for Evaluation of Rural Poverty Alleviation Projects in Latin America and the Caribbean (PREVAL)*. The programme started its operations in 1996 and has established an electronic network on evaluation, carried out workshops on monitoring and evaluation, started a series of publications, and is in the process of linking IFAD-financed projects with evaluation specialists and institutions.



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In response to the changes taking place in global economic and political environments and to the challenges and opportunities emerging as a result of these changes, IFAD has evolved a new and broader concept of resource strategy. It is seen as the framework within which the functions of resource mobilization are fully integrated with operational policy and are underpinned by advocacy at various fora and by the building of alliances with donors and other partners in development. In this context, the replenishment process, while continuing to be the core of IFAD's resource base, is no longer an isolated activity but a component of the integrated resource strategy framework.

**Nor is the concept of resource strategy limited to mobilizing and deploying financial resources directly for IFAD's financing, but it refers to the full sphere of IFAD's outreach to the rural poor in developing countries. In this context, it involves channelling of financial resources through joint or complementary activities with partner organizations, as well as promoting policy initiatives and harnessing institutional capacities in favour of the poor.**

Development of IFAD's resource strategy will be backed by systematic gathering and analysis of information on the development aid environment with regard to funding potential, activities, trends and issues. This research will serve to modulate IFAD's operational policy and to orient the production and dissemination of messages about IFAD to the development community and the public.

### The Fourth Replenishment

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Negotiations for the Fourth Replenishment of the Fund were completed in February 1997 and the Replenishment declared effective on 29 August 1997. The equivalent of USD 420 million was pledged by 115 Member States towards the Fund's core resources. Additional complementary contributions brought the total to about USD 460 million and were made by Belgium (USD 25 million equivalent) and The Netherlands (USD 15 million equivalent) for, respectively, the Belgian Survival Fund Joint Programme and IFAD's participation in debt-relief initiatives for Heavily-Indebted Poor Countries.

IFAD's Fourth Replenishment represents a milestone in the institution's evolution: concurrent with its completion, a number of governance reforms — decided on earlier by the Special Committee on IFAD's Resource Requirements and Related Governance Issues — entered into force:

- The Fund's formal governance structure of three Categories with fixed membership was eliminated and Member States can now choose to align themselves in informal constituencies of flexible composition. This has important implications for future replenishments of the Fund by eliminating the whole question of "burden-sharing" among Categories of Membership, previously a hindering element in replenishment negotiations.
- Membership on the Executive Board was revised to link allocation of seats with members' past and present contribution levels. Similarly, the system of calculating members' voting rights was revised to reflect individual contribution levels while maintaining the principle that IFAD recipient-country members always hold as a base level one third of the total votes. Unlike in the past, however, these members will also receive additional votes in proportion to their cumulative contributions to the Fund.

## Towards Enhancing IFAD's Financial Resources

### Framework for the Fifth Replenishment

The underlying principle now driving all resource mobilization efforts is that IFAD should sustain a solid and continuing field presence for rural poverty alleviation through the delivery of new projects and programmes at a constant annual level, currently targeted at USD 450 million in real terms.

**The replenishment process continues to be the main vehicle for channelling such resources, and therefore the Fifth Replenishment is already on IFAD's agenda. It is expected that the recent structural changes to IFAD's governance will have a positive impact on the outcome of the next Replenishment.**

Plans are already in place to develop a framework for the negotiations, a framework characterized by focus on and dialogue with established and potential donors. Account will also be taken of the approaches and practices of other UN organizations and IFIs, of which an assessment was carried out during 1997.

### Supplementary Funds

Supplementary funds are voluntary grant resources provided by donors to support various operational programmes and activities; they do not form part of donor contributions to the Regular Resources of IFAD. An agreement between the donor and IFAD designates the Fund as administrator and defines the terms and conditions for use of the funds, which are accounted for separately from IFAD's own resources.

The most common types of supplementary funds provide project financing support; finance short-term technical assistance activities, studies and consultancy services; or strengthen IFAD strategic thrusts in a number of areas combining features of the two types above (e.g., environment, household food security and women-in-development).

IFAD's policy is directed at ensuring that the activities to be financed under supplementary fund arrangements are consistent with IFAD's institutional objectives, that they complement, expand and enhance IFAD's approved programme strategy, and that they do not substitute for IFAD's regular administrative budget.

In order to achieve the goal of administering supplementary funds in the most efficient way and to simplify access to the funds, over the last two years, IFAD has been discussing reduced conditions and restrictions for the use of the funds with the donors. This increased flexibility has been provided under new agreements with Denmark (1996), Finland (1997) and The Netherlands (1997).

### *Contributions to Support Studies and Short-Term Technical Assistance Activities*

In 1997, among the arrangements for the financing of studies and short-term technical assistance activities that IFAD has concluded over the years, arrangements were ongoing with four member states, Denmark, Finland, France and The Netherlands, to finance short-term consultancy services in support of the design, implementation and evaluation of IFAD development projects and programmes.

- Denmark:** Under the 1996 agreement in which IFAD will receive a total of DKK 10.0 million (approximately USD 1.6 million), consultants were assigned to strengthen the formulation of a project in Zimbabwe; to carry out pre-formulation studies for a programme in Malawi; to undertake a feasibility study on a knowledge network on negotiated, civil-society-driven land reform; to enhance the livestock production under a project in India; and to undertake an evaluation of a NGO pilot project in Zimbabwe for its possible replication by IFAD in other countries of the region.
- Finland:** Under the 1988 arrangement (USD 585 000), funds are being used over a three-year period for a major preliminary study on IFAD's experience and evolution from 1978 to 1997 in targeting the rural poor. The objective is to refine targeting methodologies and approaches for future project design. A new agreement was signed on 18 November 1997 for the financing of consultancy services.

- **France:**  
Under the 1990 arrangement (total allocation of FRF 33.2 million, equivalent to approximately USD 6.2 million), consultants were assigned to provide backstopping to a pilot project in Togo and to review the microenterprise sector in rural areas in Burkina Faso in view of the formulation of an IFAD project in the country.
- **The Netherlands:**  
Funds under the 1987 arrangement (USD 5.7 million) are fully committed. Under a new agreement signed in July 1997, IFAD will receive a total of NLG 4.0 million (approximately USD 1.9 million) to finance consultancy services. Under this new agreement, consultants were assigned to support the design of one project in Viet Nam and the mid-term review/evaluation of two projects in Indonesia.

### *Other Contributions*

In addition to the above-mentioned funds, over the years IFAD has received a number of supplementary funds from Member States and IFIs to strengthen IFAD's strategic thrust in the field of environment, gender and household food security, to cofinance projects in a selected number of countries, or to support other activities of mutual interest:

- **Ireland:**  
On 8 December 1997 an agreement was signed with the Department of Foreign Affairs of Ireland under which IFAD will receive a minimum of IEP 4.0 million (approximately USD 6.4 million) over a four-year period to support a collaborative programme in dryland/marginal areas. This contribution will apply to the cofinancing of IFAD projects and the financing of activities directly supportive of IFAD projects. Such projects and activities will be jointly selected by the Department of Foreign Affairs of Ireland and IFAD.
- **Italy:**  
IFAD received a total contribution of ITL 8.0 billion (approximately USD 5.0 million) from the Government of Italy to support various projects, programmes and activities.

In 1997, the Italian contribution was used to support priority research programmes; enhance IFAD's strategic focus on rural women; promote collaboration among FAO, WFP and IFAD in the field of food security in Angola; and support the activities of the Popular Coalition to Eradicate Hunger and Poverty. During a July 1997 Italy/IFAD consultation, it was noted that support to the implementation of the CCD within the context of poverty alleviation in the dryland areas constituted the major promising area for the use of the Italian funds.

- **Japan:**  
Under the November 1995 arrangement with Japan for women-in-development, IFAD received a total allocation of USD 3.0 million. In 1997, the funds were used for case studies on agricultural production technology for rural women in Africa; a rural poverty study in the Caucasus countries; a workshop on women-in-development and gender issues in Central America; and for the design of two knowledge networks, as well as for the preparation of a basic framework of two financing facilities in support of civil-society organizations.

- **Norway:**  
In 1997, under the 1989 Norwegian Environmental grant (allocation of about USD 269 000), the remaining funds were used to finalize a study for the development of criteria for determining what aspects of land degradation projects may be eligible for GEF financing. In December 1990, IFAD received USD 148 000 for women-in-development from the Government of Norway. Funds under this grant are now fully disbursed. The case studies on household food security and gender financed under the Norwegian grant were presented in May 1997 at an IFAD workshop on Household Food Security and Gender.
- **Sweden:**  
In October 1993, the Swedish Government provided USD 350 000 to support IFAD's Preliminary Development and Testing Phase of Natural Resource Management for Rural Poverty Alleviation. In 1997, the remaining funds under this grant were used to prepare environmental screening and scoping notes.

- **Switzerland:**  
Under the July 1996 arrangement with the Government of Switzerland, IFAD received an allocation of CHF 7.2 million (approximately USD 5.9 million) in favour of sub-Saharan African countries. The funds were used to contribute to the cost of the evaluation of the Special Programme for Africa (SPA), for technical assistance activities in support of CCD implementation, for providing a SOF grant to Rwanda to expedite the effectiveness of an IFAD loan and for studies related to project implementation in Angola and the United Republic of Tanzania. In January 1997, Switzerland provided IFAD with an additional contribution of CHF 1.2 million (approximately USD 845 000) to assist countries with recent socio-economic difficulties in reactivating their IFAD loan portfolios; and to improve monitoring, supervision and evaluation of projects that IFAD finances in the region.

- **IBRD:**  
In April 1997, an agreement was signed with IBRD, as implementing agency of the Global Environment Facility (GEF), under which IFAD will receive a GEF Block B grant in a total amount not exceeding USD 334 000 to strengthen its capacity to prepare land degradation control projects that specifically address global problems in GEF focal areas, advance the learning process on incorporating global environmental dimensions into land degradation control projects, and generate several GEF-eligible project proposals. Under this arrangement, funds were used to undertake an analytical review of IFAD projects to ascertain potential for GEF cofinancing, to prepare a series of GEF project concept papers, and for the convening of a technical workshop in Rome to review the concepts in terms of possible GEF financing.

#### Internal Resources

Initiatives have been taken to optimize the management of non-donor resource areas such as investment returns, Advance Commitment Authority, the arrears policy and administrative expenses.

#### Investment Income

With a view to increasing investment income, the implementation of a phased programme of diversification of the investment portfolio was initiated in 1997 with the investment of USD 280 million equivalent in equity securities. In order to allow IFAD's Treasury to fulfil more effectively the functions of asset allocation, risk management, and the monitoring of the external managers' performance and compliance with IFAD's Investment Guidelines, the practice of managing a part of the investment portfolio internally was discontinued. Consequently, with the exception of holdings of cash and short-term time deposits, required for near-term disbursements of loans and grants and payment of administrative expenses, all of IFAD's investments are now managed by external investment managers.

