

Productive Strategies for Poor  
Rural Households to Participate  
Successfully in Global Economic  
Processes

Regional Scan for the Nile  
Basin to the International  
Development Research  
Centre, Rural Poverty &  
Environment Programme  
Initiative

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## **Productive Strategies for Poor Rural Households to Participate Successfully in Global Economic Processes**

### List of Acronyms

ACP	Africa, Caribbean and Pacific
AGOA	Africa Growth and Opportunity Act
ASERECA	Association for Strengthening Agricultural Research in E & C Africa
CGAP	Consultative Group for Assistance to the Poor
CIDA	Canadian International Development Agency
COMESA	Common Market for Eastern & Southern Africa
DFID	Department for International Development
EUREPGAP	EuroRetailer Produce Good Agricultural Practices
FAO	Food and Agriculture Organisation
FDI	Foreign Direct Investment
ICRAF	International Centre for Research on Agro-Forestry
ICTA	International Centre for Tropical Agriculture
IDRC	International Development Research Centre
ILRI	International Livestock Research Institute
IWMI	International Water Management Institute
KIPPRA	Kenya Institute for Public Policy Research & Analysis
MSE	Micro and Small Enterprise
NBI	Nile Basin Initiative
PI	Programme Initiative
RPE	Rural Poverty and Environment
SIDA	Swedish International Development Agency
UNCTAD	UN Conference on Trade and Development
UNDP	UN Development Programme
USAID	US Agency for International Development

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# 1 INTRODUCTION

The goal of the International Development Research Centre (IDRC) Rural Poverty and Environment (RPE) Programme Initiative (PI) is to support participatory action-learning research, and policy and institutional innovations and reforms. RPE PI contributes to the development of networks, partnerships and communities of practice, in order to strengthen organisations, policies and practices that enhance the food, water and income security of the rural poor, including those living in fragile or degraded upland and coastal ecosystems.

In order to achieve this, RPE will support activities in four outcome areas:

1. Building effective environmental governance where all stakeholders, including marginalized groups, participate in environmental and natural resource management;
2. Enhancing equitable access and use rights to natural resources by strengthening the negotiating capacity of the rural poor to defend or expand their rights to natural resources;
3. Strengthening communities' capacity to respond to and benefit from integration within wider social and economic systems (i.e. urbanisation, globalisation and market integration); and
4. Adaptive learning.

It is in the context of the third outcome that the RPE PI is developing a programming capacity on 'Productive strategies for poor rural families to participate successfully in global economic processes'. In November 2005, IDRC invited the Overseas Development Institute in London to implement a Scoping Study in order to prepare an agenda of priority research for this RPE PI theme. The aim of the Scoping Study is to provide a conceptually robust and empirically sound rationale for the allocation of some CAD\$1 to 4m in research Calls for Proposals that will be launched each year in the remainder of the five years program cycle from July 2006 to 2010. The emphasis is on transformative research that will not just study the conditions of the rural poor – but undertake the research necessary to change them. The need was articulated for a research agenda that will be concerned with diagnosis but especially with inspiration. During the study ODI will:

1. Identify and review research directions and actors by: preparing an agenda of priority research areas; highlight critical issues regarding methodologies; identify on-going working within the scope of the theme by other donors and related institutions; and, identify potential partners;
2. Provide recommendations that enable RPE to build a coherent programme of research in this area, including possible collaboration with other IDRC programmes – such as Globalisation, Growth and Poverty (GGP);
3. Identify the policies, process and institutions that will expand the potential benefits of wider linkages to the rural poor and allow the development and dissemination of these findings with researchers, NGOs and civil society groups and policy-makers in the South; and

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4. Identify ways to enhance the capacity of rural communities to develop their own indigenous capacities and define their own productive strategies to improve their livelihoods.

There are four phases to the study:

- An inception phase when the study team and members of IDRC's RPE programme held discussions and made agreements on how the study would be implemented (see Inception Report);
- Regional scans for six target regions with documents produced and distributed in February and March 2006;
- Country studies for each region, with Egypt and Uganda selected for the Nile Basin.
- Results from all regional scans, country studies and workshops will be brought together by the London based team to develop a research investment strategy which will be presented to IDRC in June 2006

The current document is a regional scan for the Nile Basin region with the objective of identifying:

- Regional research themes that are related to how global economic processes can have a positive impact on rural poverty and the environment; and
- Potential IDRC RPE research partners and implementers of research in the region.

The scan is based on a methodological framework, which can be found in the study Inception report, and the document has the following structure:

- Brief overview of socio-economic development issues in the Nile Basin.
- A regional perspective on:
  - How can poor rural households adapt their livelihood strategies to benefit from participation with global economic processes?
  - How can the enabling environment be enhanced to support the successful participation of the rural poor?
- An overview of contemporary and likely future relevant research activities that will:
  - indicate 'gaps' in the research agenda; and
  - identify potential future partners for IDRC's RPE programme initiative between 2006 to 2010 as either co-financiers or undertakers of relevant research in the two IDRC regions (Eastern and Southern Africa and the Middle East and North Africa) that are within the Nile Basin.
- A list of possible research themes.

