

IFAD AND NGOs

DYNAMIC PARTNERSHIPS TO FIGHT RURAL POVERTY



IFAD - INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

IFAD'S STRATEGIC OBJECTIVES

“Since it was created in 1978, IFAD has focused exclusively on rural poverty alleviation, working with poor rural populations in developing countries to eliminate poverty, hunger and malnutrition, raise productivity and incomes, and improve the quality of their lives.

IFAD orients its activities towards enabling the rural poor to overcome their poverty – as perceived by the poor themselves – by fostering social development, gender equity, income-generation, improved nutritional status, environmental sustainability and good governance. This implies: developing and strengthening organizations of the poor to confront the issues they define as critical; increasing access to knowledge so that poor people can grasp opportunities and overcome obstacles; expanding the influence that the poor exert over public policy and institutions; and enhancing their bargaining power in the marketplace.

Strategic Objective 1: Strengthening the capacity of the rural poor and their organizations.

Strategic Objective 2: Improving equitable access to productive natural resources and technology.

Strategic Objective 3: Increasing access to financial services and markets.”

Strategic Framework for IFAD 2002-2006



IFAD AND NGOs

DYNAMIC PARTNERSHIPS

TO FIGHT RURAL POVERTY

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WHAT IS IFAD?

Following a process of mutual enrichment, IFAD will be catalytic in mobilizing resources and knowledge in a strategic, complementary and dynamic coalition of clients, governments, financial and development institutions, NGOs and the Private Sector.

IFAD's Vision

THE ORIGINS OF IFAD

The establishment of the International Fund for Agricultural Development (IFAD) in 1977 as the thirteenth specialized agency of the United Nations (UN) was one of the major outcomes of the World Food Conference held in Rome in November 1974. IFAD was created with the unique mandate to combat hunger and rural poverty in the low-income, food-deficit regions of the world and to improve the livelihoods of rural poor people on a sustainable basis.

IFAD was originally intended to be a financing institution. However, over the years, it has gradually assumed responsibility for the design of most of its projects and is now acknowledged as a leader in project development for the economic advancement of the poor.

STRATEGY AND APPROACH

In fulfilling its mandate, IFAD's original objective was to promote the economic advancement of the rural poor, mainly by improving their productivity – both on- and off-farm. Over time, however, IFAD has come to understand that this objective cannot be realized solely by means of increased productivity. For example, the role played by institutions has a major impact on the alleviation or perpetuation of poverty. Thus the development of participatory, community-level institutions has assumed a central position in all IFAD operations. In addition, participation – originally viewed as contributing to project implementation – was quickly redefined to include a level of beneficiary control over what programmes and projects have to offer and how they operate. Emphasis, in the development process, is placed on reaching the poorest of the poor, especially rural women and indigenous groups.

While there remains a strong emphasis on improving poor people's access to basic productive assets, there is an equally strong focus on developing an institutional framework that is directly accountable to the poor. In this context, accountability means helping the poor to ensure that resources remain available; that such resources are available in ways that are relevant to what they see as their principal opportunities; and that they capture the benefits of stable cooperation and coordination.

In order to most effectively use and integrate its expertise, IFAD focuses on the following areas:

- innovative projects and programmes in rural and agricultural development (agricultural production; increased access to productive resources, especially land and water; rural financial services, including microfinance; sustainable natural resource use; rural infrastructure; mobilization of self-help groups);
- projects and programmes focusing on poverty eradication, household food security and new markets for marginal areas;
- forging effective partnerships to broaden development impact; and
- increasing public awareness of the situation and needs of the rural poor, while raising additional resources for the purpose of assisting them.



FROM PARTICIPATION TO EMPOWERMENT

The rural poor must be understood in their own context – their specific local conditions, felt needs, constraints and possibilities.

Activities should be designed, implemented and evaluated with the rural poor, not for them. Development is something people do – not something that is done to them.

Resources must be channelled to, and managed by, the rural poor as directly as possible.

Conditions must be created in which the poor can use their own talents and capabilities more effectively. IFAD tries to foster these conditions by promoting an enabling institutional environment – one that promotes representative, decentralized and participatory local governance.

STRUCTURE AND GOVERNING BODIES

Membership in IFAD is open to any state that is a member of the UN or of any of its specialized agencies. The Fund's 161 Member States are classified as follows: List A – Organization for Economic Co-operation and Development (OECD countries); List B – Organization of the Petroleum Exporting Countries (OPEC); and List C – Developing Countries. List C is further divided into C1, countries in Africa; C2, countries in Europe, Asia and the Pacific; and C3, countries in Latin America and the Caribbean.

The Governing Council is IFAD's highest decision-making authority. A governor and an alternate represent each Member State in the Governing Council. The Executive Board is responsible for overseeing the general operations of IFAD and for approving loans and grants. Membership of the Executive Board is determined by the Governing Council and is currently distributed as follows: List A, eight members and eight alternates; List B, four

members and four alternates; and List C, six members and six alternates. Non-governmental Organizations (NGOs) can apply for observer status at the Governing Council.

The Governing Council elects the President of IFAD, who also chairs the Executive Board and is responsible for the day-to-day operations of the organization.

IFAD has a small staff of about 300 employees. Through a continuous process of re-engineering and reform, the Fund has successfully fine-tuned a number of efficient, team-oriented work processes without, however, sacrificing personal commitment and creativity.

IFAD does not have field offices and has thus far relied on its cooperating institutions to implement its projects.

RESOURCES AND LENDING OPERATIONS

IFAD's resource mobilization can be divided into three basic categories: funding for the annual lending and grant programme; information and knowledge to ensure the relevance and effectiveness of its interventions; and goodwill and public support for the Fund in donor and recipient countries. To mobilize these diverse resources, IFAD pursues partnerships with three broad categories of stakeholders: governments and intergovernmental agencies; NGOs and civil-society organizations; and the corporate sector.

IFAD commenced operations in 1977 with initial contributions of USD 1 028 million. There have since been five replenishments of its resources. While two thirds of its resources have been provided by the industrialized Member States, the OPEC countries have traditionally also been major supporters of the



STRATEGIC ALLIANCES

Each and every poverty-alleviation project is a potential 'problem' project, for the very reason that the poor and the marginalized remain poor. IFAD's intense commitment to alleviating rural poverty has made it aware that projects must be acutely sensitive to on-the-ground realities and to the fact that it must be able to respond promptly. To that end, IFAD has been joining with its cooperating institutions (most notably the United Nations Office for Project Services and World Bank) in supervising its projects. Supervision is a very trying period, when problems must be faced and solutions found. Strategic alliances – with governments, NGOs and others – are of critical importance in achieving success.

Fund. The replenishment process continues to be the core of IFAD's resource base. However, it is now part of an integrated resource strategy framework through which the organization actively seeks new avenues of collaboration, not only with Member States and other UN agencies and international financial institutions, but also with NGOs and the private sector. In addition, the Fund's strategy involves channelling 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. Moreover, the Fund is now receiving dividends from its 23 years of lending operations: loan reflows and related investment earnings are providing significant revenues to cover the organization's administrative expenditures and ensure that additional sources of funding are available for new projects and programmes.

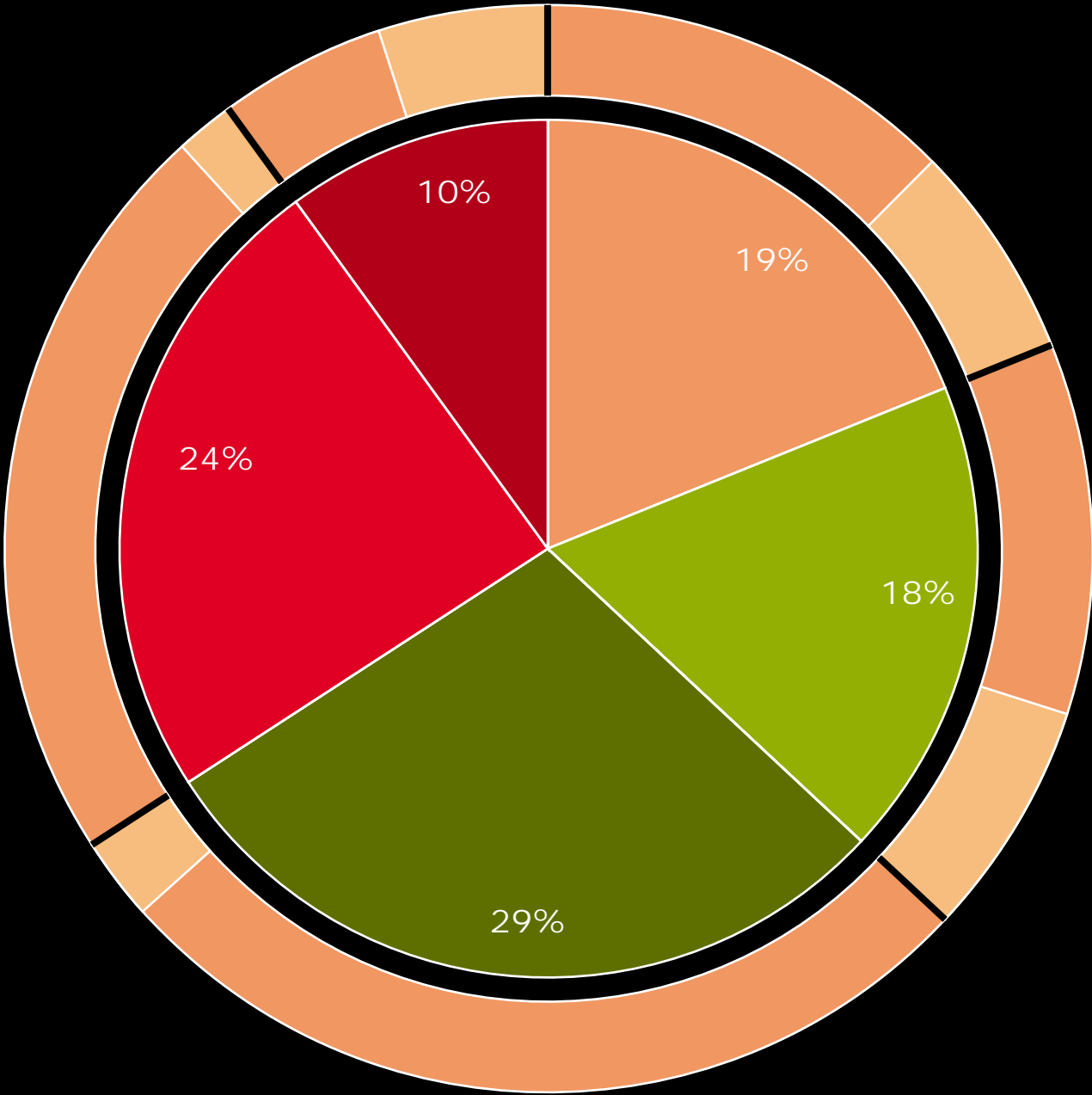
IFAD is not a relief agency. Its resources are made available on a cost-recovery basis. It provides loans to its developing Member States on highly concessional, intermediate and ordinary terms, depending on the individual