#### Advance Commitment Authority

In 1997, the Governing Council authorized the creation of an Advance Commitment Authority (ACA) facility under which the Fund may prudently make commitments against expected lending reflows within each replenishment period.

This facility permits the maintenance of a smooth annual commitment level by counterbalancing periodic fluctuations in investment earnings and tiding over delays in payment of donor contributions.

#### Arrears Policy

Initiatives are underway to address the issue of arrears in loan repayments. The problem is not merely the impact of current arrears on IFAD's financial resources, but also the implied future risk in lending to countries with debt-service difficulties. Substantial and prolonged arrears lead to a downward spiral of suspended disbursements, reduced foreign exchange reserves and worsening debt-service capacity. Equally if not more serious are the consequences in loss of project momentum and the disruption of planned country activities. In 1997, IFAD governing bodies approved proposals for a comprehensive policy including both corrective measures to resolve the arrears problem, and proactive participation in the International Monetary Fund (IMF)/World Bank-led Debt Initiative for Heavily-Indebted Poor Countries (HIPC) on a country-case basis. IFAD's participation plan for Uganda is already in place and the cases of Burkina Faso, Côte d'Ivoire and Bolivia are under review.

**Administrative Expenses**

The administrative budget (including the project development budget) has been reduced by over 30% in real terms (about 25% in nominal terms) over the past five years. As can be seen in *Chart 6*, the budget had been increasing at a rate of almost 18% annually over 1990-92. It is interesting to note that, had that trend continued, the budget in 1997 would have been more than double the amount actually approved.

**While concerted efforts to reduce expenditures have been made on all fronts, including limiting the use of temporary staff and consultants and maximum streamlining of documentation and official meetings, beyond doubt the most effective measure was that of re-engineering the project development cycle.**

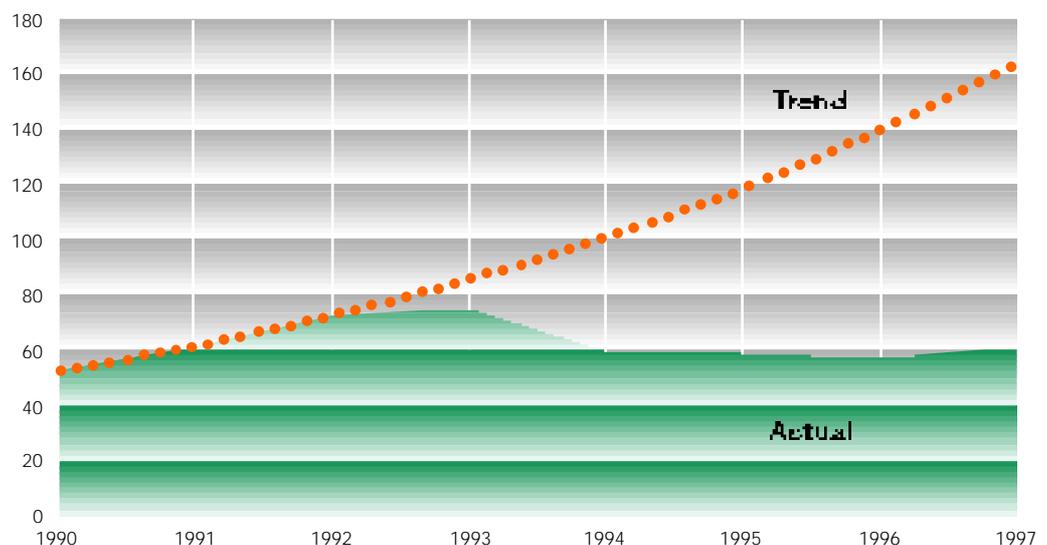
The project cycle was reviewed in depth and re-engineered largely on the basis of suggestions and proposals made by IFAD staff. Building on the Fund's twenty-year operational experience, the new approach aims to make IFAD projects more beneficiary-driven and more flexible, with greater impact and emphasis on effective implementation support. The review also sought opportunities for cost-saving. The previous, somewhat duplicative, time-consuming and costly steps involved in project development have now been replaced by a continuous and cumulative process running from inception to appraisal. Thus each phase of the re-engineered project cycle aims at adding value and avoiding duplication of previous activities.

The changes in the project development cycle account for at least 15% of the total 25% reduction in 1997 expenditures as compared to the 1992-93 average. IFAD's expectations from the re-engineering exercise, in terms of project (excluding staff input) development cost reduction, have been more than met; the average cost of delivering a project (excluding staff input) for Executive Board approval has gone from about USD 700 000 in the earlier period to an estimated USD 315 000 at present. At least another 5% of savings was made on supervision costs and related IFAD follow-up due to the renegotiation of agreements with cooperating institutions. Streamlining of documentation and official meetings accounts for most of the remaining 5% of savings.

Under the philosophy of providing "more for less", IFAD has increased its annual loan and grant delivery. In fact the 1997 level is about 40% higher (in nominal terms) than the 1992 level.

*Chart 7* is the result of an effort to develop a simple efficiency measure for IFAD's operations in the form of a ratio of total expenditures to the value of delivered projects/programmes. The administrative budget, and cost items that have not been consistently included in the budget — items previously denominated Services to Member States<sup>1</sup>, project preparation grants and the Project Development Fund (PDF) — represent the cost factor in the ratio.

**Chart 6**  
Administrative Budget: 1990-92 Trend versus 1990-97 Actual (USD million)



<sup>1</sup> From 1983 to 1993, the following expenditures were excluded from the budget proper and included under Programme of Work: Project Identification, Development of Research Programme, Special Programming Missions and Country Strategy Studies, Project-Related Workshops and all forms of Monitoring and Evaluation Activities.

The delivery factor is defined as the value of the ongoing loans and grants that finance IFAD's projects and programmes. In the case of IFAD-initiated loans, only a portion of the costs incurred in a given year relate directly to the current portfolio (e.g., costs of supervision, loan administration and monitoring and evaluation), whereas the majority are project development costs, relating to projects to be approved only in subsequent years. Nonetheless, the latter activities do produce a clear output in that they contribute to the creation of projects.

COSOPs and project formulation take place about two years before project approval and average about 60% of the total project development costs, while the remaining 40% relates to appraisal, which is generally carried out in the year preceding loan approval. To reflect this in the output side of the ratio, we have included, for IFAD-initiated projects only, 80% of the value of loan approvals (actual or planned) of the following year and 50% of those of two years hence, allowing a margin of slippage in project approval schedules.

This concept is, of course, a somewhat oversimplified one. In reality the administrative budget includes items that go beyond the development of projects and programmes, for example the Fund's knowledge function.

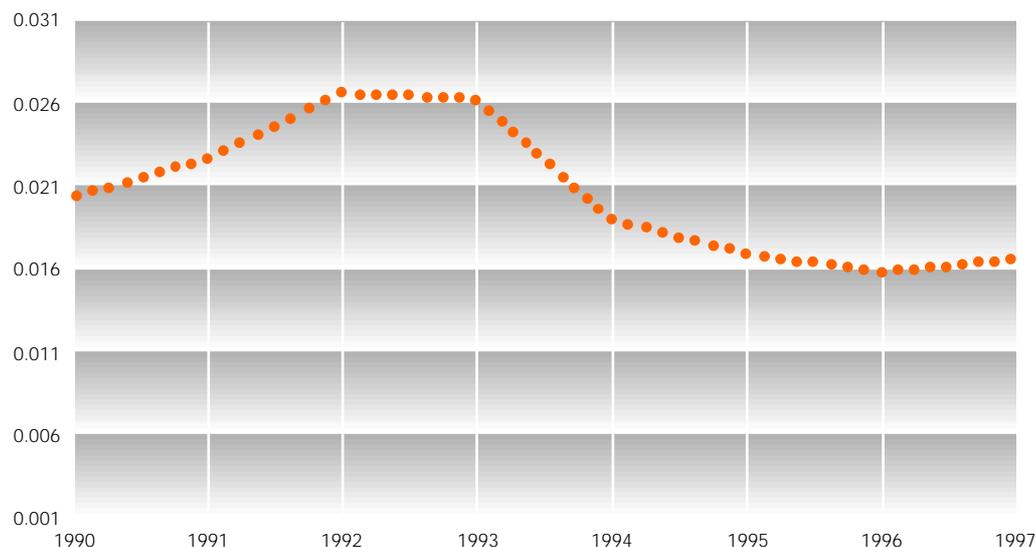
At the same time, projects and programmes cannot be considered the full output of the Fund's work, and thus the value of what is delivered may in fact be underestimated while the costs are to a degree overestimated. An ideal measure of efficiency would be one that compared expenditures to the actual benefits derived from operations, such as impact in terms of improved nutrition, income, living standards and empowerment of beneficiary groups and enhancement of their natural resource base, as well as the contribution made towards general policy and institutional development, through IFAD's role as a knowledge disseminator on issues of rural poverty. In light of the complexities in quantifying such benefits, however, the value of the portfolio is taken here as a proxy measure.

Chart 7 demonstrates that the recent reduction in administrative expenditures has not been at the cost of reduced delivery of projects and programmes. On the contrary, the portfolio, as defined above, averaged USD 2 632 million in 1992-93 (the years in which expenditures reached their highest peak), whereas in 1996-97 a portfolio worth an average USD 3 549 million is being managed with substantially lower costs. The cost-benefit ratio dropped from 0.027 to 0.016 over the two periods.

Continuously increasing efficiency in the use of staff time and budgetary resources is a long-term goal, implemented through various means. A fundamental one is the development of IFAD's corporate strategy process, by which strategic goals and objectives are placed in direct correlation with the allocation and use of resources within the budget process.

**Chart 7**  
**Administrative Budget as a Ratio of the Active Loan and Grant Portfolio (a)**

(a) The active loan and grant portfolio includes the full value of loans for projects under implementation (disbursement status), 50% of the value of loans for projects undergoing identification/formulation (assumed to have been carried out two years prior to loan approval), 80% of the value of loans for projects under appraisal (assumed to have been carried out in the year prior to loan approval), plus the value of grants in disbursement status.



Another important factor has been the streamlining of various business processes resulting from implementation of the 1995 re-engineering recommendations, leading to cost savings in areas such as project design, documents and publications management, and procurement. Further efficiencies are expected to result from the human resource management strategy presently under development. Finally, ongoing implementation of corporate information systems and applications is facilitating various tasks and contributing to the reorientation of human input towards higher-quality work.