The document will be circulated within the study team, to IDRC and to people within the region for comment in order to improve its content and relevance.

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## 2 THE NILE BASIN

There are six countries within the Nile Basin that are discussed in this scan. They are Egypt, Sudan, Ethiopia, Uganda, Kenya and Tanzania. On the face of it, these riparian states of the Nile Basin have too many historical and cultural differences to constitute a 'region' in the sense of common development challenges and economic opportunities. However, all the six countries have at least 60% of their population living in rural areas and the large majority of these are struggling to survive on low incomes and with meagre assets. Furthermore all six countries, rhetorically at least, place the eradication of rural poverty at the forefront of their development objectives.

Given this degree of commonality, the task of identifying strategic options for poor rural households, and for governments, across North and East Africa must start with a discussion of the most important aspects of the physical, socio-economic (and even political) environment that impact upon most poor rural households within the region as a whole.

### 2.1 The Physical Environment

There are three 'environmental' factors that impact upon the rural poor across the region. The first is the physical environment itself. Throughout the region, land and water resources are under stress from increases in human and animal populations and, consequent upon population growth, increases in urbanization and migration. In several countries, a further consequence has been armed conflict over access to increasingly resource scarcity relative to population growth and movement. Environmental stress takes several different forms, from desert encroachment and loss of pasture in semi-arid areas, to over-cultivation and loss of tree cover in forested areas of the basin hinterland, to salinity and soil nutrient loss in the riverain and delta areas.

The link between rural poverty and environmental degradation: what gives it particular current pertinence is the impact of wider social and economic forces on responses to degradation (including opportunities for labour migration, changing role of women as livelihood options are adjusted, market integration as a means of improving land husbandry etc: all discussed below).

In addition to this differentiated picture of environmental stress and social change, there is also the more specific issue of the Nile watercourse itself. The waters of the Nile are essential to the livelihoods of some 130 million people. As population increases, industrialization accelerates and domestic urban water and power demands grow, competition concerns become both a development and security concern.

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The inter-governmental and donor-supported Nile Basin Initiative (see also below) is a response to concerns about the over-exploitation of the Nile. At the root of the NBI is, of course, water demand management, and the issue for the rural poor is whether their interests as cultivators and pastoralists can be as well articulated as those of industrialists, urban consumers and large irrigators. Efforts to internationally manage the Nile waters itself are not new but this level and type of global support does represent 'globalisation' in the sense that potential regional conflicts over water are now keenly seen as threats to international security, especially in the Nile Basin region.

## **2.2 The Economic and Political Environment**

The second 'environmental' factor relates to the broadly common approach to economic development across the region. Whether domestically generated or adopted in response to pressure from IFIs, the trend (over the past twenty years or so in most countries) has been to open up economies to international competition and to encourage private sector engagement in the provision of goods and services.

The most important component of such liberalisation has been the adoption of exchange rate policies that encourage exporting and increase the costs of imports. Related to this has been encouragement of direct foreign investment but to attract investment generally, both domestic and foreign) there has been downward pressure on interest rates that has led to public spending cuts and the weakening of subsidies. To date, however, there have been some significant increases in FDI (especially in the oil endowed Sudan), but no major surge throughout the region (see Table 1). Therefore, attributing domestic economic change (especially with respect to poverty alleviation) to such 'globalisation' has limitations.

Adjustments to the external trade environment have also been favourable to all six countries, although -once again- the evidence to date does not suggest trade liberalisation has had a profound impact on the poor within the domestic economy. Table 2 shows trends in export performance that are only a little more than incremental in most countries. Similarly, trends in imports (Table 3) do not suggest major structural changes are in train despite concerns (from industrialists rather than low-income consumers) over low cost imports.

The five 'African' countries are covered by the EU trade preferences to ACP countries under the Cotonou Agreement; and Egypt also has preferential access under Euro-Med association. Under AGOA, several countries have preferential access to US markets. Within the region, five of the six countries are members of COMESA (although Uganda and Ethiopia have yet to sign the Free Trade Area agreement and the prospects for a communal external tariff by 2008 – and thus a Customs Union – are not promising).

Intra-COMESA trade (for the five countries) is generally increasing, although it remains relatively small in relation to total trade and is not growing significantly as yet (see Table

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4). For many low-income producers and traders, it is likely that informal trade (taken by head or bicycle and unrecorded, or simply smuggled by boat or truck) is as important as formal trade. On the face of it, lower tariffs and the removal of import restrictions would reduce the incentives for informal trade within COMESA; but there is insufficient evidence on the volume, nature and beneficiaries of informal cross-border trade to draw any conclusions on the impact of trade liberalisation on the informal sector.