borrower's gross national product per capita. Highly concessional loans carry no interest but have an annual service charge of 0.75% and a maturity period of 40 years including a grace period of ten years. Intermediate-term loans are made available to middle-income developing countries at a variable interest rate established annually by the Executive Board, with a maturity period of 20 years including a grace period of five years. Ordinary-term loans are provided to high-income developing countries at a variable interest rate established annually by the Executive Board, with a maturity period of 15-18 years including a grace period of three years. IFAD's current annual lending amounts to about USD 420 million and approximately two thirds of its loans are provided on highly concessional terms to the poorest countries.

In addition to its loans, IFAD provides grant financing to institutions and organizations in support of activities aimed at strengthening technical and institutional capacities linked to agricultural and rural development. Grants are limited to 7.5% of the resources committed in any financial year.



NGO PARTICIPATION IN IFAD-FINANCED PROJECTS AS OF 31 DECEMBER 2000



-  Near East and North Africa
-  Latin America and the Caribbean
-  Asia and the Pacific
-  Eastern and Southern Africa
-  Western and Central Africa
-  International
-  National/local

THE SEEDS OF IFAD/NGO COLLABORATION

IFAD's collaboration with NGOs began shortly after the creation of the Fund, when it supported the Small Farmer Agricultural Credit Project in Bangladesh.

In 1976, an NGO, led by Professor Mohammed Yunus of Chattagong University, started an innovative approach to credit delivery to the rural poor, especially to women and the landless, in a single village. The formation and training of small groups through which loans were provided was a central feature of the initiative. Mobile credit officers brought the service to the villagers, and effective supervision of loan recoveries ensured repayment rates of close to 98%.



IFAD's initial loan, along with a subsequent one in 1984, helped the NGO – which is now the well-known Grameen Bank – to expand its operations. The Bank now serves well over one million members, a high percentage of them women, and has been a model for a number of successful rural credit projects in Africa, Asia and even the United States.

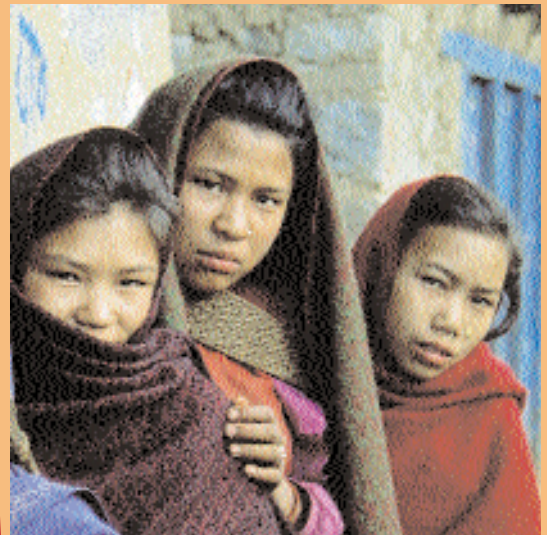
Shortly thereafter, IFAD launched the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (SPA), which was to become a major contributor in the battle against desertification and drought in the sub-Saharan region. Within the space of ten years, the SPA initiated 47 projects and programmes. It relied upon the participation of the people, institutional development and decentralized government support. As part of this 'bottom-up' approach, it set out to incorporate and develop local know-how

and technologies, and sought the direct involvement of new partners in development, such as NGOs, voluntary organizations and private enterprise.

One example of such collaboration within the context of the SPA was the Food Security Project in the Northern Guéra Region, Chad. The fragile food security of the region is due to uncertain and often-localized rainfall and soil degradation, and income-generating schemes were seen as a relevant mechanism to enable the poor households to improve their livelihoods. Prior to the project, access to agricultural credit was limited, but an NGO, the Catholic Relief Development Association (SECADEV), provided support to income-generation activities. In cooperation with the project, SECADEV successfully carried out a scheme that extended training and loans to 171 groups (6 064 individuals, 38% of whom were women) to support activities such as petty trading, food processing, establishing cereal banks and gardening.

At the end of 1995, the SPA was absorbed into the Regular Programme of IFAD, and many of the important lessons learned – one of which is collaboration with NGOs – have been applied in projects in developing countries throughout the world.





WHY DOES IFAD WORK WITH NGOs?

"Poverty reduction, is not something that governments, development institutions or NGOs can do for the poor. They can forge partnerships and help promote the conditions in which the poor can use their own skills and talents to work their way out of poverty."

IFAD Rural Poverty Report 2001

IFAD'S PHILOSOPHY...

Within the highly complex challenges inherent in its mandate, IFAD's operations are based on several unequivocal premises. The rural poor are not simply poor; they are poor farmers, poor herders, poor fishermen, poor entrepreneurs, and poor women producers. No one is poor outside of his or her status in a particular activity. What this means is that addressing 'poverty' in general is not a meaningful proposition. The most sustainable response to poverty and hunger lies in strengthening the position of the poor in promoting their economic advancement through the improvement of their own productive and income-generating capacities and opportunities. Therefore, the starting point should be a clear understanding of the activities of the poor and the natural, social, economic and political environment in which they are carried out. This understanding must be followed by a determination of how these activities can reach their maximum potential, and by drawing up a supportive structure of policy, services and investment. Moreover, these efforts are not undertaken **for** the poor, but **with** the poor. Of paramount importance in this process is understanding the extent to which the rural poor are endowed with the institutions and knowledge necessary to articulate their needs and provide their own solutions.

Thus, for IFAD, the 'issue of issues' of rural poverty alleviation is the institutional and knowledge empowerment of the rural poor. Such empowerment goes beyond participation and beyond any set of entitlements and claims over others. It is a process of strengthening personal and group capacity to independently undertake activities and successfully negotiate with other groups to satisfy requirements on mutually acceptable terms. It must be remembered that the smallholder community has not exercised much power and influence over the institutions that dominate their lives. The motif of the relationship has not been one of partnership, but of patronage, with all the asymmetry that such a relationship implies. Certainly, part of the solution to rural poverty lies in the creation of institutions that effectively serve the interests of the poor – particularly the institutions of the poor themselves. The basic issue, again, is empowerment. This goes beyond participation. It involves control – by the poor themselves and by the local grass-roots organizations that represent and involve them.

“The Fund shall... cooperate closely with other intergovernmental organizations, international financial institutions, non-governmental organizations and governmental agencies concerned with agricultural development. To this end, the Fund will seek the collaboration in its activities of the... bodies referred to above, and may enter into agreements or establish working arrangements with such bodies, as may be decided by the Executive Board.”

Agreement Establishing IFAD (Article 8, Section 2)

...AND THE COMPLEMENTARITY OF NGOS

There is wide recognition that NGOs have a significant role to play in assisting the rural poor to break out of their condition of poverty. Certainly, a major source of the strength of NGOs comes from their idealism and values, which include a strong spirit of volunteerism and independence. More than that, however, their similar insistence on the empowerment of the poor as the key to their transformation provides a foundation for effective collaboration with IFAD.

Most NGOs consider empowerment of the poor as their major goal and objective. The empowerment can be as basic as enabling groups to improve their conditions through socio-economic development programmes or projects. But many NGOs view empowerment as a much more encompassing process that enables people, particularly the poor, to confront and deal with the systems and structures that cause their socio-economic or political marginalization in the first place, with the implementation of projects being only one way. This more embracing view of empowerment ensures that the poor build the capacity to advocate and protect their interests vis-à-vis government, the market or other actors in society. Empowerment therefore becomes essentially a **transferring** of power to the poor so that they can take control and change the structures and mechanisms that have caused their poverty situation and the conditions of powerlessness.

From a practical point of view, NGOs have a number of distinct features that build upon the foundation for effective collaboration:



NGOs are often able to reach segments of rural populations that governments neglect or do not target as priority. They often find their way into remote rural areas to identify the poorest segments of communities, deliberately seeking out those who are normally excluded from development processes because of their isolation, their lack of assets and their vulnerability.

NGOs engage the poor in capacity-building activities as a major component in their programmes and projects. Whether literacy programmes or agricultural extension or handling of credit, these activities lay the foundation for creating local groups and organizations that can then link with other groups having common interests through federations, coalitions, networks, etc. Clearly, the ability of rural residents to advance their interests depends substantially on their success in sustaining local organizations beyond the immediate tasks that precipitated them.

NGOs are recognized for their role in developing new initiatives, new programmes or components of programmes, new approaches, new mechanisms, etc., to address development problems and issues. Certainly, NGOs have been in the forefront of many innovations that have provided ideas and models that have been replicated or adapted in other settings and situations. Many NGOs, with their generally flexible organizational structure and characteristics, which include organizational independence, participatory structures and willingness to spend time on dialogue and learning, are able to experiment on new institutional mechanisms and on different approaches that add value to projects. The criterion of innovativeness of a project is now generally a requirement of most donor agencies in formulating and appraising NGO projects.