### Belgian Survival Fund Joint Programme

The Belgian Survival Fund Joint Programme (BSF.JP), established by the Belgian Parliament in 1983, is a framework for developing multisectoral interventions involving collaboration among UN agencies, with IFAD as the lead agency, the World Health Organization (WHO), the United Nations Children's Fund (UNICEF) and UNDP as participating agencies, and Belgium as the sole donor of the programme. The ultimate objective of BSF.JP is poverty alleviation through an integrated approach encompassing such elements as production, access, entitlement, marketing, provision of basic social services and intra-household distribution. Considerable efforts are directed towards the effective empowerment and participation of target beneficiaries in order to ensure sustainable development.

**The total annual budget is USD 12 million, allocated for the purpose of cofinancing IFAD projects in the following target countries: Angola, Burkina Faso, Chad, D.R. Congo, Eritrea, Ethiopia, Kenya, Mali, Rwanda, Somalia, the United Republic of Tanzania, and Uganda. By late 1997, 22 projects were approved with a total financial commitment of approximately USD 80 million. The current portfolio comprises 14 ongoing projects in nine of the BSF.JP target countries.**

Participatory formulation workshops were organized for the BSF.JP socio-health component complementary to the IFAD *Kidal Food and Income Security Programme* in Mali, and the BSF.JP water supply, health and basic sanitation component complementary to the IFAD *Southern Region Cooperatives Development and Credit Project* in Ethiopia. Preparations are underway for the start-up of the *South West Rural Development Project* in Burkina Faso, the *Support for Women's Groups in North Kivu* in the Democratic Republic of The Congo, and the *Agricultural and Environmental Management Project* in the United Republic of Tanzania.

This year grant agreements were signed for the *Agricultural and Environmental Management Project* in the United Republic of Tanzania and the *Ouadis of Kanem Water Supply, Health and Nutrition Project* in Chad. Start-up workshops were held for both projects.





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In response to the emergency refugee situation in Rwanda and the Democratic Republic of The Congo, two projects are expected to take off in early 1998, the *Rwanda Returnees Rehabilitation Programme* and the *Support for Women's Groups in North Kivu*. The aim of these projects is to enable a harmonious reintegration of the returnee population and provide immediate assistance directed towards re-establishing a livelihood based on agricultural production, with access to health care and other basic social services.

A number of proposals are at the formulation stage and are likely to become effective in 1998, such as the *Hoima and Kibaale Districts Integrated Community Development Project - Phase II* in Uganda, and the already-mentioned socio-health component complementary to the IFAD *Kidal Food and Income Security Programme* in Mali.

This year a significant portion of BSF.JP funds was entrusted to NGOs, both northern and southern, given their comparative advantage in enhancing local capacity.

BSF.JP has initiated a strategy to strengthen projects through the inclusion of population and family planning activities; during 1998 collaboration with the United Nations Population Fund (UNFPA) will be pursued vigorously at the field level.

The Belgian Secretary of State for Development Cooperation, accompanied by seven Belgian parliamentarians, visited BSF.JP projects in Uganda during the second week of September 1997. This visit served, *inter alia*, to initiate a global evaluation of the project portfolio, which will begin in 1998 and continue through the year 2000. This evaluation may lay the groundwork for the Third Phase of the BSF.JP (2001-2005), and will be instrumental in assessing the gap between objectives and achievements and in developing solutions to further improve project impact in the new millennium.

During 1997 increasing attention was paid to the measurement of project impact and sustainability during supervision missions. Most of the ongoing projects appear to be successful in arresting household nutritional insecurity and in increasing the role of beneficiaries in rural development decision-making. A country portfolio review was carried out in the United Republic of Tanzania during May 1997 in order to review the current IFAD and BSF.JP project portfolio with respect to design, management, supervision and effectiveness, and to elaborate proposals to improve the operation and impact of the portfolio. The assessment of BSF.JP projects was extremely favourable; the participatory approach adopted for the household water supplies and sanitation component of the *Water Supply and Health Project in Marginal Areas* was particularly appreciated.



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## Coalitions with Civil Society

### NGO Collaboration

In the last decade the activities of both national and international NGOs have not only increased in scope and magnitude, but their impact and effectiveness have been more generally recognized. There is no doubt that NGOs have made a strong impact on the quality of development aid by influencing the nature and scope of development strategies. Furthermore, they are playing a strong advocacy role throughout the world on such issues as desertification, capacity-building and microcredit delivery.

Over the past ten years development concepts have undergone a radical change as the focus of assistance has turned to small-scale projects aimed directly at the rural poor. In this context NGOs have developed a first-hand understanding of local institutions and the socio-cultural environment in which they operate.

Their effectiveness has been aided by their ability to establish tight networks of contacts at village and national levels and permanent infrastructures at project sites, guided by the concept that *development is a process in which people change their own lives by their own efforts*. Many of their projects have been successful in generating innovative ideas and approaches in the field of rural development and rural credit that can be replicated on a larger scale.

**In recognition of the role NGOs play in rural development, IFAD has continuously sought their collaboration and taken advantage of their experience. Beginning in 1980 and increasing over the years, most collaboration between NGOs and IFAD has traditionally been, and remains, at the project level.**

By 31 May 1996, 231 NGOs had been involved in the implementation of Fund-financed projects. As of September 1997 this number has increased to 314 NGOs, of which 41% are working in sub-Saharan African countries, 21% in Latin America and the Caribbean, 32% in Asia and the Pacific, and 6% in the Near East and North Africa. It must be noted that almost three quarters of the NGOs selected for cooperation are from the south.

The range of activities carried out by NGOs includes: extension; institutional strengthening; group formation and training; implementation of rural credit and savings programmes; production and asset-building programmes such as water resources development; crop production and environmental protection development; small-scale enterprise and marketing support; livestock development; income-generating activities; and promotion of women's activities.

In 1997 IFAD published a booklet entitled *Partnership with Non-Governmental Organizations*. The aim of this booklet is to provide NGOs with general information about IFAD. It explains IFAD's background, mandate, objectives and activities, placing emphasis on its policies and procedures for interaction with other institutions, specifically with NGOs. The publication illustrates various ways in which IFAD and NGOs have collaborated on specific projects and programmes, and on activities that the Fund has conceived to improve such collaboration.

The outreach to North American NGOs is further undertaken through our Liaison Offices in Washington, D.C., and New York. During 1997, a number of new initiatives with the NGO community were pursued, such as the informal working group made up of operational and advocacy NGOs in the United States with the aim of promoting and making known IFAD's operations in favour of the rural poor. This working group will actively participate in the Fund's Twentieth Anniversary celebration.





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### *IFAD/NGO Extended Cooperation Programme*

An important instrument for IFAD/NGO cooperation is the IFAD/NGO Extended Cooperation Programme (ECP), which was established in 1987 to enhance interaction with NGOs, especially those involved in assisting the rural poor and other IFAD priority target groups. The ECP aims to promote pilot activities that lay the groundwork for future IFAD investments or support ongoing projects, providing grants of up to USD 75 000.

Examples of grants approved in 1997 are:

The *Groupe de Recherche et d'Echanges Technologiques* (GRET) in Mauritania received a grant of USD 75 000 to carry out an experimentation programme on water-lifting devices in the palm groves in the *Oasis Development Project*.

The programme supplements an IFAD-funded research and development programme. Overexploitation of groundwater resources has been a major problem since traditional water-lifting devices were replaced by portable motor pumps. Research carried out by GRET found that the cost of water, including the amortization of equipment, amounts to 40-70% of the total production costs and that the cost of gasoline could amount to 50% of the total cost of water. Therefore three pumping systems using different sources of energy (wind, solar and electricity) will be tested.

IFAD has provided a grant of USD 65 000 to the *Worldview International Foundation* (WIF) for Communication Strengthening for Project Implementation Support in the Arab Region. Through the Arab Centre for Studies of Arid Zones and Dry Lands (ACSAD) and the International Centre for Agricultural Research in the Dry Areas (ICARDA), the project will assist ongoing IFAD-supported projects in building their capacity for effective communication and adoption of appropriate technologies by end-users.

The project will benefit three groups: beneficiaries of IFAD-supported projects; the management and technical staff of these projects; and communication activities of ICARDA and ACSAD. These two institutions are providing technical backstopping support to improve the performance of the IFAD project portfolio in the Near East and North Africa Region and to strengthen its impact on rural poverty alleviation.

*Technologien, Bau- und Wirtschaftsberatung* (TBW) in Germany received a grant of USD 45 000 for the preparation of a consultative study for furthering north-south NGO partnerships in support of the CCD. The study will address the issue of the understanding of 'partnership' under the convention from northern and southern perspectives. It will review past experiences and mutual expectations on the quality and format of such partnership. Finally, it will assess fields of priority for concrete, short-term, realizable north-south cooperation, designated to improve the contribution of civil society to the implementation of the CCD. This preparatory study will address NGOs from Africa, Asia, Australia/Japan, Europe, Latin America and North America.

### *IFAD/NGO Annual Consultations*

Since 1990, the Fund has held annual consultations at its Headquarters with representatives of selected northern and southern NGOs for the purpose of exchanging views and ideas about past, current and future cooperation. The meetings (with the number of participating NGOs ranging from 23 to 33) have provided a forum for policy discussion, through case studies of both NGO and IFAD projects, of topics such as the effectiveness of IFAD/NGO cooperation, how beneficiary needs are assessed by NGOs and the beneficiaries, provision of credit to the rural poor, rural peoples' organizations, and land degradation and poverty alleviation. The 1996 consultation had discussed the theme of Capacity-Building at the Local Level, which was linked to the implementation of the Convention to Combat Desertification (CCD).

**In 1997 the consultation discussed the theme of Local Action Development for Sustainable Resource Management.**

Four case studies were discussed, focusing on: assessment of the impact of desertification on local economies; combating desertification: capacity of local institutions to respond to challenges; assessment of the role and potential of local financial institutions; and improving microfinance capacity-building. Policy recommendations to IFAD included the following:

- **Knowledge networks.** Devise ways to extend the linkages between IFAD's knowledge networks and the global NGO community, by appointing a number of NGOs as focal points.
- **IFAD/NGO financing instruments.** Lead other multilateral financial institutions in creating innovative financing mechanisms for assuring NGO participation in the design, implementation and evaluation of loans. At the same time, the ECP grants should be increased in size and overall budget.

- **NGO capacity-building.** Support training programmes for NGOs to build their professional capacities in project design. Such training should include the planning of projects; monitoring and evaluation; integration of specific issues, like health, environment, gender and social aspects in project design; and impact assessment.
- **North-south interface.** Facilitate a new and creative interface between northern and southern NGOs, as the agency that will host the Global Mechanism.
- **Development of local programmes.** Conduct a critical analysis of best practices in order to improve the quality and quantity of local area development programmes (LADPs). Provide financing to pilot projects for promoting local community development in those countries that support the CCD.
- **Implementation of the CCD.** Set up strategies and criteria for involving NGOs at different levels of policy-making in the IFAD-NGO partnership arrangements for implementing the CCD. Promote stronger and more flexible institutional frameworks for implementing the CCD at the local, national, regional and international levels.