On direct foreign investment, the results of liberalisation on job creation are generally held to be disappointing (as elsewhere in Africa, where UNCTAD figures (1) show that Africa's share of global non-extractive FDI has been largely static over the past decade). Several countries in the region have allowed foreign competition in previously reserved sectors and eased taxation and exchange control regimes. However these incentives are counter-balanced (according to World Bank studies (2) in Kenya, Uganda and Tanzania) by investor concerns over macro-economic instability, unreliable infrastructure (especially electricity), corruption, and regulatory maladministration.

The same studies, however, claim that surveys indicate that foreign firms report higher labour productivity, better working conditions and higher investment in training than local firms. Yet the aggregate effect of such 'second round' globalisation on the rural poor (through new employment opportunities in industries to which the poor are drawn through migration) is difficult to assess.

The third aspect of 'environmental' change is less well-documented than ecological stress and macro-economic reform, but it is a global phenomenon nonetheless. The political tradition in the Nile Basin has been largely authoritarian with a pattern of military and/or single party rule in all countries. This may have changed less than is often supposed over the last fifteen years or so but, rhetorically at least, all the governments have conceded the development benefits of greater citizen participation and accountability. In most countries there are now elections to parliamentary legislatures and there have been efforts to decentralise some government functions to locally elected bodies. The importance of centralised government patronage remains an important aspect of the political culture of the region, nonetheless, and poor rural communities are the least well connected to such patronage.

### **3 REGIONAL PERSPECTIVE**

The regional perspective section sets out to answer two key research questions relating to rural poverty and the participation of the poor in global economic processes:

- How can poor rural households adapt their livelihood strategies to benefit from participation with global economic processes? Which will be answered through looking at how the rural poor can and do engage in global economic processes.
- How can the enabling environment be enhanced to support the successful participation of the rural poor? Which will be answered by identifying the

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constraints of the rural poor to further engagement in the global economy and what are the appropriate policy interventions to address these constraints.

### **3.1 HOW CAN POOR RURAL HOUSEHOLDS ADAPT THEIR LIVELIHOOD STRATEGIES TO BENEFIT FROM PARTICIPATION WITH GLOBAL ECONOMIC PROCESSES?**

#### **3.1.1 Understanding the context**

All six countries are either in the low income or least developed category. Egypt has the highest GNI per capita at \$1,300: all others are well below \$500 (with Ethiopia the lowest at \$90. Most, however, have seen modest growth rates (see Table 5) suggesting broadly successful economic policy reforms supported by donor finance (and the one negative growth rate aid - Kenya – may be partly attributed to the impact of aid suspension in much of the 1990s).

As Table 5 also shows, population growth rate is generally high. Only Egypt (internationally recognized for advances in female emancipation) emancipation has got a figure below 2%. The general trend is down however: Kenya 3.8% in the 1980s down to 2.3%; Sudan 3.0% down to 2.3%; Tanzania 3.2% down to 2.3%. Where they are available, figures for rural population growth are higher, with fertility rates in urban Ethiopia, for example, well below rural rates.

Rural poverty is feature of all countries. In Ethiopia, 90% of the poor are in rural areas. Even in Egypt 80% of the poor are in rural areas. Within rural areas, there are also clear regional patterns of poverty related to remoteness from main markets and also agro-ecological limitations. Lower Egypt, for example, is the poorest region together with the pastoral communities in the western drylands. Northern Uganda is the poorest region; similarly the Ethiopian lowlands, semi-arid parts of Kenya, southern Sudan etc.

However, in the region as a whole the main pattern is of households with some access to land for grazing and cultivation (although in Egypt the plots are often so small that households are effectively 'landless'). Much of the production is for domestic consumption with occasional income from local market sales or exchanges. Largely because production surplus are low and erratic, such households have few market intermediaries available and confront highly variable prices. Many are also vulnerable to climatic variability, production input shortfalls and stock theft.

#### **3.1.2 Distributional issues:**

There are differences in the character of poor rural households, but these do not follow any country pattern. In Egypt, the majority of the rural poor are landless and permanent labouring work is their main source of income. There are large numbers of the rural poor in both Kenya and Uganda similarly dependent upon income from labouring income in estate agriculture.



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However, for purposes of this study – on the impact of global economic processes, particularly the growing importance of competitive markets – it is useful to distinguish three categories of the rural poor.

The first category are those that have the assets (principally productive land but also skills, experience and access to capital) and the potential to use those assets in ways that could allow them to engage more effectively in market economies. This group includes primary producers, processors, traders and micro-enterprises of various kinds. What distinguishes them from others in the rural poor category is their potential (or ‘market readiness’).

To realise this potential, there are a number of impediments that need to be addressed. They could include organisational weaknesses within producing communities, regulatory barriers, information deficiencies, lack of access to business services, discrimination within industries against new entrants, lack of understanding among buyers and agents and so on. All of these are impediments that are capable of being addressed.