NGOs possess extensive knowledge of local conditions. Sometimes innovation is not the answer, but rather a sober consideration of the normal needs of small enterprises (which is what the economic operations of the rural poor principally are) and serious attention to how these needs can be sustainably served. In this regard, NGOs with long-term experience in the target area can help provide baseline data and information on the local economy and infrastructure, the existence (or absence) of self-help organizations, and the major obstacles to development.

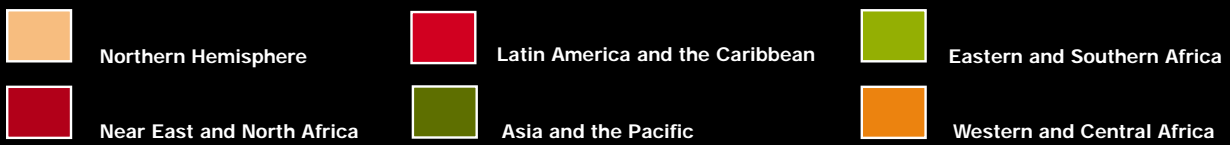
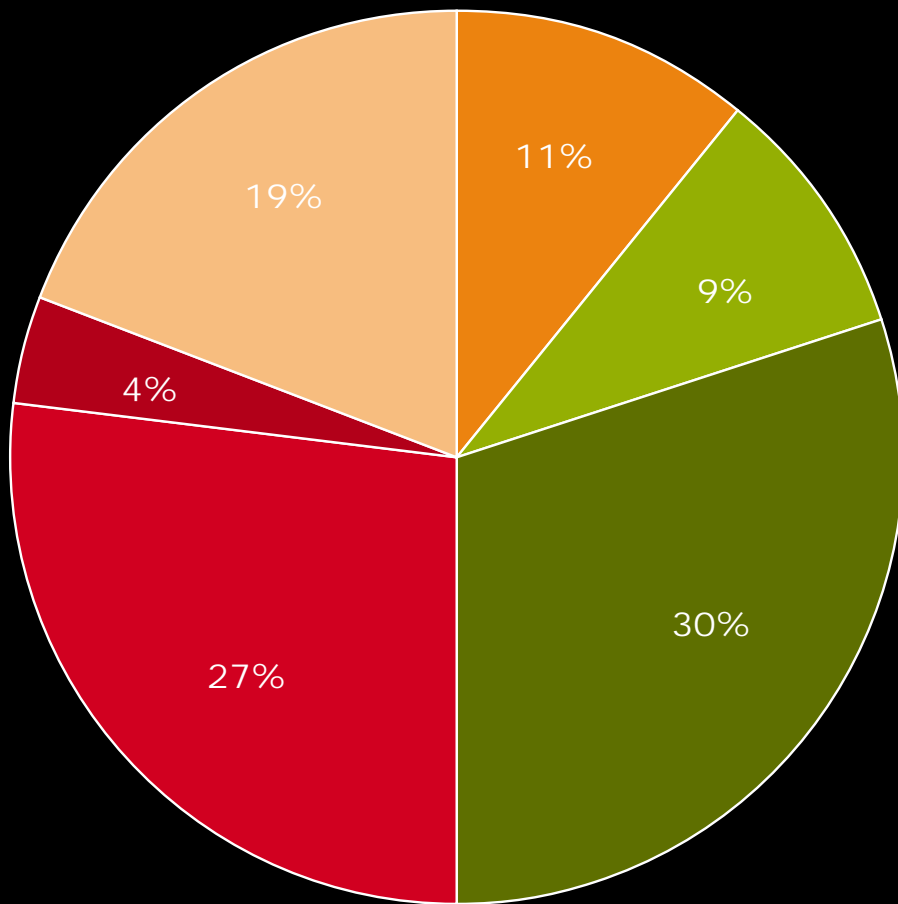
NGOs deem active participation by the poor in their development process as an essential precondition to their empowerment – participation not only in the implementation of programmes or projects but also in their conceptualization, design, monitoring and evaluation. Over the years, NGOs have developed highly effective participatory processes to increase the involvement of the poor in their own development processes – to analyse and to act upon their situations through their own eyes, and not as defined by outside agencies or development agencies. Many of these participatory tools and methodologies have gone on to be adopted by official development agencies and, in some instances, even by government.

It must be emphasized that in order to have a significant impact on poverty reduction, project interventions must have benefits that **go beyond** the scope of the project. The issue of sustainability is a key concern, and one that is shared by IFAD and NGOs alike. The empowerment of the rural poor and community mobilization are the keys to sustainability, and these processes can take extensive periods of time to be assimilated. This in itself is often a reason for forging partnerships with NGOs: such organizations often have a history of working in the areas involved. Their relationships with local communities are broad and deep; and a strong sense of mutual trust and respect has already been established.

Given these distinct features and advantages, IFAD values NGOs as players in the fight against rural poverty and hunger. Indeed, the opportunities for collaborative action to substantially reduce the vulnerability of the poor are there; these opportunities must be exploited.



ORIGIN OF NGOs PARTICIPATING IN IFAD PROJECTS AND PROGRAMMES





HOW DOES IFAD WORK WITH NGOs?

For IFAD, NGO collaboration is critical for the design and implementation of truly participatory and effective projects and programmes. NGOs are called to play a very constructive role in promoting community-based rural development, creating appropriate local institutions capable of responding to the specific requirements of small rural producers and linking their economy to national and international economic processes.

From: The NGLS Handbook, 2000

IFAD works with a variety of NGOs. At the field level, IFAD works with development NGOs that have expertise in the areas of IFAD interventions and direct outreach to poor rural populations. It also works with NGOs that may not work directly with the poor but support other grass-roots organizations in a variety of ways, such as research, technical assistance, information sharing, advocacy and networking. The Fund also works with advocacy NGOs that have the capacity to defend and promote the cause of rural poverty alleviation and to influence policy-making processes with governments and other development agencies.

POLICY DEVELOPMENT AND THE IFAD/NGO CONSULTATION

Since 1990, IFAD has held consultations with representatives from northern and southern NGOs to exchange views about cooperation and ways of strengthening partnership. The consultation also serves as a forum for policy dialogue, the exchange of operational experiences, knowledge and lessons learned, and suggestions for pilot activities. The number of participating NGOs has ranged from 23 to 35. Case studies of NGO and IFAD projects are the point of departure for discussions, and some of the topics have included:

- providing credit to the rural poor;
- rural people's organizations;
- land degradation and poverty;
- capacity-building at the local level;
- local action development for sustainable resource management; and
- networking and cooperation mechanisms.

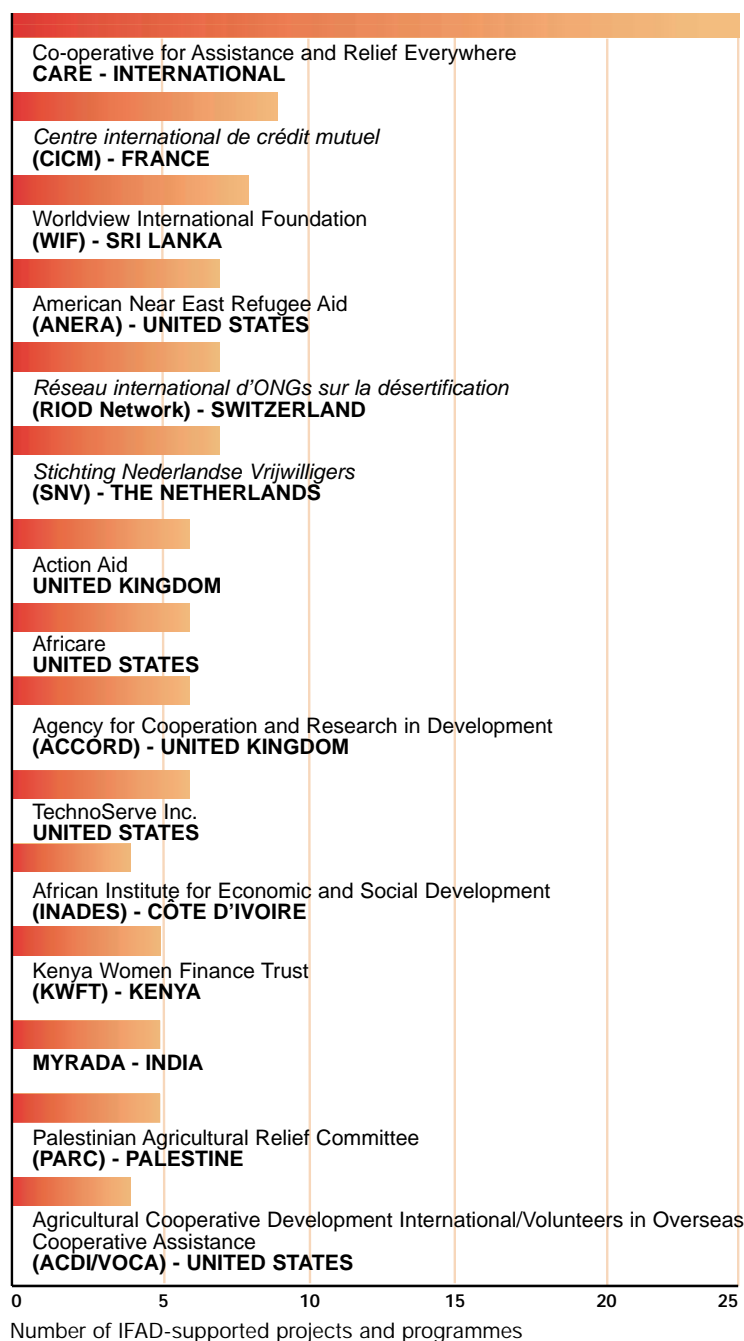
As of 1998, the consultations are held outside IFAD headquarters. The locations vary, but they are usually held near an IFAD-supported project in order that participants can examine on-the-ground activities and exchange views.