### Popular Coalition to Eradicate Hunger and Poverty

The Popular Coalition to Eradicate Hunger and Poverty was founded by the Conference on Hunger and Poverty held in Brussels in November 1995. The Coalition is a consortium of action, a strategic partnership among civil society and multilateral organizations with a single objective: to build upon and maximize the dynamism and potential of civil society to fight hunger and poverty.

**To date, the Coalition can count on about 400 partners who wish to be associated with its programme and activities, 60% of them NGOs.**

Its founding members, the World Bank, FAO, WFP, IFAD, the European Commission, and one sectoral and five regional NGOs, have agreed on a set of *Guiding Principles* for the Coalition, including its definition and scope, its structure and operational strategy and the conditions for participation, as well as a two-year programme of work.

The members of the Coalition have also committed themselves to pooling their resources and institutional capacities to improve the access of the poor to productive resources using the experience and potential of NGOs and other civil-society organizations. In April 1997, the Executive Board approved a technical assistance grant of USD 900 000 for implementation of the Coalition's programme of work. Support is expected from the World Bank, FAO and WFP.

The implementation of the Coalition's Programme of Action follows a decentralized approach through action groups consisting of representatives of intergovernmental agencies and NGOs.

The Coalition is in the process of establishing a facility in response to the call of the conference to support innovative capacity-building programmes and the replication and scaling up of successful experiences in civil-society empowerment.

The basic goal of this facility will be to enhance the ability of the poor and their organizations to gain and protect their access to land, water and common-property resources and to the tools and processes that would enable them to manage such resources in a sustainable manner.

Two knowledge networks are also being established, both focusing on agrarian reform from different angles (see box *Land Reform Building on Civil-Society Experiences*). The Coalition's facility will be used to support successful civil-society experiences in land reform identified by the networks.

Given the importance the Coalition attaches to land reform for poverty alleviation, the Interim Committee has already decided to support a project aimed at enhancing farmers' capacities for agrarian reform

and poverty alleviation submitted to it by one of its members, the Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC).

The project, situated in Northern Mindanao, The Philippines, aims at empowering rural communities through land-tenure improvements and support services for socio-economic activities. In so doing, it will have both direct and indirect impact on the maintenance of peace in Mindanao. The ongoing conflicts in the region are primarily based on territorial disputes and asset control.

Thus the success of agrarian reform, in both the lowlands and the uplands, will have direct bearing on the peace process. The issuance of certificates of ancestral domain claims, for example, will affect thousands of hectares claimed by indigenous communities and Muslim groups. In addition, a number of these groups are targeted as direct beneficiaries of a number of economic activities.



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## Land Reform Building on Civil-Society Experiences

Sustainable poverty reduction implies improvements in the terms of access by the poor to natural resources. Such improvements often result not from government interventions and reforms, but from local, grass-roots initiatives on the part of the poor themselves and civil-society organizations representing their interests. These initiatives, however, are poorly documented, analysed and shared. In order to better use the potential of civil-society organizations and build upon their knowledge and experience in safeguarding and enhancing the access of the poor to natural resources, the Popular Coalition is supporting two knowledge networks.

The first, on *Civil-Society Initiatives in Land Reform and Tenurial Security*, focuses on the collection, analysis and dissemination of information on these civil-society initiatives. Such initiatives include local actions that aim to improve the access of rural poor people to land and water resources, including common-property resources. They also include conflict resolution, land rights and entitlements, protection of the rights of women and indigenous organizations.

The network covers 25 countries divided into groups of three-to-five countries from seven major subregions (i.e., Southeast Asia, South Asia, Near East and North Africa, the South African Development Community (SADC) and East Africa, Central and West Africa, South America, Central America and the Caribbean). Each group of countries has one regional node, each country one national focal institution. National institutions collect information from as many local groups as possible, conduct preliminary screening and synthesize information for dissemination among other national entities and to their regional nodes. The latter further review and analyse this information for subsequent dissemination to the other regional nodes and relevant institutions worldwide. By this process, the most successful practices, policies and innovative institutional arrangements will be promoted for support by the Coalition and possible scaling up and replication through use of the Coalition's grant facility. The network will be officially launched in February 1998 in the context of the celebrations of IFAD's Twentieth Anniversary.

The second network, on *Negotiated Land Reform*, complements the first by concentrating on market-assisted land reform in four countries: Brazil, Colombia, The Philippines and South Africa. Its purpose is to provide an exchange of professional advice on policy formulation, programme design and monitoring and evaluation of redistributive market-assisted or negotiated land-reform programmes that are mediated by NGOs and other civil-society organizations.



## NGO Collaboration in IFAD-Financed Projects in 1997 and Ongoing Projects under the Extended Cooperation Programme (ECP)

NGO		Origin	Project /Grant	Host Country
31 DECEMBER	31st December Women's Movement	Ghana	Smallholder Credit, Input Supply and Marketing Project ECP Grant linked to Smallholder Rehabilitation and Development Programme	Ghana Ghana
ZATONA/ADIL	Ação para o Desenvolvimento de Iniciativas Locais	Sao Tome and Principe	National Smallholders Support Programme	Sao Tome and Principe
ACTIONAID		United Kingdom	Lowlands Agricultural Development Programme ECP Grant linked to North-Central Agricultural Project	Gambia, The Sierra Leone
ADIAAC	Asociación de Desarrollo Integral Agroforestal Comunitario	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
ADEVAS	Agencia de Desarrollo del Departamento de Ocotepeque	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
AFRICARE	African Reinsurance Cooperation	United States	ECP Grant linked to Smallholder Irrigation and Water Use Programme	Zambia
ACORD	Agency for Cooperation and Research in Development	United Kingdom	Kidal Food and Income Security Programme Community Development of Wildlife Management Areas (ECP Grant*)	Mali Botswana
ASDECOHUE	Agencia de Servicios de Desarrollo Económico y Social de Huehuetenango	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
AGRARIA	Organismo de Desarrollo Campesino y Alimentario	Chile	Agricultural Development Project for Peasant Communities and Smallholders of the Fourth Region	Chile
ASHI	Ahon sa Hirap. Inc.	Philippines	ECP Grant linked to Rural Micro-Enterprise Finance Project	Philippines
	American Friends Service Committee	United States	Cooperative Rural Development and Animal Health Project (ECP Grant*)	Cambodia
ANERA	American Near East Refugee Aid	United States	Relief and Development Programme	Gaza and the West Bank
ACDC	Anallon Christian Development Committee	India	ECP Grant linked to North Eastern Region Community Resource Management Project for Upland Areas	India
ATI	Appropriate Technology International	United States	Vegetable Oil Development Project (TAG Grant)	Uganda
ATG	Armenian Technology Group	United States	North-West Agricultural Services Project	Armenia
	Ashanti Council World Banking	Ghana	Smallholder Credit, Input Supply and Marketing Project	Ghana
ANGOC	Asian NGO Coalition for Agrarian Reform and Rural Development	Philippines	Enhancing Farmers' Capacity for Agrarian Reform and Poverty Alleviation (ECP Grant*)	Philippines
ANDAR	Asociación Andar	Costa Rica	Production and Distribution of Didactic Training Materials with a Gender Focus Project in Costa Rica (ECP Grant*)	Costa Rica
	Asociación Nacional Mapuche Nehuen-Mapu	Chile	Programme for Technological Improvement and Community Development for the Mapuche Population of Region IX (ECP Grant*)	Chile
TINECOS-ADAT	Asociación de Agricultores	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
ATAS	Asociación Técnicos Agropecuarios Saraguros	Ecuador	Saraguro-Yacuambi Rural Development Project	Ecuador
ACVR	Association des communautés villageoises responsables	Togo	ECP Grant linked to Village Organization and Development Project	Togo
ASARECA	Association for Strengthening Agriculture Research in East and Central Africa	Uganda	Agricultural Research and Training by CGIAR-Supported International Centres (TAG Grant)	East and Central Africa
AFVP	Association française des volontaires du progrès	France	ECP Grant linked to Agricultural Rehabilitation Programme II	Mauritania
	Association Hevitra Maro	Madagascar	Upper Mandraré Basin Development Project	Madagascar
AIDOS	Associazione Italiana Donne per lo Sviluppo	Italy	Relief and Development Programme	Gaza and the West Bank
	Au Secours	Mauritania	ECP Grant linked to Agricultural Rehabilitation Programme II	Mauritania
BFW	Bread for The World	United States	Publication of 1998 Hunger Report	United States
	Brong Ahafo Apple	Ghana	Smallholder Credit, Input Supply and Marketing Project	Ghana
EDR	Cajas Rurales de Ahorro y Crédito	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
CANA	Centro de Amigos de la Naturaleza	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
CECI	Canadian Centre for Studies and International Cooperation	Canada	Cuchumatanes Highlands Rural Development Project	Guatemala
CHF	Canadian Hunger Foundation	Canada	ECP Grant linked to Rehabilitation and Development for War-Torn Areas in the Department of Chalatenango	El Salvador