The second category of rural poor (and much the largest in this region) are those that are excluded from the market economy not because of any removeable impediments as described above but because their conditions are so structurally weak that it would require requires major policy change and public investment to bring realistic opportunities for income growth. Such unfavourable conditions include remoteness from markets, limited resource endowments, lack of political influence, unfavourable labour markets, limited skills, vulnerability to natural disasters etc). These conditions can apply in both marginal environments and in labouring in better-off areas, although in the case of low paid or casual labour there are more opportunities of progressing to the third category of rural poor.

This third category (keeping in mind these are categories in terms of participating in global economic processes) are those that stand to benefit from the ‘second round’ impact of market liberalisation mentioned above. Put simply, all this says is that the nature of market development, however it is led, is characterised by growing local opportunities for manufacturing, processing and transport industries, more productive farming, new business services etc. In the process there will be a greater demand for labour and services generally from which the poor will benefit. One of the proponents of this growth ‘school’ – John Mellor – cites the small holder tea areas of Kenya as an example of industry growth leading to rising incomes and wages, new demands for consumer goods, and a general increase in prosperity.

There is, however, an important caveat if we are to look more carefully at the arguments of economists such as Peter Timmer (3) and John Mellor (4) and applied empirically by World Bank analysts (5). The point they are making is that it is agricultural growth, often with a three or four year time lag, that drives the demand for labour through the sector’s own demand for goods and services produced in the rural non-farm (and normally labour-

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intensive) sector. However these goods and services required by agriculture in rural areas are largely non-tradable (meaning they cannot be sold in the international market because they are generally of low quality and have high transaction costs), so they depend upon domestic demand for their growth.

Relating this 'model' to Egypt, Mellor concludes that for poverty reduction objectives there are much higher returns to accelerated growth in the agricultural sector than there are in the urban manufacturing and services sectors (because of the larger impact on the poor of labour absorption in rural areas and the heavier level of spending on non-tradables). In the context of global economic processes, however, it is urban-based manufacturing and services growth that relies strongly upon capital investment, including DFI, and the income generated is largely spent on tradable goods and services, including servicing capital.

It is difficult to argue, therefore, that global economic processes impact strongly, through second round effects, on rural poverty unless it can be shown that those processes elicit the technical innovation in agriculture that stimulates wider rural development through demand for employment-generating growth.

Returning to the three categories, it is clear that the category likely to benefit most from the policy research programme envisaged by RPE are those in the first category. However, the 'market ready' are not a static group awaiting assistance in overcoming specific market access constraints. The aim must be to greatly enlarge the numbers who can be considered potential beneficiaries of greater market participation and, at the same time, consider ways in which those already participating in markets can realise higher values to their participation.

### **3.1.3 Constraints to participation:**

The main general barriers to greater impact of wider economic processes at the rural level relate to lack of assets and capital, education and skills. More country specific barriers include health and nutrition, lack of social organisation on which to build enterprises, poor natural resource endowments, rural insecurity, remoteness from markets, lack of business infrastructure etc. In general the rural poor have access to thin input markets due to the high transport costs of reaching potential clients and the fact that many of these clients are poor and produce low quantity, low quality products. There is thus a combination of barriers, but it is not possible to qualify their order of importance.

A further issue is social structure. There is some evidence that rural development requires a relatively large 'middle' class in the communities to ensure that there is a dynamism in the local economy. In global terms this class would be considered poor, but would not be the poorest of the poor. Where this 'middle' class is small, there tends to be stagnation in the local economy and limited opportunities for the poorest groups.

In Egypt and the northern Sudan this rural middle class has a long history of petty trading and land owning. It has not, however, demonstrated much business dynamism and, through its close links to local administrators and political leaders, has largely served to

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exclude the poor from opportunities for growth. In East Africa, much of the dynamism of a rural middle class was evident during the period after independence when Asian and Arab traders frequently gave a commercial character to small administrative centres. As a result of discrimination against such traders (and long periods of civil unrest in the case of Ethiopia, Uganda and southern Sudan) these centres have lost what little business vitality they once had, and it is often only in (relatively distant) larger rural market towns that the poor are able to sell their products or acquire production inputs and loan facilities.

#### **3.1.4 Household livelihood strategy options:**

Small scale, or family farming, is a fragile source of income throughout the region. One response has been migration on the part of some family members. In Egypt particularly this has involved long term migration by able bodied males (often to construction work overseas), but short term seasonal migration and spells in towns (often in domestic service) is also an increasingly common feature of rural households throughout the region.

Although they are also part of this pattern of circulatory migration, the overall consequence of increased migration has been to enhance the role of women in farming. In Egypt, an IDRC study (6) has indicated that this role has extended into processing and marketing with consequent shifts in intra-household status contradicting the idea that women are 'left behind'. In East Africa and the Horn it is generally believed that such a shift is constrained by tenure arrangements that discriminate against women in farm business development.