An IFAD/NGO Consultation Steering Committee facilitates the preparation of the consultations. The six NGO members are elected by the NGOs participating in the consultations. Adequate geographical distribution and the presence of umbrella NGO networks, people's organizations and farmers' associations are taken into account. The committee meets twice yearly and is responsible for presenting IFAD management with recommendations on the choice of the theme, on the organization of the meetings and their agenda as well as the selection of the NGOs to be invited to the consultations.

NGO perspectives on policy issues are solicited in other ways as well. A number of grants are extended to NGOs to draw upon their knowledge and expertise in specific areas, such as microfinance. In addition, special studies are commissioned with NGOs to elicit their views on regional poverty assessments prepared by IFAD.

Increasingly, efforts are being made to draw on NGO knowledge and experience in the earliest stages of country strategies, when programmes and projects are being articulated and formulated. In 1999, for example, in India and The Philippines, NGOs were widely consulted during the preparation of the country strategic opportunities paper (COSOP). NGOs also participated in the subsequent 'reality check' workshops organized to review the country strategy.

MOST FREQUENT NGO PARTNERS IN IFAD OPERATIONS



RURAL PEOPLE'S ORGANIZATIONS

The theme of the fifth consultation, held in 1994, was Rural People's Organizations. Three case studies on people's participation were drawn from the experiences of NGOs working at the grassroots, national and international levels. IFAD provided illustrations of its experience in this area through a background document entitled "Partnership and Participation: Necessary Elements for Poverty Alleviation".



The major points that emerged in the discussions among the 31 NGOs present were:

- *If long-term sustainability is the goal, institution building has to be a main NGO project objective.*
- *In promoting NGOs, IFAD and other institutions must take care to avoid damaging small farmers' organizations that are already well established (e.g. cooperatives).*
- *Incorporating people's participation can help to reduce project costs, improve sustainability and provide greater opportunities for replication.*
- *For successful participation, groups must analyse the existing power structure, paying particular attention to the possibility of interaction with other institutions; NGOs should not duplicate existing services.*
- *To avoid dependency, NGOs should be cautious about accepting external financing.*

CAPACITY-BUILDING AT THE LOCAL LEVEL

At the seventh consultation on this theme, the following recommendations emerged:



- *People at the local level should choose their own development partners and make decisions on priorities after analysing their own situation.*
- *Emphasis should be on developing people's, particularly women's, capacity to negotiate.*
- *Governments should decentralize policies, enhance communication and information dissemination, and provide vocational training programmes for local communities.*
- *Government and donor agencies' work should be more closely coordinated, thereby encouraging and sustaining NGO initiatives to strengthen local capacity.*

IFAD/NGOS/GOVERNMENTS: TRIPARTITE PARTNERSHIPS FOR POVERTY ALLEVIATION

The 10th IFAD/NGO Consultation, held in Pune, India, 29 May-2 June 2000, provided a special opportunity for stocktaking and reflection. The theme of the consultation was IFAD/NGOs/Governments: Tripartite Partnerships for Poverty Alleviation and Food Security through Projects and Programmes. Representatives of NGOs in developing and transitional-economy countries, Europe, and North America, and developing-country government officials and IFAD staff took part in the discussions.

It was widely felt that IFAD/NGO collaboration had in the past focused too narrowly on enhancing IFAD's own strategies and operations. This narrow focus had not permitted NGOs to bring their full potential to the understanding of poverty, its solutions and the implementation of these solutions beyond the scope of individual projects. The consultation unanimously called for greater emphasis on a conceptual appreciation of common development interests and the formation of partnerships on the basis of these interests, with particular engagement in processes of grass-roots empowerment and enrichment, policy and institutional development and knowledge generation and sharing.

The consultation further recommended that the recent trend towards increased NGO involvement in the development of country and regional strategies, evaluations of IFAD's operations and multi-stakeholder consultations on project conceptualization and design should be further enhanced. Innovative financial instruments should be considered in order to maximize the opportunities for NGO involvement and contribution. Similarly, IFAD could consider the feasibility of including objectively verifiable indicators for institution- and capacity-building in loan agreements, as these are major areas of NGO action.



"Empowerment is the ownership of the development process by the people themselves. All development stakeholders – government, private sector, banks, NGOs and other members of civil society – must recognize the capacity of the poor to develop themselves as free, responsible and self-reliant groups and communities and create the environment for individuals to come together and organize themselves."

Report on 10th IFAD/NGO Consultation, Pune, India, 2000

COLLABORATION IN THE FIELD

Most collaboration between NGOs and IFAD has been at the project level, and collaboration covers the entire project cycle – formulation, design, implementation, evaluation and impact assessment. Field-level collaboration entails a tripartite partnership between IFAD, the NGO and the government concerned, and focuses on a number of key areas:

Increasing the access of the poor to land and productive assets and services. Lack of productive assets is a major cause of poverty and vulnerability among poor rural producers. Most importantly, secure access to land is paramount for food security and income expansion. Given the difficulties of traditional agrarian reforms, NGO initiatives can provide knowledge of alternative mechanisms and of approaches to ensuring more equitable access.

Building local institutions. Against the progressively diminishing role of the public sector in providing inputs and services, local institution building and the mobilization of farmers' organizational capacity is another critical area where NGOs provide valuable expertise. Major emphasis is placed on developing viable rural financial systems for small rural producers that can ultimately link to national and international processes.

Improving natural resource management. Many of the poor live in areas of extreme environmental fragility and are exposed, for example, to the dangers of erosion that whittles away at an already meagre productive base. The threat is not due entirely to nature. Rather, poverty accelerates erosion. Without capital, the poor are frequently unable to invest in even traditional methods of soil and

Raising Smallholder Incomes in Zimbabwe and beyond

In 1996, CARE International embarked on the Agribusiness Entrepreneur Network and Training Development Project. The project grew directly out of CARE's five-year community-based programme to upgrade, rehabilitate and subsequently manage 40 small dams in the low-rainfall Communal Areas of Zimbabwe. The communities expressed interest in a wider focus: community-based marketing of agricultural inputs and outputs; improved information on available agro-inputs; and ways of increasing dryland production of crops. In response to their expressed needs, a supplementary Rural Agent Development Project was created.

Focus was placed on the establishment of an agribusiness agents network to promote the marketing of agro-inputs and outputs as well as increased grain production under dryland conditions. The agents network quickly expanded beyond the planned five agents, to a total of 51 agents in ten districts who provided access to agro-inputs for an estimated 61 200 farmers (approximately 336 600 beneficiaries in all). Of these agents, 35% were women.

The project received a second grant to consolidate and complete the initiatives already undertaken. One of the objectives was to gradually wean the agents away from the support of the NGO, exposing them to the realities and risks of small enterprise. The Government is also looking to expand the programme to provide support through an additional 120 agents. Furthermore, IFAD and CARE are looking to extend the model beyond Zimbabwe and are planning to develop a subregional programme for three countries in Southern Africa.



water conservation. Given the extremely limited economic alternatives, the solution is to change the conditions under which the use of natural resources takes place. Access to conservation technology is important, but more so is the security of land tenure and resources to invest, as well as the provision of viable economic alternatives that will reduce the dependency of the poor on erosion-prone crop and livestock practices. In this context, NGO collaboration is invaluable, particularly in view of their knowledge of such viable alternatives and approaches to ensuring equitable access.

Creating and maintaining community-based social and economic infrastructures. Often, the social conditions of the poor are so marginal that it is virtually impossible to conceive of any sustainable economic development without first creating a basic social health platform.

Indeed, there is a fundamental link between food security, income generation, primary health care, water and sanitation. A holistic approach – and one that insists on collaboration with NGOs, beneficiary communities and other development agencies and stakeholders – is the only approach that will foster sustainable economic development.

NGO participation in IFAD projects has grown considerably. As of July 2001, some 750 NGOs had been involved in IFAD-supported projects compared to 173 in 1993. In terms of regional distribution, 30% of the NGOs working with IFAD are in sub-Saharan Africa; 33% in Asia and the Pacific; 29% in Latin America and the Caribbean; and 8% in the Near East and North Africa. More than 80% of the NGOs are from the South.

Testing New Institutional Approaches in Nepal

Support Activities for Poor Producers of Nepal (SAPPROS) Foundation is a small NGO with a staff of ten working from its headquarters in Kathmandu and another 20 in the field. With 150 volunteers working throughout the country's rural areas, SAPPROS's objective is to promote participatory development by enabling poor communities to form self-help groups.

With financial support from IFAD, SAPPROS initiated a project to reach approximately 1 740 poor households in two villages, with special focus on tribal and ethnic groups and female-headed households. Activities were arranged under four subprogrammes: institutional development (establishing credit and saving groups); community development (providing safe drinking water); income generation (horticulture and agroforestry development); and human resources development (training in management, literacy and teacher training).

The institutional development programme was successful in forming and mobilizing a number of well functioning women's savings groups. A considerable amount of local resources were generated and used to extend credit to group members on a joint group liability basis. The community development component established three community drinking water projects that

would benefit 660 people. The human resources development component offered a variety of training programmes, including management training to 338 individuals and skills development training to another 293.

SAPPROS has replicated the strategy and approaches in four other locations in Nepal. In addition, the programme is being documented for replicability by other NGOs.



Technology Exchange and Adaptation in Mauritania

The NGO, Groupe de recherche et d'échanges technologiques (GRET), launched a project to address the problem of over-exploitation of groundwater resources in Mauritania, a problem that is shared by several countries in Western Africa and that greatly contributes to poverty and out-migration of the local population.