## Resource Strategy and Partnerships

NGO		Origin	Project /Grant	Host Country
CARE	CARE International - Co-operative for Assistance and Relief Everywhere	International	Nampula Artisanal Fisheries Project	Mozambique
	CARE Australia	Australia	ECP Grant linked to Community-Based Spring and Canal Rehabilitation Project	Jordan
	CARE Canada	Canada	Relief and Development Programme	Gaza and the West Bank
	CARE Tanzania	Tanzania, United Republic of	Rehabilitation of Rwandan Refugee Affected Areas	Tanzania, United Republic of
	CARE Zimbabwe	Zimbabwe	ECP Grant linked to Rural Agents Development Extension Smallholder Dry Areas Resource Management Project South Eastern Dry Areas Project	Zimbabwe
			ECP Grant linked to Smallholder Dry Areas Resource Management Project and South Eastern Dry Areas Project	Zimbabwe
CNIRD	Caribbean Network for Integrated Rural Development	Trinidad and Tobago	Pilot Regional Community Radio Programme (ECP Grant*)	Caribbean (Regional)
CAADT	Catholic Diocese of Colón and Kuna-Yala Centre for Agricultural and Artisan Development and Training	Panama	Agroforestry Training Programme (ECP Grant*)	Panama
CEJIS	Centro de Estudios Jurídicos e Investigación Social	Bolivia	Camelid Producers Development Project in the Andean High Plateau	Bolivia
COCIS	Center for Integrated Agriculture and Cooperative System	Nepal	Hills Leasehold Forestry and Forage Development Project	Nepal
CARD	Centre for Agriculture and Rural Development	Philippines	ECP Grant linked to Rural Micro-Enterprise Finance Project	Philippines
CAIP	Centro Andino de Investigación Pedagógica	Peru	Promotion of Technology Transfer Project to Peasant Communities in the Highlands Peru	
CEAS	Centro de Enseñanza y Aprendizaje	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
CEPA	Centro de Estudios y Proyectos Asociativos	Bolivia	ECP Grant linked to Cotagaita-San Juan del Oro Agricultural Development Project Camelid Producers Development Project in the Andean High Plateau	Bolivia Bolivia
CPES	Centro Paraguayo de Estudios Sociológicos	Paraguay	Peasant Development Fund Project - North-Eastern Region of Paraguay	Paraguay
CWS	Church World Service	United States	ECP Grant linked to Agriculture Productivity Improvement Project	Cambodia
CODIS	Consultores de Desarrollo Integral Sostenible	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
CODEFF	Comité pro Defensa de la Fauna y Flora	Chile	North-South Hemispheric Meeting of NGOs (TAG Grant)	Chile
	Comunidad Agropecuaria de los Milicianos de Chiantla	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
	Cooperativa Agrícola Integral "Joya Hermosa de Las Tres Cruces" R.L.	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
	Cooperativa Agropecuaria de Servicios Varios San Bartolo	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
	Cooperativa de Ahorro y Crédito Integral Coatan R.I.	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
	Cooperativa Integral de Ahorro y Crédito La "Rafaela" R.L.	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
	Cooperativa Agrícola Integral A'XOLA R.L.	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
JUNDEP	Corporación Privada de Desarrollo Social Juventudes para el Desarrollo	Chile	Agricultural Development Project for Peasant Communities and Smallholders of the Fourth Region	Chile
SAHEL D.E.F.I.S.	Développement environnement formation insertion sociale	France	Forum of Mediterranean NGOs (TAG Grant) Green Spots of the Sahel (ECP Grant*)	France
	Delta International	Nepal	Hills Leasehold Forestry and Forage Development Project	Nepal
DEPROSC	Development Project Service Center	Nepal	Hills Leasehold Forestry and Forage Development Project	Nepal
DIA	Desarrollo Integral Alternativo	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
ECCDODES	Empresa Consultora Congolón	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
FIE	Fondo Iniciativas Económicas	Bolivia	Camelid Producers Development Project in the Andean High Plateau	Bolivia
CRAC	Entidades de Desarrollo Rural	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
FAFIDESS	Fundación de Asesoría Financiera a Instituciones de Desarrollo y Servicio Social	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
FEDECOPADES	Federación de Cooperativas Agropecuarias de El Salvador	El Salvador	Rehabilitation and Development Project for War-Torn Areas in the Department of Chalatenango	El Salvador
	Focus Nepal	Nepal	Hills Leasehold Forestry and Forage Development Project	Nepal
TBW	Forum Umwelt und Entwicklung, Technologien, Bau- und Wirtschaftsberatung	Germany	A study for furthering North-South NGO Partnerships in Support of the Implementation of the CCD (ECP Grant*)	Germany
VVD	Fraternal Green Cross - Volunteers for Village Development	India	ECP Grant linked to North Eastern Region Community Resource Management Project for Upland Areas	India
FFH	Freedom from Hunger	United States	Lowlands Agricultural Development Programme Upper West Agricultural Development Project	Gambia, The Ghana

NGO		Origin	Project/Grant	Host Country
FUNDABANCAFE	Fundación BANCAFE	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
	Fundação Amilcar Cabral - Solidarity in Development	Guinea-Bissau	ECP Grant linked to Tombali Rice Development Project	Guinea-Bissau
FADES	Fundación para Alternativas de Desarrollo	Bolivia	Camelid Producers Development Project in the Andean High Plateau	Bolivia
FUNPROCOOP	Fundación Promotora de Cooperativas	El Salvador	Rehabilitation and Development Project for War-Torn Areas in the Department of Chalatenango	El Salvador
REDES	Fundación Salvadoreña para la Reconstrucción y el Desarrollo	El Salvador	Rehabilitation and Development Project for War-Torn Areas in the Department of Chalatenango	El Salvador
FUNEI	Fundación Ecológica Yacuambi	Ecuador	Saraguro-Yacuambi Rural Development Project	Ecuador
CORDES	Fundación para la Cooperación y el Desarrollo Comunal en El Salvador	El Salvador	Rehabilitation and Development Project for War-Torn Areas in the Department of Chalatenango	El Salvador
GMSA	Gauri Shanker Multipurpose Service Association	Nepal	Hills Leasehold Forestry and Forage Development Project	Nepal
GRET	Groupe de Recherche et d'Échanges Technologiques	Mauritania	ECP Grant linked to Oasis Development Project, Phase II	Mauritania
GIA	Grupo de Investigaciones Agrarias	Chile	Agricultural Development Project for Peasant Communities and Smallholders of the Fourth Region	Chile
	Hermandad de Honduras	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
HIVOS	Humanistisch Instituut Voor Ontwikkelings Samenwerking	Netherlands	Cuchumatanes Highlands Rural Development Project	Guatemala
IPMF	Ibn Khaldoun People Monetary Fund	Egypt	ECP Grant linked to East Delta Newlands Agricultural Services Project	Egypt
INFOP-ACT	Instituto Nacional de Formación Profesional	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
INHCOES	Instituto Hondureño de Comunicación y Educación	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
IRDWA	Integrated Rural Development Welfare Association	India	ECP Grant linked to North Eastern Region Community Resource Management Project for Upland Areas	India
AGRISUD	Institut international d'appui au développement	France	ECP Grant linked to Peasant Production and Marketing Promotion Project	Equatorial Guinea
LPPSE	Institute for Economic and Social Studies Development	Indonesia	P4K - Phase III (Income-Generating Project for Marginal Farmers and the Landless)	Indonesia
ICD	Instituto de Comunicación y Desarrollo	Peru	Promotion of Technology Transfer Project to Peasant Communities in the Highlands	Peru
INPROA	Instituto de Promoción Agraria	Chile	Agricultural Development Project for Peasant Communities and Smallholders of the Fourth Region	Chile
ITDG	Intermediate Technology Development Group	United Kingdom	Agricultural Services Project: Smallholder Food Security Sub-Project	Malawi
AICF	Association Internationale contre la faim	France	Upper West Agricultural Development Project	Ghana
IICO	International Islamic Charitable Organization	Saudi Arabia	Seminar on Vocational Education and Training Centres for Poor Societies as Important Means of Empowering the Poor (TAG Grant)	Kuwait
IVSP	International Voluntary Service for Peace	United States	Peasant Development Fund Project - North-Eastern Region of Paraguay Cuchumatanes Highlands Rural Development Project	Paraguay Guatemala
IER	Istituto de Educación Rural	Chile	Agricultural Development Project for Peasant Communities and Smallholders of the Fourth Region	Chile
JGGA	Japan Global Green Association	Japan	Plant-Growth Stimulant as a Way of Solving Desertification: Experiments in the Inner Mongolia Autonomous Region, China (ECP Grant*)	China
KWTF	Kenya Women's Finance Trust	Kenya	ECP Grant linked to Kwale and Kilifi District Development Project	Kenya
LAPC	Land and Agriculture Policy Centre	South Africa	Targeted Technical Assistance to the Design Process of Rural Poverty Alleviation Projects (ECP Grant*)	South Africa
LAND O'LAKES	LAND O'LAKES International	United States	ECP Grant linked to Small-Scale Irrigation Rehabilitation Project	Albania
	Leventis Foundation	Nigeria	ECP Grant linked to all IFAD projects in the country	Nigeria
MEHPDS	Manipur Eastern Hill People's Development Society	India	ECP Grant linked to North Eastern Region Community Resource Management Project for Upland Areas	India
MEPA	Metrology and Environmental Protection Administration		International Workshop on Sustainable Use of Rangelands and Desertification Control	Saudi Arabia
NCWD	National Council for Women's Development	Ghana	Smallholder Credit, Input Supply and Marketing Project	Ghana
NFU	National Farmers Union	Saint Vincent and the Grenadines	ECP Grant linked to Smallholder Crop Improvement and Marketing Project	Saint Vincent and the Grenadines
NHI	Natural Heritage Institute		North-South Hemispheric Meeting of NGOs (TAG Grant)	United States
NEF	Near East Foundation	United States	ECP Grant linked to Tafilalet and Dades Rural Development Project	Morocco
NWTF	Negros Women for Tomorrow Foundation	Philippines	ECP Grant linked to Rural Micro-Enterprise Finance Project	Philippines