Another consequence of poor returns to farming has been the growth in the non-farm rural economy. Such a growth is difficult to measure although for East Africa there are estimates (7) that between 40% and 60% of farm incomes derive from non-farm sources. Settlement patterns also appear to be changing as homes are built closer to roads that permit daily commuting in search of work.

On farming and enterprise development generally, however, it should be noted that there are cases where rural people have formed cooperatives and farmer associations, which have entered products into mainstream domestic and international markets. In the region there are also examples of local craftwork knowledge and skills being used to access tourist markets.

### **3.2 HOW CAN THE ENABLING ENVIRONMENT BE ENHANCED TO SUPPORT THE SUCCESSFUL PARTICIPATION OF THE RURAL POOR?**

#### **3.2.1 Overarching issues:**

The aggregate effect of global economic changes on the rural poor (as consumers and producers) is contentious but there is general recognition that the private sector response to the opportunities presented by liberalization has been particularly weak in the

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agricultural and agri-business sectors and the main income opportunities have been in construction and services, including tourism.

This has concentrated attention on supply-side measures to complement liberalization, particularly incentives to small business development in rural area and to diversification of farming. However, none of the six countries has made significant progress – as a result of government action, at least - in either direction as yet (see discussion below on both technology adoption in agriculture and on the performance of rural micro-enterprise development programmes).

### **3.2.2 Access to Factor Markets**

#### **Finance**

The provision of micro-credit, as a key component of rural poverty eradication strategy, is coming under scrutiny in this region as elsewhere. There are long standing questions over the sustainability of micro -credit, especially where its supply (if not its cost to borrowers) is subsidized by NGOs. Furthermore, micro-credit can have the effect of duplicating and possibly undermining informal savings arrangements, and retarding the development of formal financial markets in rural areas.

However, the newer concern is that micro-credit does not, in practice, address the issue of the productive capacity of the rural poor. The donor micro -finance group (CGAP) has been critical (8) of UNDP's micro credit assistance in Africa for example (although UNDP remains committed to its East Africa and Horn programmes). The issue for critics is not whether micro credit is successful in providing loans to poor people that helps them to cope potentially harmful fluctuations and provides some measure of self-reliance. Nor is the generally good record of loan recovery an issue.

The issue is whether micro credit is as dynamic as factor in rural development as is often claimed. In our region, for example, the long-established FINCA International (which, in Tanzania and Uganda has promoted village banking) provides 'minimalist' lending for the poor that has been generally successful in providing loans for modest production and self employment purposes (small market stalls, bicycles, hammer mills etc) without making any significant difference to the economic advance of the poor.

More recent attitudes towards credit stress the importance of larger loans in poor areas that have the effect of expanding farm and other enterprises thereby creating demand for other services, more competition for labour and more lasting economic progress from the poor can benefit. The Development Finance Forum (and network) is one proponent of this shift in thinking, with the Kenya Rural Enterprise Programme a leading network member in the region.

#### **Land**

Leaving aside state lands, the majority of rural poor in the region live under customary tenure arrangements where land is allocated by traditional leader or communally grazed.

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For 'modernisers', the limitation of this system is that it militates against forms of 'enclosure' that allow for innovation and on-farm investment and inhibits the development of land markets and the use of land as collateral.

There are also concerns that such a system entrenches the power of local leaders unwilling to countenance socio-economic changes (in relation to female entrepreneurship for example) that could undermine their authority. But it is the issue of individual titling that is exercising governments and donors most. The view of most research bodies in this region of Africa is that long term security of rights to use land, individually and collectively, is more important than title itself, and much less contentious and complex to administer (because of the high costs of survey, registration, arbitration etc). One favoured approach is local land boards with some representation of traditional leaders, but this is also fraught with difficulties and the nature of land tenure arrangements remains a constraint on rural development.

### **Technology**

For many of the rural poor engaged in farming in this region, there has been little change in technical prescriptions over the last 30-40 years. Many of these technologies are taken for granted elsewhere in the developing world: animal draught to reduce drudgery and extend cultivation where land is available, greater use of organic and inorganic fertilizer to intensify production where it is not, better maintenance of seeds and care of breeding stock, more effective on-farm storage to reduce post-harvest losses etc.

To some extent, the poor response to such technical prescriptions can be attributed to the performance of public extension services which are often solely technocratic in their approach and have failed to investigate reasons why so many farm families are resistant to change. There is now more attention, especially in East Africa and the Horn in alternatives approaches to extension, with the use of farmer groups themselves seen as the best means of removing perceptions of risks in technical change and more effectively demonstrating the higher returns from improved practices.