The objectives of the project were to determine the most appropriate systems for water-lifting devices in the Mauritanian palm groves; test, monitor and evaluate the systems under local operating conditions; assist in developing a strategy to transfer the technology; and develop and test training for local people.

Observed similarities between Mauritania and Morocco prompted GRET to organize technology exchanges between the two countries. Therefore, the first phase of the project included visits by selected project-area couples from Mauritania to Morocco and vice versa. The second phase focused on technology transfer, testing and adaptation. Certain technology lessons have already emerged regarding the most appropriate pumping system and source of energy. These promise to provide acceptable alternatives to the motor pumps, which have replaced the traditional water-lifting devices but have high operating costs and tend to rapidly dry up the wells. In addition, appropriate construction techniques – for wells and water storage basins – are being developed, and village labourers are being trained in their use.



Rural Credit for Peasant Women in Peru

In 1997, IFAD approved a grant for the Rural Credit Project for Peasant Women in the Communities of Sangarará and Marcaconga Acomoyo. This constituted a pilot initiative within IFAD's strategy to develop rural financial markets in the area of the IFAD-financed Development of the Puno-Cuzco Corridor Project. The grant project was implemented by the Institute for the Promotion of Peasant Marketing (IFOCC), a Peruvian NGO that offers microcredit services to rural populations in the farming regions of Cuzco.

The aim of the project was to facilitate small loans to woman-headed rural households. These loans were intended to increase women's incomes sustainably so as to better meet their basic needs and enable them to devote more attention to nutrition, education and health care.

The results of the project have been very satisfactory in that credit facilities have increased the incomes of rural households. The additional funds have been used for consumption, fulfilment of basic needs or investment in tangible assets. According to a survey undertaken by IFOCC, 95% of the beneficiaries felt they had been able to improve the quality of their lives in some way. In addition, their self-esteem had improved and they had become more aware of the profitability of their activities. By the end of 1999, the project had provided a total of 295 loans to individual families, meaning an average loan turnover of more than three. The turnover of loans has been particularly fast in the field of marketing. Since the second year of operations, the project has been covering its operating expenses.

Agrarian Reform in The Philippines

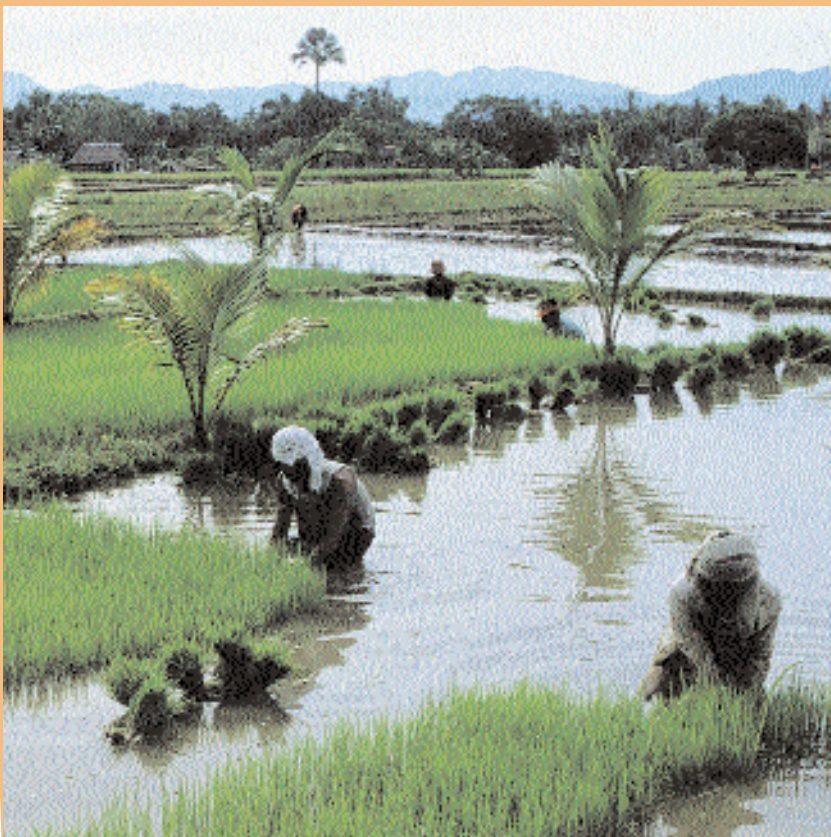
Agrarian reform has the potential of lifting nearly 50% of the Filipino poor out of poverty, transforming them into productive citizens capable of making a real contribution to national growth. Moreover, such reform can make faster headway with partnerships among its key players: government, the farmers, the landowners and the NGOs. Experience in the past six years shows that, with constant pressure from farmers' organizations and sound planning and strategizing by their support NGOs, the distribution of lands to the poor can move more rapidly, especially in areas where landowner resistance is strong.

The IFAD-funded Western Mindanao Community Initiatives Project focuses on poverty groups, including those with no (or insecure) land tenure, e.g. indigenous peoples. Working with the Department of Agrarian Reform and local NGOs, the project supports communities in putting together the necessary background material to prepare applications for titles and to assist those communities in the subsequent survey work. In coastal areas, the communities are assisted in making communal management decisions to regenerate bays and inlets. Community groups and NGOs, through local meetings, articulate issues to become points of advocacy with national decision-makers. The project also supports community resource management, including: the introduction of sloping arable land technology in upland areas; improved, low-input rainfed cropping technology; the establishment of mangrove plants in coastal waters to promote the regrowth of fish stocks; and the provision of seedlings for high-value wood lots (teak and mahogany) on tenure-secure holdings.

The Government-led Comprehensive Agrarian Reform Programme has identified nine million households and 8.1 million hectares of private and public lands to be distributed. As of the end of 1997, 4.6 million hectares of titled lands had been distributed and, at current capacities, the programme will be able to complete the distribution of all lands by 2004.

“Organized Filipino peasantry now feels it has a real stake in the agrarian reform programme.”

Ernie Garilao, Secretary of Agrarian Reform



Directing Microfinance to the Rural Poor in Benin

In Western and Central Africa, only a few microfinance institutions focus on rural areas and tailor financial projects to the more modest needs of the rural poor, despite substantial investments by governments and donors in microfinance in recent years. IFAD has been working closely with NGOs to develop the financial services association (FSA) concept in a number of countries in the region. The governance model of the FSA is similar to that of a traditional savings and credit cooperative. What sets the concept apart from other microfinance approaches is that members purchase shares, which are then on-lent to other members. Anyone can purchase shares, but credit is available only to residents of neighbouring villages.



Currently, the most extensive network is in Benin, where there are 30 FSAs with more than 5 000 members. In southern Benin, the Lobogo Financial Services Association has made a number of impressive achievements since its founding in September 1997. A total of 655 members has mobilized CFAF9 million in assets and lent CFAF 14 million to members to cover different activities, including agricultural produce marketing, school fees and medical emergencies. To date, reimbursements rates are close to 100%. Equally

important, officers and members are proud that they make all major decisions regarding interest rate structure, awarding of dividends and other key policy directions. Another key advantage is that very small loans are readily available: the credit committee meets two-to-three times per week, which means that no-one has to wait more than two or three days for decisions on their credit applications.

The involvement of a national NGO, Systèmes financiers de proximité (SYFIPRO), has been instrumental in establishing the network and in providing critical technical and managerial backstopping. SYFIPRO's activities include carrying out market surveys to determine whether or not there is sufficient demand for FSA products and services in a given location; training FSA officers, staff and members; and training other NGOs in Benin and elsewhere in the FSA approach.

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Development Project for War-Torn Areas of El Salvador

In El Salvador, a peace agreement was signed in 1992 after an armed conflict that had lasted more than ten years. In order to facilitate the transition to peace, at the request of the Government of El Salvador, IFAD launched a project to develop war-affected, poor rural areas. The project area chosen was the Chalatenango Department, which had been one of the worst hit by the civil war. The Rehabilitation and Development Project for War-Torn Areas in the Department of Chalatenango (PROCHALATE) was cofinanced by IFAD, the Government of El Salvador, the European Union and a number of other agencies.

For IFAD, the goal has been to improve the quality of life and incomes of the rural poor, strengthen rural organizations in war-affected areas and reconstruct the social fabric of the Department of Chalatenango. The participation of beneficiaries and active dialogue among government institutions, NGOs and local governments were identified as cornerstones of success in guaranteeing sustainability of the project.

One of the most effective service providers involved in the project was a local NGO, the Foundation of Rural Cooperation and Development of El Salvador (CORDES), established by displaced and returned communities. Since 1988, CORDES has been working for the most isolated and poorest populations in Chalatenango. In association with PROCHALATE, its task has been to provide technical assistance and organize regular participatory evaluations of the technical work undertaken. It has successfully applied its own strategy of educating técnicos populares (local promoters) able to share and spread their experience of the project. At the same time, CORDES has promoted activities at the family level by creating a familia colaboradora (cooperating family) concept. It has also established ecological committees to support environmental conservation and management. CORDES has excellent negotiating skills and has actively sought additional financial and material support to implement parallel activities in the region. Since its establishment, CORDES has received considerable assistance from international organizations, and has well-trained local staff. The fact that it is highly appreciated by the rural poor has contributed to its success both with the project and with its parallel, independent rural development activities.



EXTENDED COOPERATION PROGRAMME

The IFAD/NGO Extended Cooperation Programme (ECP) was created in September 1987 to enhance IFAD's direct collaboration with NGOs in the promotion of participatory and community-based rural development and poverty alleviation.

The principal objectives of the programme are to:

- extend direct grant financing in support of innovative pilot activities by NGOs that can provide prototypes and instruments of intervention for ongoing or future IFAD loan operations;
- offer IFAD opportunities to tap valuable NGO experience and know-how in order to improve its own approaches in the identification, design, implementation and evaluation of its projects and thus contribute to increased responsiveness and sustainability of its development operations;
- contribute to the development of a repository of relevant experience and know-how in operational and strategic issues and thus enhance IFAD's role as a knowledge institution on rural poverty and its alleviation; and
- build durable partnerships and maintain regular consultations and dialogue with a family of development NGOs that can assist IFAD's strategy articulation and choice of project interventions.