## Resource Strategy and Partnerships

NGO		Origin	Project /Grant	Host Country
NAF	Nepal Agroforestry Foundation	Nepal	Hills Leasehold Forestry and Forage Development Project	Nepal
SNV	Stichting Nederlandse Vrijwilligers	Netherlands	Small-Scale Irrigation Rehabilitation Project	Albania
CASHPOR, Inc.	Network for Credit and Savings for Hard-Core Poor in Asia-Pacific	Philippines	ECP Grant linked to Rural Micro-Enterprise Finance Project	Philippines
	New Sprouts Lamosangu	Nepal	Hills Leasehold Forestry and Forage Development Project	Nepal
NITLAPAN		Nicaragua	Rural Development Project for the Southern Pacific Dry Region	Nicaragua
ODECO	Organización para el Desarrollo de Corquin	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
ODISAH	Organización para el Desarrollo Integral de Servicios Alternativos	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
OMCV	Organizaçao das Mulheres de Cabo Verde	Cape Verde	ECP Grant linked to Artisanal Fisheries Development Project	Cape Verde
PARC	Palestinian Agricultural Relief Committee	Gaza and the West Bank	Relief and Development Programme	Gaza and the West Bank
PhilDHRRRA	Philippines Foundation for the Development of Human Resources in Rural Areas	Philippines	ECP Grant linked to Western Mindanao Local Initiative Project	Philippines
	Plants for Life	Nepal	Hills Leasehold Forestry and Forage Development Project	Nepal
PROCDI	Programa Comunitario de Desarrollo Integral	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
	Queen Alia Fund	Jordan	Community-Based Rural Poverty Alleviation Project in Jordan (ECP Grant*)	Jordan
RIOD Network	Réseau international d'ONGs sur la désertification	International	NGO Forum for the Convention to Combat Desertification Conference of the Parties - RIOD Network Programme (ECP Grant*)	Italy
	Save the Children Federation	United States	North-West Agricultural Services Project	Armenia
SECADEV	Secours catolique du développement	France	Upper West Agricultural Development Project	Ghana
SEDI	Servicios Educativos de Desarrollo Integral	Honduras	Agricultural Development Programme for the Western Region (PLANDERO)	Honduras
SDID	Société de développement international desjardin	Canada	North-East Agricultural Improvement and Development Project Support to Economic Grassroots Initiatives Project	Madagascar Comoros
SCS	Solidarité Canada Sahel	Canada	Inventory of Traditional Techniques (TAG Grant)	Canada
SAPPROS	Support Activities for Poor Producers in Nepal Foundation	Nepal	ECP Grant linked to Production Credit for Rural Women Project and Hills Leasehold Forestry and Forage Development Project	Nepal
SATCOM	Servicio de Asistencia Técnica en Capacitación y Comunicación	Bolivia	ECP Grant linked to Consolidation and Development of Smallholder Settlements in the Department of Santa Cruz Project	Bolivia
	TECHNOSERVE Inc.	United States	Upper West Agricultural Development Project Rehabilitation and Development Project for War-Torn Areas in the Department of Chalatenango	Ghana El Salvador
FUCA	The Follow-up Committee for Arab NGOs	Egypt	Arab NGOs Conference (TAG Grant)	Egypt
TWIN Ltd.	Third World International Network Ltd.	United Kingdom	ECP Grant linked to Peasant Production and Marketing Promotion Project	Equatorial Guinea
TSPI	Tulay sa Pag-unlad, Inc.	Philippines	ECP Grant linked to Rural Micro-Enterprise Finance Project	Philippines
CUJCA	Union of Agricultural Peasant Youths	Bolivia	ECP Grant linked to Consolidation and Development of Smallholder Settlements in the Department of Santa Cruz Project	Bolivia
UTAP	Union tunisienne de l'agriculture et de la pêche	Tunisia	Conference on Food Security and Agricultural Development (TAG Grant)	Tunisia
VSF	Veterinaires sans frontières	France	ECP Grant linked to Agriculture Productivity Improvement Project	Cambodia
VETERMON	Veterinarios para el Mundo	Guatemala	Cuchumatanes Highlands Rural Development Project	Guatemala
VOCA	Volunteers in Overseas Cooperative Assistance	United States	ECP Grant linked to Southern and Eastern Regions Rural Rehabilitation Project	The Former Yugoslav Republic of Macedonia Gaza and the West Bank
	Water Aid International	Mozambique	Targeted Technical Assistance in Support of IFAD and ANERA Projects (ECP Grant*) Niassa Agricultural Development Project	Mozambique
WATCH	Women Acting Together for Change	Nepal	Hills Leasehold Forestry and Forage Development Project	Nepal
YMCA	World Alliance of Young Men's Christian Associations	Lebanon	Smallholder Livestock Rehabilitation Project	Lebanon
WWF	World Wildlife Fund for Nature	Switzerland	Second Environment Programme Support Project	Madagascar
WIF	Worldview International Foundation	Sri Lanka	Communication Strengthening for Project Implementation Support (ECP Grant*)	Lebanon
YFA	Youth for Action	India	AFRO-ASIAN Global NGO Forum on South-South and South-North Cooperation (TAG Grant)	India

\* ECP grants not directly linked to an ongoing IFAD project

## Inter-Agency Collaboration

### FAO and WFP

Over the past few years, and particularly in 1997, the three UN agencies in Rome have strengthened their relationship through a number of new initiatives. These have come about as a result of recently instituted regular and informal meetings among the executive heads of FAO, IFAD and WFP to explore new opportunities for collaboration and streamlining of efforts. Agreements have been reached, for instance, between FAO and IFAD to exchange administrative services through subcontracting in such areas as translation, documentation, library and mainframe facilities, and travel processing. FAO/IFAD collaboration in operational spheres, previously mostly in technical matters, is now being extended to other areas, such as FAO undertaking the execution of procurement procedures in new IFAD projects.

Another area of collaboration with FAO has been in the context of the Convention to Combat Desertification.

**The long-standing history of field collaboration between WFP and IFAD is also being extended in new ways. The two agencies have now reached an agreement with the Government of China to design and implement all future activities in the country jointly.**

This represents two major breakthroughs: on one hand, it reflects the more flexible attitude that governments are developing towards the handling of full-fledged multi-donor projects; and on the other, the tendency among agencies towards increasing coordination of separate activities through an umbrella country programme approach.



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### The World Bank

IFAD has had a close working relationship with the World Bank from the start, especially through reciprocal cofinancing of projects and World Bank supervision and administration of numerous IFAD projects. Aside from project activities, there have been other areas of collaboration; recently, for example, in the context of the follow-up to the Conference on Hunger and Poverty. However, in an effort to place their collaboration on a firmer footing and give it a strategic orientation, the two agencies decided to hold a review every six months of ongoing joint activities and new ideas for collaboration.

**In terms of development strategy integration, initiatives are underway to have IFAD collaborate with the World Bank group in drawing up their country Agricultural Sector Investment Programmes (ASIPs), ensuring that the concerns of IFAD's target group are addressed and built into the World Bank's overall strategy for the agricultural sector.**

This again reflects the new focus on a coordinated programme approach and is expected to lead to further collaboration in the field through IFAD implementation of related components of World Bank projects based on the respective ASIPs.



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### Joint Consultative Group on Policy

The High Level Meeting of the Joint Consultative Group on Policy (JCGP) was held in Geneva, in April 1997, under the chairmanship of UNDP, and was attended by Mr Gus Speth, Administrator, UNDP (the chair for 1996-97); Ms Carol Bellamy, Executive Director, UNICEF; Dr Nafis Sadik, Executive Director, UNFPA; Ms Catherine Bertini, Executive Director, WFP; and Mr Fawzi H. Al-Sultan, President, IFAD.

It reviewed the activities and plans of the working sub-groups on Harmonization of Policies and Programmes; Harmonization of Country-Level Implementation and Management; Common Premises and Services; Personnel and Training; and Gender in Development.

Highlights of the work reported by the sub-groups included: development of a common project/programme format now nearing completion for presentation to governments; finalization of a draft policy analysis of the Beijing Platform of Action; definitions on key gender concepts for JCGP agencies;

gender mainstreaming country assessments; and finalization of the *Handbook for Producing National Statistical Reports on Women and Men*.

During the year, an analysis on the future of JCGP by an independent external consultant was carried out at the request of the group. The review was designed to take a fresh look at JCGP: its relevance, its membership structure, its vitality, its need to continue, all against the backdrop of the reform of the United Nations Secretariat and its intergovernmental structures. IFAD chaired the Steering Committee, and Vice President Jim Moody presented the final report, which included comments on the consultant's report by all JCGP members.

In considering the review, the five agency heads felt that JCGP continues to be an important initiative for inter-agency coordination and should now be linked directly to the Executive Committee of the recently created UN Development Cooperation Group (DCG). Thus the High Level Meeting of JCGP would henceforth be transformed into an informal discussion among the five agency heads at the time of an appropriate DCG Executive Committee Meeting.



From left to right: Ms C. A. Bertini, Executive Director, WFP; Mr F. H. Al-Sultan, President of IFAD; Ms C. Bellamy, Executive Director, UNICEF; Mr J. G. Speth, Administrator, UNDP; Dr N. Sadik, Executive Director, UNFPA

## Brief on JCGP Achievements

A brief look at the past achievements of JCGP would place the foregoing discussion in perspective. JCGP was established in 1981 to bring together five development funds and programmes of the United Nations system in the fight against poverty, hunger and deprivation. In 1990, the executive heads agreed to make poverty alleviation the main focus of JCGP collaborative action in the 1990s and to work towards a common understanding of the causes of poverty and towards a common strategy for combating it. Two pilot studies were conducted involving the JCGP partners in Bolivia and Niger to devise safeguards for vulnerable groups in the face of structural adjustment programmes. Similarly, a joint JCGP study was conducted on the impact of adjustment on the poor of Mali. In The Philippines, during 1992-94, the JCGP agencies reoriented their ongoing cooperation in the area of poverty alleviation within a commonly agreed conceptual framework devised in collaboration with the governments.

Further concrete achievements of the past include a proposal for a common policy on payments to government staff; a detailed study of the effects of structural adjustment on poor women; the harmonization of programming cycles in 27 countries with a commitment to harmonization in a further 52 countries by 1999; and model common premises and joint programme collaboration in South Africa.

Within the context of follow-up to United Nations conferences, thematic groups have been set up to address specific aspects of integrated follow-up that go beyond the concerns of any single conference. The expected results of these thematic groups are issues papers and advocacy strategies to assist countries in implementing the commitments of these conferences in an integrated fashion at the national level. While these groups are United Nations system-wide, the JCGP agencies act as a core group with common concerns that facilitate the achievement of practical outputs.

### UN Administrative Committee on Coordination

During 1997 IFAD has continued to work closely under the leadership of the UN Administrative Committee on Coordination (ACC), which is effectively the management committee of the UN system. Work has centred mainly on a range of issues related to the ongoing reform process of the UN, as well as specific areas of common interest such as: special initiatives for Africa;

building an effective framework for peace-keeping to deal with post-emergency situations and subsequent development; and a new approach to relationships between UN organizations and civil society, with which IFAD has long had close ties.

**As reported in the chapter Evaluation and Studies, IFAD has been requested to lead the evaluation activities of the newly set up ACC Network on Rural Development and Food Security organized by FAO.**



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## Expanding the Fund's Outreach

Beyond the management of its own financial resources, IFAD is increasing its efforts to guide the allocation of other development resources towards rural poverty alleviation through advocacy of the Fund's approach and various forms of interaction. These include policy dialogue with other donors and recipient countries; joint financing, design and implementation of field activities; and participation in global initiatives.

## Microcredit

Over 2 500 delegates from 112 countries representing over 1 000 organizations, NGOs and civil-society organizations, UN agencies, IFIs, bilateral aid organizations and microfinance practitioners attended the Microcredit Summit in Washington, D.C., 2-4 February 1997. The summit was organized by the United States NGO RESULTS, and heads of government from Bangladesh, Mali, Peru and Uganda participated, as well as the Queens of Belgium and Spain and the First Lady of the United States. President *Al-Sultan* addressed the plenary session and also co-chaired the IFI council.