However, for other small farmers in the region seeking to take a step into commercial agriculture, the challenge is not simply increasing productivity within existing food and animal production systems based upon home consumption needs. Commercial agriculture is becoming more challenging for small farmers unless they are able to link to the agents, processors and retailers that are coming to dominate the domestic market (though supermarkets especially) and overseas markets that increasingly require not only evidence of standards compliance, traceability etc but also reliably large quantities.

This has long been the case with beverage, and other, export crops but information and standard setting mechanisms put in place for tea, cotton, gum Arabic etc (where local processing is a necessary component) are less easily established for vegetables, cut flowers, essential oils etc (all potentially profitable small farmer crops from the region).

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### 3.2.3 Processes:

Apart from these specific policy areas on factor markets above, there have been efforts to include the rural poor in wider development processes as a means to 'empower' the poor to take more responsibility for their own advancement.

In the realm of 'governance'- especially in respect of the rural poor - there is now a consensus that engaging local communities in both programmes and even policies is likely to enhance effectiveness. There is even recognition that rural institutions dominated by politically connected men are unlikely to serve the interests of the rural poor and more participatory structures need to be supported. These notions of 'empowerment' figure strongly in several donor programmes in the region (again, see some discussion below), and they are part of the rhetoric of all the governments of the region, although considerations of political stability and reluctance to devolve spending authority have generally limited the scope for local representative government with substantial executive powers.

In the realm of pro-poor business development, a main policy thrust throughout the region has been the promotion of 'micro-enterprise'. There are two aspects to this: first, enterprises themselves are seen as a way of opening up markets for poor people to earn a living and attain self-reliance. Clearly this is happening throughout the region's towns regardless of government policies. There are stalls selling goods of all kinds; small workshops repairing bicycles and recycling scrap metal; street hairdressers; shoe repairers etc. In general this is a highly efficient and competitive sector of the economy, although it is largely operating outside formal licensing and tax regimes and the main government contribution is probably in the inclusion of technical skills (carpentry, metalwork etc) in rural schools (in Kenya and Tanzania for example). The problem, however, is that this sector has little capacity for 'vertical' growth for enterprises – if anything the rewards of such self-employment remain stubbornly low as new entrants from the ranks of the poor compete for limited business (that is, 'horizontal' growth).

Thus the second aspect of micro- enterprise development (or more strictly micro and small enterprise - or MSE – with micro defined as up to 10 employees and small up to 50) is its capacity to grow and create employment. Here the record throughout the region has been generally poor. In Kenya, for example, a series of surveys of MSEs (9) showed that between 65% and 80% remained the same size year in year out and gave credence to the notion that MSEs are largely survivalist in nature and a more a response to unemployment and poverty rather than an engine for growth.

However another finding is that MSEs are a major source of employment or self-employment (accounting for 92% of new jobs in one year). This is despite the fact that almost a half of MSEs close down within three years and wages and working conditions are far behind formal sector employment. The challenge, therefore, appears to be in understanding the conditions under which 'survivalist' enterprises among the poor can benefit from incorporation into the formal economy. Otherwise it seems likely that most

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MSEs , as with informal cross border traders, remain a symptom of poverty rather than a potential source of advancement away from poverty.

### **3.2.4 Access to markets**

The aim of structural adjustment for the agricultural sectors in the region has been to elicit more private sector investment and competition into farm input supply and output marketing. This is a particularly important aim with respect to poorer households that have generally confronted difficulties in securing satisfactory incomes from their access to commodity markets.

However, in practice there has been a weak supply response to such liberalizing policies. In some countries, such as Kenya and Ethiopia, the continuation of government market intervention is held to have depressed incentives to private sector engagement. And there has also been a pattern of inefficient state monopolies replaced not by competition but by single traders offering only erratic local monopsonies.

The problems of market development for poorer farmers are compounded by changes in demand for farm products. In Kenya, for example, some 70% of food sales are via supermarket chains (10). Buyers for such chains tend to favour volume contract suppliers and only 10% of produce is sourced from small family farms. These changes in demand, and the associated growth in importance of standards compliance, have served to increase the transaction costs of farming (in relation to business information, contracting, record keeping etc). For small farmers, therefore, there are increasing needs to organize themselves to both acquire business services and reduce transaction costs.

Such an approach to small farmer development has long been a feature of some export crops where business services are embedded in the value chain. Transferring such experience to other commodities is more challenging but this commodity market development approach is now being adopted by several donors in the region.

### **3.2.5 Government support:**

The capacity of poor rural households to adapt their livelihood strategies is constrained, or assisted, by specific sectoral policies.

Before listing these, it is important to note that many parts of the region are especially drought-prone, and a policy pattern has developed in some countries or regions within countries of central government poverty redress. In relatively prosperous Egypt this consists of food subsidies and cash transfers for the rural poor: elsewhere the main mechanism is food and material aid for emergencies and public works programmes.