ECP-supported activities by NGOs focus primarily on three major areas:

- identifying, testing and disseminating appropriate/innovative technologies for application to the agro-ecological and socio-economic conditions of IFAD's beneficiaries;
- identifying and testing appropriate/innovative institutional approaches/mechanisms in various sectors and subsectors of interest to IFAD to ascertain their relevance, acceptability and sustainability; and
- carrying out knowledge gathering and dissemination activities and training programmes for improved management of resources through, *inter alia*, the creation of more effective systems of organization, based on viable grass-roots organizations, such as farmers' groups, water users' associations and other forms of grass-roots networks.

The above may also involve advocacy activities and processes of identification and capacity-building of potential NGO partners including support for NGO networking activities.

In addition, in line with and in furtherance of its objectives, the programme supports periodic and regular IFAD/NGO consultations on policy and operational issues pertaining to rural poverty alleviation and development.

Another important feature of the ECP is the direct link it forms between IFAD and NGOs with the consent of the host government. In this way, it contributes both to harmonized action and to mutual recognition and appreciation among the partners involved, which, in turn, encourages governments to build upon the experience and know-how accumulated in the activities of NGOs.

ECP support has been increasing, from an initial annual allocation of USD 350 000 in 1988 to USD 2.3 million in 1999. As of 31 December 2000, 176 grants to NGOs had been made under the programme, representing a total commitment of approximately USD 12.5 million. Since 1997, IFAD has extended 20-30 ECP grants per year. Any single ECP grant cannot exceed USD 100 000, with the exception of the coverage of the IFAD/NGO consultations, which may exceed this amount. The recipient NGO must also contribute appropriate material or financial support for the effective and successful implementation of the project.



Technical Assistance and Training for Rural Women in Morocco

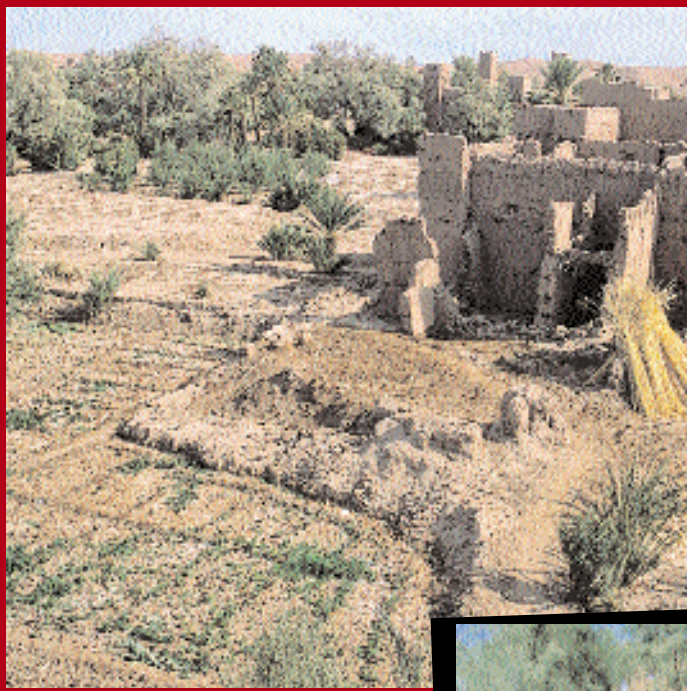
The Near East Foundation (NEF) started its operations in Morocco in 1987, and created the Appropriate Technology Training Centre (ATTC) in 1993. The latter serves to promote appropriate technical solutions to the problems of rural poor women in southern Morocco, especially in the areas of household energy, water and sanitation, sustainable agriculture and food processing, and income-generating activities.

An ECP grant was extended to NEF to alleviate the heavy workload and general livelihood conditions of the female population (110 000) living in the remote mountain villages of the Dades basin in Morocco. The approach was to develop and test technologies that were based on rural women's expressed needs and to disseminate them through demonstrations and technical training, including village-based workshops.

NEF introduced a variety of fuel-efficient cooking stoves and provided training in their manufacture, marketing and household use. The NGO also introduced improved bee-keeping equipment and provided training in modern hive management practices to traditional bee farmers and to people with no previous experience in bee-keeping. In addition, NEF provided training and field demonstrations in small-scale chicken farming, household vegetable gardening and the use of low-cost water-lifting devices.

Through its 'women's animation programme' ATTC undertook grass-roots empowerment activities, including awareness-raising for issues related to family planning, infant nutrition and personal health and hygiene.

Under the grant, NEF worked in partnership with ATTC, which functions as the regional office of the Ministry of Agriculture. Thus, the grant contributed to enhancing the working relationship between the NGO and the Government. In addition, during the course of the project, ATTC moved beyond pure technical assistance and adopted a more holistic programme – viewing technology as a catalyst for grass-roots organization and development – with emphasis on organizing users.



Local Capacity Building and Self-Reliance in Jordan



CARE Australia received an ECP grant to test and develop a community-based participatory approach to managing water resources and rehabilitating canals in Jordan. Specifically, it set out to strengthen the capacity and self-reliance of four local organizations through joint project planning, management and practical training. About 300 poor families in four villages were expected to benefit from the rehabilitation of 4 000 m of canals.

In cooperation with the ongoing IFAD Agricultural Resource Management Project and the Ministry of Social Development, CARE formed a committee to identify, assess and monitor four community projects. Water committees were established at the community level to manage water resources and canal rehabilitation. With the farmers' own contributions, 53 000 m of canals were rehabilitated. Training in water management was offered to committee members.

The project introduced new concepts in water management and canal rehabilitation that proved successful, replicable and potentially sustainable in the long term, thanks to active participation at the local level. One lesson that emerged from the process was the importance of promoting ownership among the local participants, a lesson that was equally valuable to IFAD, CARE, the Ministry of Social Development and the beneficiaries themselves. The Jordanian Government followed up on this lesson promptly, adopting the participatory approach and replicating it in three other governorates of the country.

Tribal Development in India

Four NGOs that had worked cooperatively for ten years with the disadvantaged tribal peoples in the hill areas of Manipur State were recipients of an ECP grant. The NGO grant projects operated independently, each with its own objectives and activities. One NGO, the Integrated Rural Development Welfare Association (IRDWA), was to focus on land reclamation and the development of irrigation canals.

Although the IRDWA project was ongoing for less than one year, the results were remarkable in terms of land reclamation, irrigation and modifying traditional agriculture practices. During this short implementation period, IRDWA staff worked in nine villages with 1 028 families (5 078 people) to clear jungle, level and contour land, and build minor irrigation channels, working on approximately 200 acres of land. They paid local labour and obtained the active cooperation of village authorities, youth clubs and women's societies.

As anticipated, there was some initial opposition to the change from shifting cultivation to the new, permanent system of cultivation, as well as some opposition and jealousy on the part of unserved villages. Nevertheless, IRDWA made significant progress in arresting shifting cultivation practices and decreasing deforestation of land; in creating awareness of the importance of permanent cultivation; and in encouraging many farmers to adopt wet cultivation methods. Villagers benefited in the short term from paid labour, and in the longer term from improved sustainability of livelihoods (for example, 600 families now have irrigated land as a result of the project) and improved household food security. The project is expected to generate about 2 682 bags of paddy per year.

ECP ELIGIBILITY CRITERIA FOR NGOS

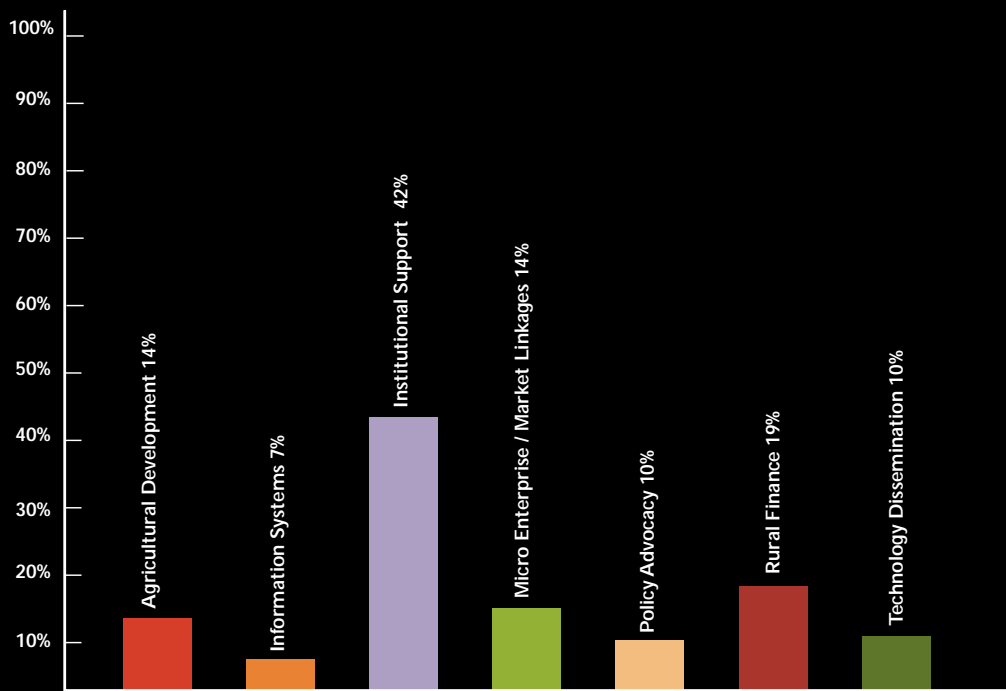
To be eligible for a grant under the IFAD/NGO ECP, an organization must be duly established and registered as a non-profit and non-governmental organization in accordance with relevant laws. Priority is given to local NGOs. Local branches of international NGOs working in close connection with local communities are eligible in the absence of qualified local NGOs. International NGOs are chosen in the absence of the first two, with priority given to those in partnership with national/local NGOs.