Although the summit's ambitious goal of providing microcredit to 100 million of the world's poorest families by the year 2005 at a cost of about USD 20 billion was endorsed by most organizations, there was a rich and lively discussion in the technical workshops of the numerous issues involved in meeting this considerable goal. A special session was held on IFAD's microfinance experiences, in which IFAD presented a coherent set of principles — based on twenty years of experience in microfinance — and a specific post-summit plan of action that emphasizes three priority areas:



*Mr F. H. Al-Sultan, President of IFAD addressing the Plenary Session of the Microcredit Summit.*

- *Promoting external recognition of IFAD's microfinance expertise.* On 9 November, the House of Representatives of the United States Congress approved the Microcredit for Self-Reliance Act. The House-approved version of H.R. 1129 contains language expressing the sense of Congress that the United States "should continue to support and contribute to the activities of IFAD, especially activities related to microenterprise and microfinance, including the Microfinance Capacity-Building Grant Initiative" and that USAID shall seek to cooperate with IFAD in the area of credit for small and microenterprise development and microenterprise development grant assistance.
- *Disseminating promising IFAD practices in microfinance.* As part of IFAD's action plan to the Microcredit Summit, the Fund committed itself to allocating up to 25% of its overall portfolio to assist microfinance. In our annual submissions to the post-summit campaign, this pledge will be used to share the salient features of IFAD microfinance components of investment and grant operations with the development community.

Specific activities announced in the plan of action are under way: as part of a policy initiative, IFAD will present a new policy paper on rural financial services, with a coherent set of policies emerging from two decades of experience in microfinance support. The Fund's grant operations will focus on support to promising microfinance institutions and, as part of the knowledge centre initiative on microfinance, lessons learned from evaluation experience are already being shared with a wide international audience. Other initiatives to increase private-sector involvement and foster seminars and knowledge-sharing initiatives are being actively pursued.

- *IFAD internal streamlining of microfinance.* The summit was instrumental in IFAD's setting up an internal Working Group on Financial Services. This group includes all relevant divisions and units and facilitates a concerted approach to microfinance policy and strategy formulation. A new microfinance strategy statement was drafted by the group and constituted one of the key elements of IFAD's action plan for the summit. Similarly, the policy paper on rural financial services and the preparation and implementation of microfinance workshops are now actively coordinated by the IFAD group.

## Desertification

### *The Convention to Combat Desertification*

The international Convention to Combat Desertification (CCD) entered into force in December 1996 and has been ratified by 113 countries. The Convention's emphasis on poverty eradication and environmental conservation in arid, semi-arid and dry subhumid areas and its bottom-up participatory approach have a confluence with IFAD operations in the drylands. The Fund has played a supportive role in the negotiations for the CCD and in building awareness of its considerable potential for harnessing political commitment and resources to reach the poor.

IFAD has also been supporting countries in the implementation of the Convention, and is playing a leading role in a number of countries, such as Burkina Faso where the Fund is multilateral *chef de file*.

The First Conference of Parties (COP) of the Convention took place in Rome, 29 September - 10 October 1997. COP made important decisions that will lay the foundations for successful implementation. It adopted a budget and decided to locate the Secretariat of the Convention in Bonn, Germany. COP also made decisions related to the functioning of the Convention's Committee on Science and Technology (CST), which will focus on scientific and technological issues related to desertification control.



### The Global Mechanism

COP finalized the functions of the Global Mechanism, the instrument established to improve the effectiveness and efficiency of existing financial mechanisms and to promote resource mobilization for combating desertification.

**As the culmination of a process that began in 1995, COP selected IFAD to house the Global Mechanism, and welcomed a collaborative institutional arrangement among IFAD, UNDP and the World Bank to support its functioning.**

Under interim arrangements, the Global Mechanism is expected to begin its operations in early 1998.



### Mayors' Forum on Cities and Desertification

In conjunction with the First Conference of the Parties of the Convention to Combat Desertification and in cooperation with the City of Rome and the CCD Secretariat, IFAD organized a Forum of Mayors on Cities and Desertification, held in Rome on 3-4 October. The forum was attended by mayors and local authorities from 21 countries including, among others, the mayors of Albuquerque, Ankara, Bonn, Bucharest, Cape Town, Montreal, Niamey, Rome, Stockholm, Teheran and Tunis.

International organizations, experts, city network organizations and NGOs also played an active role in the proceedings of the forum. By bringing together municipal authorities from north and south, mainly from desertification-affected areas, the forum aimed to: analyse the links between ongoing degradation of soil, desertification of arid zones, desertification-induced migration of the rural poor from their lands and villages to cities, and urban management; better define the role local authorities could play in fighting desertification and rural poverty within the framework of the National Action Plans provided by the Convention; and identify viable and effective models of decentralized partnership projects. In this connection, examples from the field of ongoing *jumelage* (twinning) projects were presented and discussed.

The Forum of Mayors was successful in obtaining consensus on the adoption of the Declaration of Rome, which has laid the groundwork for establishing an Intercity Desertification Network. This informal network will play a catalysing role in attracting regional, national and international attention and support to combat desertification and its consequences, raising public awareness of environmental issues through media and information campaigns, promoting *jumelage* programmes and exchanging information and know-how.

The outcomes and achievements of the Forum of Mayors were reported to the CCD Conference of the Parties by the Hon *Francesco Rutelli*, Mayor of Rome.



From left to right: Mr H. A. Diallo, Executive Secretary, CCD Interim Secretariat; Hon F. Rutelli, Mayor of Rome; Mr F. H. Al-Sultan, President of IFAD.

## Farmers' Organizations and Private-Sector Interests

In recent years, a number of countries with rapidly changing economies have become members of IFAD. The changes often involve major economic reorientation and institutional transformation. Poverty alleviation has also constituted part of the agenda for reform pursued by these countries. In this process, the evolving rural institutional framework has played an important role. Considerable emphasis has been placed on private-sector development of the agricultural sector. These countries have therefore experimented with a number of important policy initiatives and have acquired valuable experience.

IFAD, in collaboration with the National Agricultural Cooperative Federation (NACF) of the Republic of Korea convened an *International Seminar on the Role of Farmers' Organizations in Agricultural and Rural Development: Experiences from Asia*, held in Hanoi, Viet Nam, 23-27 November 1997. The aim of the seminar was to facilitate the development of a framework that would enable the rural subsistence sector in Asian transition economies to recognize and exploit the potential of farmers' organizations as a means of improving rural livelihoods.



From left to right: Mr P. Roy, Director Asia Division; Mr S. Tomita, Assistant President Economic Policy and Resource Strategy Department; Mr F. H. Al-Sultan, President of IFAD; Mr Nguyen Xuan Thao, Vice Minister for Planning and Investment of the Socialist Republic of Viet Nam; Mr Kyou-Bo Shim, Executive Vice President of NACF; Mr Shil-Kuan Lee, General Manager of NACF; Mr H. M. Thang, President of the Viet Nam Cooperative Union (VCU).

The seminar focused on the role of farmers' organizations with respect to agricultural marketing, agricultural intensification and dissemination of techniques, and institution-building and finance.

More than 60 participants attended, including representatives from nine countries undergoing economic transition: Armenia, China, D.P.R. Korea, Georgia, Kyrgyzstan, Laos, Mongolia, the Republic of Korea and Viet Nam; six bilateral and multilateral donors: Australia, Belgium, Germany, The Netherlands, Sweden and the European Commission;



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seven international organizations: the Asian Development Bank (AsDB), FAO, the International Federation of Agricultural Producers (IFAP), UNDP, UNOPS, WFP and the World Bank; and observers from Viet Nam and the Republic of Korea.

High level representatives attended the inaugural session of the seminar, including the President of IFAD, the President of NACF and the Prime Minister of Viet Nam.

### The Role of Smallholders in National and International Markets

A seminar to *Combat Rural Poverty under Market Rules in the Context of MERCOSUR*, the newly created customs union in the Southern Cone of Latin America, was held 3-5 November 1997 in Montevideo, Uruguay. MERCOSUR currently consists of Argentina, Brazil, Paraguay and Uruguay as full members and Bolivia and Chile as associated members. The seminar was jointly organized by IFAD and Uruguay with the aim of assessing the impact of the new regional integration schemes on the rural poor and of searching for effective mechanisms to ensure their equitable participation in the integration process.



It was attended by the ministers for agriculture of Argentina, Bolivia, Chile, Paraguay and Uruguay as well as members of parliament of all MERCOSUR countries, representatives of regional NGOs, universities and international organizations, and directors and technicians from IFAD-financed projects in the MERCOSUR region.

The seminar offered the opportunity to discuss, at the highest political level, the need to evaluate the potential role of the small-farm sector in MERCOSUR and possible ways of incorporating this perception and consequent requirements in MERCOSUR productive strategies for the rural sector. To implement this idea, Mr *Fawzi H. Al-Sultan*, President of IFAD, offered the Fund's technical expertise and financial assistance to create specific institutional mechanisms, within the MERCOSUR framework, directed at identifying problems affecting smallholders and microentrepreneurs and proposing solutions.

### Information and Media Relations

The process of fostering greater public awareness of IFAD and its leading role in poverty alleviation has gained strength in 1997 through increased in-house agreement on the need to expand media outreach. The Fund's media relations activities provide support for resource mobilization initiatives and advocacy campaigns while maintaining media coverage of an increasing number of events, workshops, meetings, official visits, projects and field trips. In disseminating messages and public information materials and in generating opportunities for media reports, IFAD is increasingly using the services of correspondents in a number of Member States to maximize contacts with media outlets in the most cost-effective way.



From left to right: Mr G. Pérez Puig, Director PRONAPPA Project; Mr P. Glikman, Project Controller IFAD; Mr C. Gasparri, Minister of Livestock Agriculture and Fisheries of Uruguay; Mr H. Batalla, Vice-President of Uruguay; Mr F. H. Al-Sultan, President of IFAD; Ms R. Peña-Montenegro, Director Latin America and the Caribbean Division of IFAD.

## Television/Radio Coverage

Production of audiovisuals has been limited to a few video news releases on special occasions, one coproduction of a documentary series and two "Down to Earth" radio programmes. The videos have been distributed to a limited number of television networks, while the radio programmes reached 90 stations and were broadcast by most. The documentary coproduction with Italy's RAI television featured IFAD activities in Burundi, D.P.R. Korea, Egypt, Mali and Rwanda, with clips from IFAD-supported research programmes.

Independent television reporting on IFAD activities and projects included reports by major European networks such as Euronews TV, which reported in five languages on the advance satellite technology in support of livestock development and on the Fund's operations in Burundi and Rwanda. The Belgian Television RTBF, the Italian TV RAITRE and the Portuguese TV TPR have also transmitted similar reports on Burundi and Rwanda.



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In developing countries, television coverage of official IFAD visits included the President's visits to Bolivia, Burundi, Côte d'Ivoire, Ethiopia, The Gambia, Guinea, Peru, Rwanda, Uruguay and Viet Nam, as well as the visit of the Belgian Secretary for Development Cooperation to Uganda organized by the BSF.JP. The Twentieth Session of the Governing Council was reported by many networks including RAIUNO, the Saudi MBC TV and ART TV, and the German Deutsche Welle. A number of BBC World Service Programmes broadcast IFAD's "Down to Earth" radio productions, which have also been used by more than 30 networks in Europe, Asia and Africa.