In addition, the main spending components on rural poverty outside of emergencies are social welfare expenditures, particularly health and education but also social grants. These expenditures clearly address the principal problems of poverty and effective investment is

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welfare provides a necessary bedrock for rural growth. However, social spending is not as directly related to livelihood strategies as other measures which seek to target the removal of particular impediments to growth and directly incentivise change in economic behaviour.

If these 'direct' measures are ordered in terms of longevity of interest and scale of public spending (but not in terms of impact or successful prosecution necessarily), the following regional pattern of priorities emerges.

- **Land settlement, land redistribution and tenure reform** : although these are different policy instruments they share the same objective which is to provide the rural poor with more secure access to land sufficient to support farming enterprises.
- **Agricultural technology**: designed to improve levels of production and both land and labour productivity; and to introduce more diversified production systems.
- **Natural resource conservation**: (not the same as technology above because it has relied more on the promotion of community development).
- **Skills development**, particularly in non-farm activities and often related to grants for small scale craft industries and business start-ups.
- **Commodity and service market development**: the promotion of (normally subsidised) financial services has dominated this area of policy but commodity market development also has some history (for example, the attempt to improve animal husbandry and range management by introducing more sales points into agro-pastoral communities).

### 3.3 SUMMARY OF GLOBAL ECONOMIC PROCESSES

The underlying assumption as shown in the conceptual framework in the inception report is that access to global economic processes can improve poor rural people's livelihoods.

The most important aspect of such processes for the rural poor is the growing role of competitive markets. The immediate impact is seen most sharply in the (at least partial) removal of state monopolies that provide goods and services at fixed prices and the encouragement of private suppliers and buyers able to determine prices under competitive market conditions. This is not to say that there is no longer any form of market intervention, or that subsidies for some production requirements are no longer available. However, the general trend is towards ensuring that all enterprises, whether family farms or large banks, are commercially viable.



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The importance of competitive markets extends to policies towards external trade and inward investment. The negotiated lowering of barriers to trade is both to stimulate export opportunities and to allow more competition in domestic markets. Similarly the relaxation of controls on direct foreign investment is to encourage higher productivity and competitiveness of local industry.

These are seen as 'pro-growth' strategies and growth itself is seen as a necessary, if not sufficient, component of poverty reduction. For the rural poor, as we have seen, participation in such growth is a major challenge because they are already confronted with a range of barriers to successfully participating in even the relatively closed (and internationally uncompetitive) economies that characterised much of the region until the 1990s. To meet the 'new' challenges of competitive markets, the rural poor must either substantially raise the productivity of their existing enterprises, or diversify into new forms of income generation, or look for opportunities to move to areas where demand for their labour or opportunities for self-employment are greater. Whatever the response, new skills, technical change, improved understanding of markets and better access to services are all necessary.

## **4 AN OVERVIEW OF RURAL POVERTY RESEARCH ACTIVITIES**

This overview looks at major trends in external support to policy development in the region. Annex 1 presents an analysis by country of the activities of major donors, NGOs and foundations. In summary the multilateral and bilateral donors have focussed particularly upon governance, private sector development, management of natural resources and the environment, food security, and physical infrastructure. There are also a large number of technical interventions at the level of smallscale producers to improve the productivity of land and labour.

### **Nile Basin Initiative**

The NBI (for Socio-Economic Development and Benefit Sharing) incorporates all our six countries (plus DRC, Burundi, Rwanda, and Eritrea). The World Bank is the leading donor (in management terms) with CIDA also a substantial contributor, along with the Global Environment Facility etc. The Secretariat, properly established in the course of 2005, is based in Uganda.

Realising the objectives of 'sustainable socio-economic development through the equitable utilization of, and benefit from, the common Nile Basin water resources' is expected to require a great deal of research, information-sharing, consultation and negotiation as well as the preparation of projects. There are two main development components of the programme.

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Under the Nile Transboundary Development Network, there is funding for collaboration between research institutes within the NBI countries. Participating institutions will be required to prepare proposals under the 'shared vision programme' which covers areas such as environmental actions, power and 'power trade', water use for agriculture, water resource planning and 'pro-poor tourism and environmental management'. The secretariat itself will be responsible for matters such as developing regional integration frameworks for joint assessment, and principles of benefit sharing.

Under the Nile Transboundary Development Facility, which is also designed to support research, there are opportunities for grant support at the sub-Basin level (such as the Equatorial Lakes) and for different forms of civil society engagement.

### **Environment**

Across the region, there are a large number of research-based projects and information initiatives addressing different problems of environmental sustainability. Many of these are in fragile environments where livelihoods as well as natural resources and biodiversity are endangered. For this reason, most projects place a strong emphasis upon community structures able to take responsibility for better management of local resources either held in common or dependent upon individual conservation measures within the vicinity.