In assessing and selecting NGOs for ECP grant financing, the following criteria are considered:

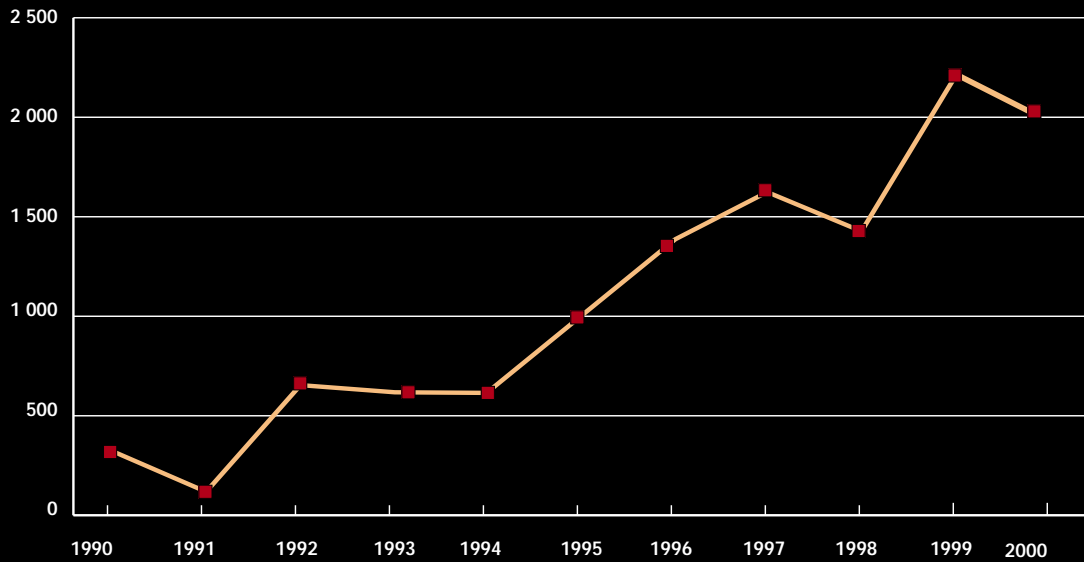
- demonstrated technical capacity to perform the tasks at hand (including capacity for advocacy activities, if required);
- record of adequate experience in the execution of activities similar to the tasks at hand;
- fully functioning for a period of at least three years prior to submission of its project proposal to IFAD;
- adequate management and qualified field staff;
- demonstrated financial capacity to receive and handle funds, account adequately for their use and keep records;
- necessary facilities and equipment for organizational functioning;
- knowledge of local situation and access to target communities;
- well-defined and transparent organizational structure;
- clear and specific objectives;
- use of participatory methodologies and tools;
- commitment to the mobilization of local resources for development and responsiveness to the changing needs of local communities;
- commitment to building local organizational capacity within the framework of participatory approaches;
- readiness to place own operations in the context of community plans, local authority plans and national government plans; and
- demonstrated readiness for cooperation and knowledge-sharing with other actors.



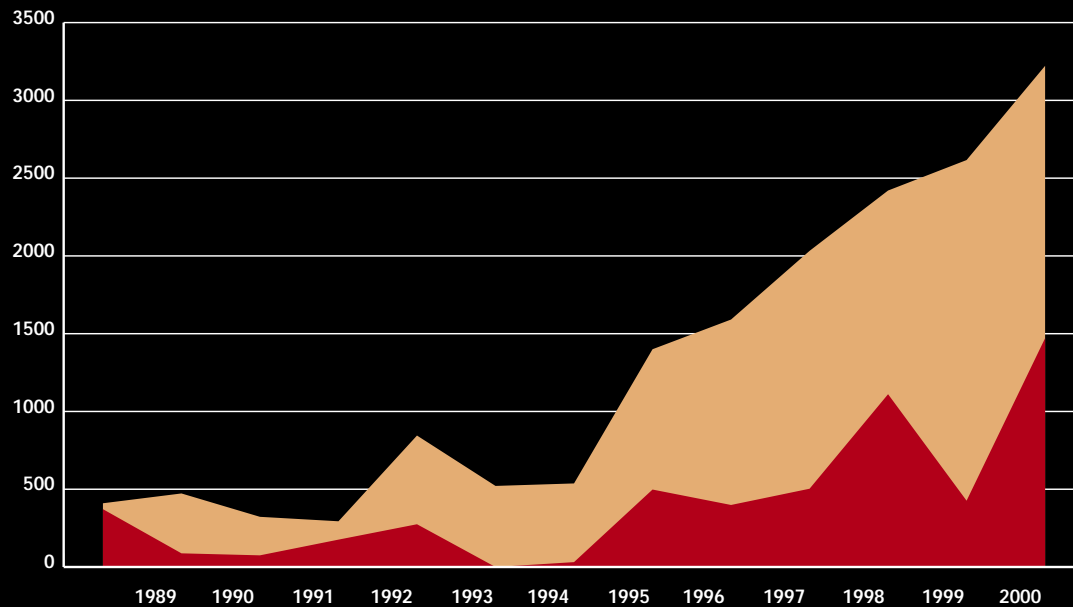
MAJOR AREAS OF ECP ACTIVITY 1988-2000



GROWTH OF ECP GRANT FINANCING 1990-2000 (in thousands of USD)



NGO COFINANCING OF ECP-SUPPORTED PROJECTS 1988-2000 (in thousands of USD)



Applying for an ECP Grant

In order to ensure timely processing, an NGO/ECP proposal must be written in one of the official languages of IFAD and contain the following information:

- an institutional profile of the NGO, including its structure, capacity, experience, specialization and staffing;
- a description of the proposed project (activities, target area, beneficiaries, expected outcomes, duration), its rationale according to IFAD's Lending Policies and Criteria and links to IFAD projects, strategy and concerns;
- a presentation of the costs of the proposed project (by activity);
- financing, including cofinancing arrangements, with an outline of the NGO's contribution in cash and/or kind;
- disbursement modalities;
- project management and implementation arrangements, including services to be rendered and functions to be performed by the NGO;
- supervision and reporting requirements;
- accounting and auditing arrangements; and
- appendixes, including a list of goods and services to be financed under the project.

Proposals are forwarded to IFAD through the regional divisions or the NGO Coordination Unit. All proposals undergo a technical review, which may require further development or reformulation of the proposal. In this case, IFAD staff may work with the NGO to incorporate/address the issues raised.

Once a proposal is approved, a legal agreement between the beneficiary and IFAD is prepared. However, before this agreement can be drawn up, IFAD must receive an official letter from the government of the NGO's country indicating that the government has no objection to IFAD's collaboration with the NGO. The legal agreement sets out conditions for disbursement of funds and specifies the obligation of the NGO to submit, when appropriate, a progress report and completion report. The agreement is submitted to the NGO to ensure that it has no objections, after which it is submitted to the President of IFAD for signature. Once signed by the President, it is sent for the signature of the NGO official. Disbursement of funds begins when the countersigned copies reach IFAD.



HOW TO COLLABORATE WITH IFAD

IFAD often takes the initial steps in establishing a partnership with an NGO, after identifying one or more areas of expertise that the NGO may bring to a poverty-alleviation initiative. IFAD maintains an extensive NGO database at its headquarters for this purpose.

However, NGOs can also initiate partnerships with IFAD. Generally, there are five ways of initiating collaboration in the field:

- contacting IFAD headquarters directly;
- contacting project management units of IFAD-supported projects in the field;
- contacting government departments;
- contacting IFAD partners in the field; and
- bidding on public tenders for IFAD-supported projects.

Funding is provided to NGOs through a number of sources and mechanisms. Some is provided within project components that are financed under IFAD's loan operations, while other funding comes from the Belgian Survival Fund or bilateral agency grants. Some NGOs mobilize resources to finance their activities, and grant funding is also provided by IFAD under the Special Operations Facility and the IFAD/NGO Extended Cooperation Programme.

IFAD/NGO Coordination Unit

The NGO Coordination Unit of IFAD is placed in the External Affairs Department (EAD). The main functions of the Unit are to:

- coordinate the development of IFAD's strategies/policies on IFAD/NGO collaboration;
- organize the IFAD/NGO consultations in collaboration with the IFAD/NGO Consultation Steering Committee and the regional NGO focal points;
- coordinate the IFAD/NGO Extended Cooperation Programme, including the review and assessment of grant proposals, and determine the eligibility of prospective NGO grant recipients, as appropriate;
- gather knowledge, lessons learned and best practices from NGO activities;
- liaise with other multilateral organizations on NGO collaboration;
- maintain the IFAD/NGO database;
- review and process NGO correspondence including proposals submitted for funding;

- enhance IFAD's interaction with the NGO community through participation in relevant fora, the production of printed materials and maintenance of the IFAD/NGO web site; and
- screen and submit to the Executive Board NGO applications for observer status at IFAD's Governing Council.

IFAD/NGO Focal Points

In order to enhance collaboration with NGOs in the promotion of participatory and community-based rural development and poverty alleviation and to encourage recipient governments to build upon the experience and know-how accumulated from the activities of NGOs, IFAD has designated NGO focal points in each of its regional divisions (Western and Central Africa; Eastern and Southern Africa; Asia and the Pacific; Latin America and the Caribbean; and Near East and North Africa) and in its Technical Advisory Division.

The primary responsibilities of the NGO focal points are to:

- address issues relevant to IFAD/NGO cooperation for reference to IFAD management for consideration;
- advise on the collection and dissemination of relevant NGO experiences; and
- assist with the organization of the IFAD/NGO consultations. With regard to the latter, the NGO focal points gather and consolidate proposals from the regional divisions regarding the themes of the consultations, the NGOs to be invited and the documents to be prepared.