### Press Coverage

IFAD, as an agency specialized in long-term as opposed to emergency assistance to agricultural development, is not the kind of institution that journalists would normally turn to for information. Yet by providing opportunities, news hooks and an enabling framework,

a number of good articles were published throughout the year in developed countries, including reports by *The Financial Times*, the *International Herald Tribune*, the *Wall Street Journal*, the *Christian Science Monitor*, *Le Figaro*, *Le Soir*, *Jeune Afrique*, *De Standaard* and *Il Manifesto*. In developing countries, official visits, meetings and workshops relating to development normally receive a great deal of attention from the media. As a result, many reports and features on IFAD activities appeared in newspapers such as *The Times of India*, *The Korean Herald*, *The Nation of Kenya*, the *Zimbabwe Herald*, *Fraternité Matin* of Côte d'Ivoire, *New Vision* of Uganda, *Al-sharq Al-Awsat* of Saudi Arabia, *Al-Watan* of Kuwait, *Excelsior* and *Uno Mas Uno* of Mexico, and *La Tribuna* of Honduras. IFAD's regional workshops are excellent opportunities to enhance the Fund's visibility, and the Uruguay and Viet Nam workshops received extensive regional media coverage.

The IFAD Liaison Office in Washington, D.C., was also enlisted to expand media outreach in North America. The focus of this effort was to develop thematic news stories in conjunction with IFAD's participation in major conferences or events: the Microcredit Summit in Washington and the Global Conference on Knowledge for Development in the Information Age in Toronto. Special press kits designed for these events resulted in favourable press and radio coverage. The President of IFAD was interviewed by the Voice of America and articles about IFAD's microfinance activities were reported in *Share Magazine*, *Investors Business Daily*, *Journal of Commerce* and *Commercial*, and a wireservice article on IFAD by *United Press International* was picked up by a number of the international press. Similarly, the Fund received significant press coverage of the four information-technology networks highlighted in the presentation to the Global Conference on Knowledge. Articles were published in the *Wall Street Journal*, *Business Week Online*, *Computer World Magazine*, the *Sun Sentinel*, *The Financial Times*, *Microtimes* and *Agence France Press*.





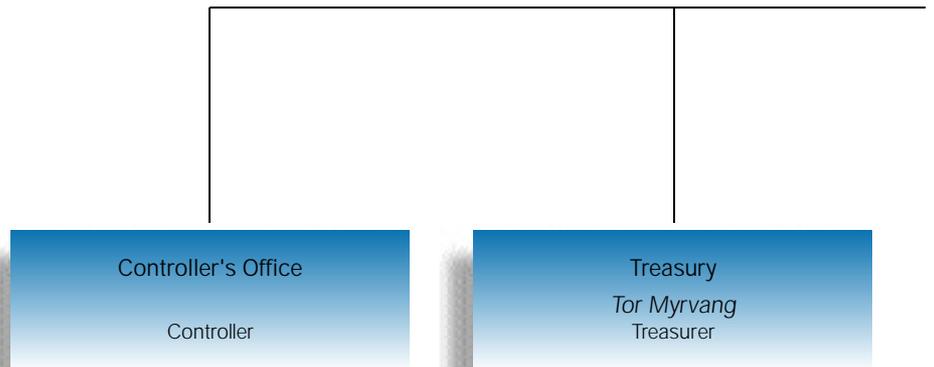
## Organization

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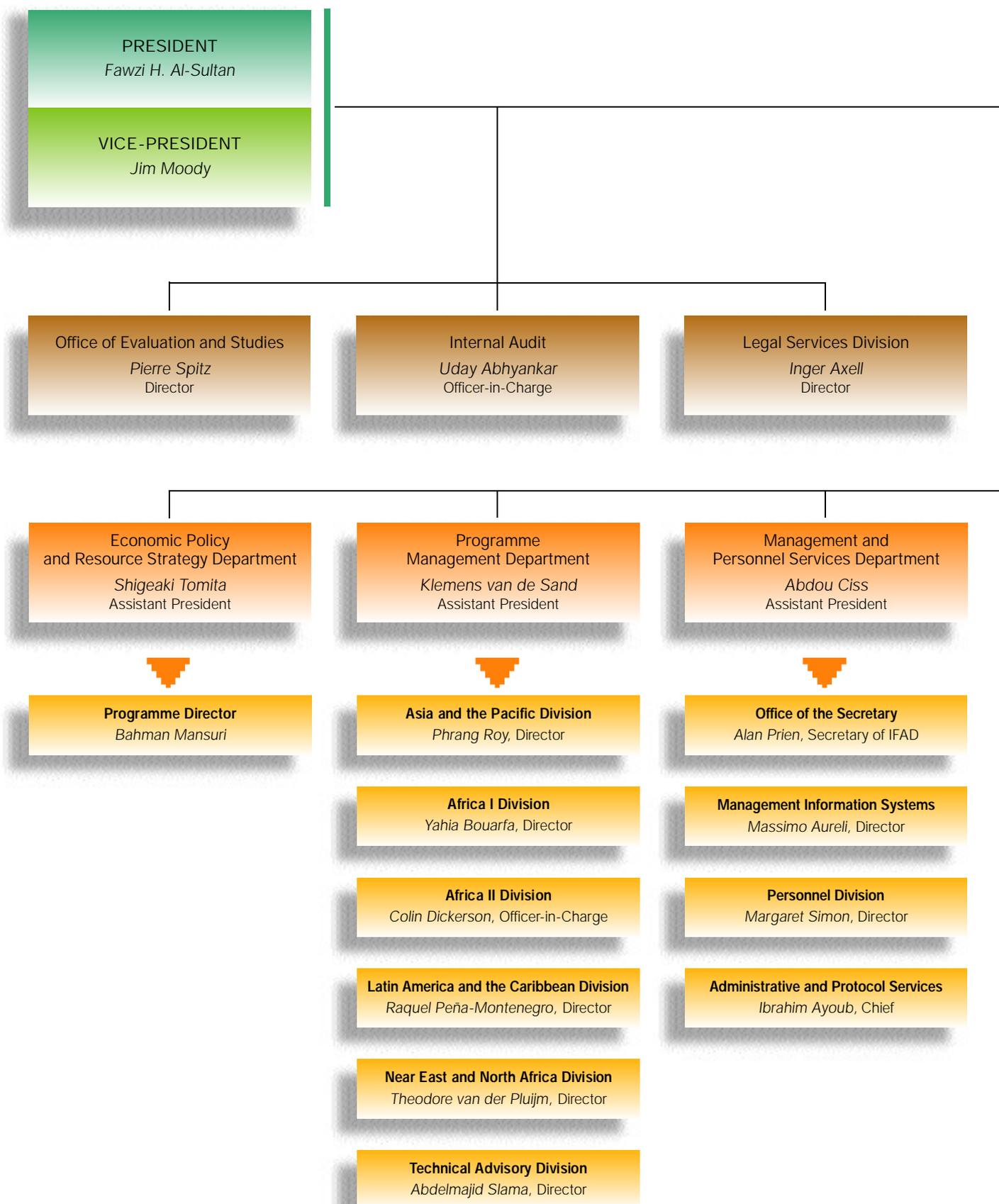
### Organization and Staff

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The staffing levels for 1997 remained unchanged from those of 1996, with 126 professional and higher category positions and 164 general service support positions. As at 1 September 1997 the number of filled positions totalled 265, of which 112 were in the professional category and above, and 153 in the general service category. Staff in the professional and higher categories were composed of nationals from 48 Member States, reflecting the Fund's adherence to the principle of equitable geographical distribution, and the number of women represented 29.5% of the total. As in previous years, IFAD engaged the services of consultants and conference personnel and other temporary staff to enable it to meet its operational needs while maintaining a minimum number of regular staff.



## Organizational Chart





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7	• IFAD / Nepal <i>A. Hossain</i>	29	• IFAD / India <i>K. Dini</i>	51	• IFAD / Morocco <i>Unknown</i>
8	• IFAD / Mauritania <i>H. Wagner</i>	30	• IFAD / Nepal <i>M. Zaugg</i>	52	• IFAD / India <i>A. Hossain</i>
9	• IFAD / Paraguay <i>G. Bizzarri</i>	31	• IFAD / Viet Nam <i>L. Dematteis</i>	53	• IFAD / Lesotho <i>G. Bizzarri</i>
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11	• IFAD / China <i>L. Dematteis</i>	33	• IFAD / Argentina <i>G. Bizzarri</i>	55	• FAO / Tanzania <i>A. Conti</i>
12	• IFAD / Bangladesh <i>A. Hossain</i>	34	• IFAD / Uruguay <i>G. Bizzarri</i>	56	• IFAD / Somalia <i>R. Faidutti</i>
13	• IFAD / Algeria <i>A. Rosati</i>	35	• IFAD / Panama <i>F. Mattioli</i>	57	• IFAD / Rwanda <i>T. Mustafa</i>
14	• IFAD / Argentina <i>G. Bizzarri</i>	36	• IFAD / Bolivia <i>F. Mattioli</i>	58	• IFAD / Mali <i>H. Wagner</i>
15	• IFAD / Kenya <i>F. McDougall</i>	37	• IFAD / Peru <i>F. Mattioli</i>	59	• IFAD / Mauritania <i>S. Nimeh</i>
16	• IFAD / Dominica <i>H. Wagner</i>	38	• IFAD / Egypt <i>U. Weiland</i>	60	• FAO / Philippines <i>M. Allara-Carlin</i>
17	• FAO / Albania <i>F. Del Piero</i>	39	• IFAD / Tunisia <i>M. Zaugg</i>	61	• IFAD / China <i>L. Dematteis</i>
18	• IFAD / Bangladesh <i>A. Hossain</i>	40	• FAO / Lebanon <i>G. Tortoli</i>	62	• IFAD / Yemen <i>M. Zaugg</i>
19	• IFAD / Egypt <i>G. Bizzarri</i>	41	• IFAD / Algeria <i>A. Rosati</i>	63	• IFAD / Nigeria <i>P. Tartagni</i>
20	• IFAD / Guinea <i>R. Faidutti</i>	42	• IFAD / Senegal <i>R. Faidutti</i>	64	• IFAD / Viet Nam <i>L. Dematteis</i>
21	• IFAD / Burkina Faso <i>R. Faidutti</i>	43	• IFAD / Madagascar <i>H. Wagner</i>	65	• IFAD / Paraguay <i>G. Bizzarri</i>
22	• IFAD / Nigeria <i>P. Tartagni</i>	44	• IFAD / Bangladesh <i>A. Hossain</i>	66	• IFAD / El Salvador <i>L. Salimei</i>

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