THE POPULAR COALITION TO ERADICATE HUNGER AND POVERTY



Paradoxically, hunger is most widespread where food is produced – in rural areas, the home of the vast majority of the world's poor. For the rural poor, access to land, other natural resources, credit and training provides the most promising opportunity to develop sustainable livelihoods. Access to land is often the most viable first step for the poor to acquire family assets. It provides them with the capacity to meet their household food needs, enables them to earn income from the sale of farm products and widens their livelihood options through land improvements or conversion into alternate income-earning activities.

The Popular Coalition to Eradicate Hunger and Poverty is an outcome of the IFAD-sponsored Conference on Hunger and Poverty, an international forum and workshop held in Brussels, Belgium, in 1995. The conference was by no means another *tour d'horizon* of existing literature on hunger, or a debate on general theories of development. Its thrust was to trigger purposeful action and forge strategic coalitions within nations and communities,

public and private institutions, international organizations and civil society, which would mobilize the popular will to fight hunger and poverty in the developing world. The almost 1 000 people who attended the conference stressed the need to work together to eradicate poverty and hunger from the roots up. They declared that civil society must participate in setting the global agenda; that its actions, knowledge and innovations must be given institutional space. The Popular Coalition was born out of this declaration.

Six Programmes of Action were established, of which some of the concrete outcomes are described below:

Empowering Communities

The Community Empowerment Facility (CEF) has been established to strengthen the negotiating ability of the poor to achieve secure access to land, water and associated support services and to facilitate community participation in policy dialogue and representation in local governance. The CEF financed its first two projects in 1999, in The Philippines and Zimbabwe. Civil-society groups in coordination are undertaking all activities with other Popular Coalition partners.

Establishing Knowledge Networks

The Popular Coalition has established a Knowledge Network on Agrarian Reform (ARnet). This network involves civil-society organizations in 23 countries, supported by eight regional nodes. ARnet collects, analyses and documents the lessons learned from the practical work of civil-society organizations in land reform and tenurial security. This knowledge is helping to strengthen the work of civil society, particularly in its dialogue with policy-makers and governments. In 1999, a web site was established to disseminate the knowledge gathered.

Loan Guarantees as Collateral Substitutes

The Popular Coalition's loan guarantee system is examining the constraints encountered by the rural poor in accessing financial services. The aim is to identify such financial constraints at the various stages of land acquisition and subsequent production. It will support pilot projects to demonstrate the forms of financial intervention needed by land-reform beneficiaries in order to establish a sustainable credit mechanism to meet their ongoing needs.

Building Public Awareness and Political Will

A critical prerequisite to agrarian reform is the creation of opportunities for collaboration between civil society and government. Historically, the political and economic demands involved in improving access to land, water and other natural resources have been difficult. In response, a strategy has been designed to increase public awareness and to foster wider dialogue with decision-makers. The challenges of land reform have resulted in a high level of interest for the Popular Coalition to participate in many workshops and official briefings to outline ways in which progress can be achieved. For example, due to its focus on land management, the Popular Coalition was requested to participate in the Eighth Session of the Commission on Sustainable Development. In response to that, the Popular Coalition, in collaboration with NGOs, submitted a paper on land reform to the Commission.

Preventing Emergencies

Landlessness and a lack of secure landholdings can contribute directly and indirectly to war, civil conflict and avoidable natural disasters. Many of these emergencies could be prevented if governments and civil society addressed the underlying agrarian reform issues. The Popular Coalition strives to support organizations with relevant technical expertise and knowledge on this issue as well as organizations working in post-conflict situations in which land redistribution is a prerequisite to peace accords.

Supporting the Implementation of the Convention to Combat Desertification

Tenure security and property rights are key incentives for sustainable land use and natural resource management. Both ARnet and the CEF will contribute to the planning and implementation of national action programmes to combat desertification by assisting civil society and governments to address land tenure requirements. Several joint initiatives are being designed.

The actions of the Popular Coalition have resulted in a heightened level of understanding of the direct link between the access of the rural poor to productive assets and the eradication of hunger and poverty. As a result, the Coalition has received expressions of growing interest on the part of a wide range of organizations that wish to become partner organizations. Indeed, their involvement will broaden and deepen the Coalition's networking capacity from the community to the international level.

THE BELGIAN SURVIVAL FUND JOINT PROGRAMME: A Holistic Approach to Rural Development

In October 1983, the Belgian Government created the Belgian Survival Fund Joint Programme (BSF.JP) as a response to the gravity of the drought that had swept through Ethiopia and sub-Saharan Africa in the 1980s. The rationale for its creation was the conviction that the social conditions of the poorest were so marginal that any sustainable economic development would first require a basic social health platform. If community involvement of the poorest is centred around common interests, such as the management and maintenance of health, water and communal infrastructure facilities, this involvement may be used as the basis for developing group and management skills that can be used with providers of financing and technology.

The global nature of the mandate prompted the Belgian Government to request four UN agencies (World Health Organization, United Nations Children's Fund, United Nations Development Programme and IFAD) to coordinate efforts to "ensure the survival of populations threatened by famine, malnutrition and under-development in those areas having the greatest mortality rates from these causes." The first phase of the programme (1983-95) was devoted to financing stand-alone agricultural, health and water supply projects in Eritrea, Ethiopia, Kenya, Somalia, the United Republic of Tanzania and Uganda. Food security was analysed at the household level and development strategies were created based on the established livelihood and coping strategies of the poor themselves. Appropriate income-generating activities were combined with the provision of primary health care, water and sanitation.

The second phase of the programme (1996-2000) aimed to extend the target area beyond the Greater Horn of Africa to the Great Lakes region, central Sahel countries and Angola.

During the first and second phases, 30 projects were approved, representing a financial commitment of USD 104.7 million. In 2000, the portfolio comprised 19 ongoing projects in 13 countries.

A new BSF Act was passed by the Belgian Parliament in December 1998 and became effective in February 1999. The new Act retains the same objective as the previous one – enhancing the food security of the poorest segments of the population – but two additional dimensions focus on nutrition and poverty alleviation in peri-urban areas and on strengthening capacity for project/programme supervision.

The BSF.JP has incorporated all the elements of a durable development cooperation programme, including:

- country-specific intervention approaches;
- participatory project design, implementation and management from the bottom up;
- local capacity building, to ensure sustainability of project achievements; and
- strategic collaboration with civil society and the private sector.

IFAD perceives close collaboration with NGOs as essential in BSF.JP project planning and implementation: needs assessment, appropriate targeting, providing support services to the rural poor and mobilizing community self-help activities. With their specialized skills, NGOs can address the multiple causes and symptoms of entrenched rural poverty, particularly as it concerns functional literacy, rural finance, empowerment and the status of women; and with their proven capacity for participatory dialogue, NGOs can take action at the grass-roots level.



Uganda Women's Effort to Save Orphans



Although Eastern and Southern Africa account for only 4.8% of the world's population, the region is home to more than half the 33.6 million people infected with Human Immunodeficiency Virus (HIV); moreover, it is the site of 60% of all deaths related to Acquired Immune Deficiency Syndrome (AIDS). In 1986, a group of Ugandan women set about founding a group to address the largely AIDS-generated orphan problem – the Uganda Women's Effort to Save Orphans (UWESO). Women volunteers, mobilized in rural areas, form the group's backbone. Its membership encompasses 10 000 women nationwide, but as of July 1998 it had only 25 full-time staff. The strength of this national voluntary NGO lies in its volunteer spirit at the grass-roots level.

In 1995, the NGO received a major boost when the BSEJP provided a USD 1.45 million grant to UWESO, thus enabling it to serve as a development organization focusing on the economic empowerment of foster families. The first phase of a structured development project, the UWESO Development Project (UDP), was launched and the

grant enabled it to capitalize on the innovative and cost-effective efforts of its volunteer members. The BSEJP enhanced the capacity of the small national secretariat through skills training, technical and financial management support, basic transport and equipment. It subsequently financed the investment and operations costs of the NGO to enable activities to be decentralized to district-level branches and create income-generating activities for foster families and orphans. When the first phase was evaluated in 1998, the encouraging results served as the basis for the formulation and design of a new phase, the UWESO Development Project, which began in 1999. In this volunteer-based system, loans are provided to foster families through groups and clusters, and recipients also receive intensive training in record-keeping and business management. During the new phase, special attention is being paid to consolidating and expanding the savings and credit operations and to handing over these operations to commercial banking institutions.

The UDP has had a far-reaching impact on both the NGO and its beneficiaries. Thanks to the project, and the culture of learning characterized by UWESO's receptivity to new ideas, the NGO has made the transition from a centrally-run, localized welfare provider to orphans, to a diversified, development-oriented and decentralized provider of services, with independent fund-raising ability, directed at all foster-family care-givers. As far as the beneficiaries are concerned, the project has provided for broad-based capacity building of guardian families. In addition, the savings and credit services – individual loans through groups, who receive intensive training in bookkeeping and business management – have drawn widespread support. Foster parent's incomes and living conditions have improved, small-scale businesses have prospered and 10 000 children are able to remain in school. To date, 4 000 loans amounting to USD 400 000 have been provided to 1 875 people, 87% of whom are women. The overall loan recovery rates are approximately 90%.

A second four-year phase of the UDP became effective in late 1999. Building on the successful savings and credit activities of the first phase, the new phase aims at:

- empowering clusters of foster households through training in nutrition, health care and clean drinking water;
- expanding artisan skills training for orphans; and
- expanding UWESO to new districts, and coordinating with other NGOs.

The success of the UDP demonstrates the importance of zealously supporting local-level economic organization for savings, investment and services among the poor. Moreover, the support is made immeasurably more effective through collaboration – and with the intense involvement of the community.

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POPULAR COALITION TO ERADICATE HUNGER AND POVERTY

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