Among the most interesting projects with a regional perspective are the African Highlands Initiative examining options for the maintenance and development of livelihoods in the intensively-cultivated mountain areas of East Africa – supported already by IDRC in partnership with Swiss Development Co-operation, ICRAF and the Dutch aid programme; the East African coastal natural resources programme and community capacity building – supported by the Aga Khan and Ford Foundations; and the African Rift Valley land use and conservation (the US-based African Conservation Fund with the Ford Foundation).

### **Gender**

There are a large number of projects to assist rural women in the region (covering literacy, business, cultivation etc) but, a study (6) commissioned by IDRC MENA suggests it may be time to curtail 'women only' projects (which have generally failed) and, instead, look to support projects that deal with services and commodities in which women already participate. This may have particular relevance for East Africa (if not the Sudan) where women are already strong market participants in horticulture and dairying, both of which have export or domestic growth potential.

Other research projects in the region (including nomadic sedentarization in Ethiopia) have indicated the need to retain gender-specific programmes. They have highlighted, for example, the adverse consequences for women of traditional land use allocation practices, although the male biases may be less evident in areas where land is allocated by decree (as in Egypt) or state leases.

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There is also an issue of gender bias in research. In fact, IDRC has a small grants programme for strengthening agricultural research in east and central Africa small to 'understand the role of women'. However it is not clear if research should be conducted differently or whether there should be more simply more emphasis on commodities and technologies appropriate for women's commercial interests (such as affordable cold storage in horticultural production).

## **Technology**

At a regional level, the Regional Arid Lands Information Network (Eastern Africa) – with Ford Foundation assistance – has supported local communities to adopt new production techniques and marketing arrangements. IDRC itself is also engaged in research to assist food insecure households, principally through the work of international centers such as IWMI, ILRI and ICTA (on water, livestock and seeds respectively).

The Association for Strengthening Agricultural Research in Eastern and Southern Africa (ASERECA) is now a major regional instrument for promoting commodity and agricultural systems research, with several active networks and policy initiatives. IDRC has been a long-standing supporter.

There are several official donor-led initiatives to assist the diversification and competitiveness of regional smallholders. Among the non-official initiatives is the Maendeleo Agricultural Technology Fund (supported by the Rockefeller Foundation and the Gatsby Trust).

## **Land**

Among official donors, DFID, SIDA and the World Bank have been providing technical assistance in land and tenure reform in Kenya, Uganda and Ethiopia, and the FAO has long standing interests in the issue right across the region.

## **Commodity Markets**

The commodity market development approach is now being adopted by several donors in the region. At present, this is largely at the country level and includes support to business services generally (such as DFID in Uganda) and much more commodity specific assistance from such as the International Trade Centre.

USAID is adopting a more regional approach providing consultancy studies and technical assistance via a Regional Hub for Global Competitiveness (based in Kenya, but excluding Egypt). Regional agricultural trade one of its components with an emphasis upon building regional commodity associations and links between farmer organizations.

Elsewhere, IDRC itself is supporting a company called International Development Enterprise which is promoting market access ('Smallholder Water and Integrated Business Development Model') in the Horn and Sahel. Specifically on export development

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(where standards can be especially complex for small farmers) the Intermediate Technology Development Group is supporting efforts to realize the potential of wild harvested and cultivated herbal plants (for the health care and essential oils industries overseas).

## **5 POSSIBLE RESEARCH THEMES**

From the above discussion (and bearing in mind the need to frame ideas that are 1) regional in nature, 2) not already over-subscribed, 3) could have an impact, 4) involve identifiable barriers and 5) fit with RPE/IDRC), this is a list of possible areas for further investigation with cross-references made to the preceeding analysis.

- The socio-economic consequences of water demand management options within the NBI upon the productive capacity of the rural poor (see 2.1 and 4 Nile Basin Initiative)
- The impact of socio-economic change induced by rural poverty (migration, urbanisation, and sedentarization especially) on the role of women within households and the policy instruments to assist women's status and economic roles (see 3.1.3 and 4 Gender)
- The nature of different forms of migration, the different participants in migration, and the income effects on rural households (see 3.1.4)
- The nature of the non farm rural economy and the policy measures to promote its contribution to rural household income (see 3.1.2 and 3.1.4)
- The nature and management of facilities and organizations to promote standards information and compliance on products of the rural poor -including lower cost testing (mobile laboratories etc), group certification, market intelligence, business services (see 3.2.4)
- Development options for financial market development to serve the needs of the rural poor (see 3.2.2)
- The role of cross border trade in goods emanating from rural producers (rather than smuggled consumer goods) and mechanisms to facilitate such trade (see 2.2)
- Market information systems that convey standards requirements to rural producers whether statutory (SPS), industry-wide voluntary (EuropGAP etc) or specific retail outlet- based (see 4 Commodity Markets).

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## ANNEX 1: TABLES

**Table 1: Foreign Direct Investment (net inflow) US\$ mn**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>Ethopia</b>	349	255	465	545
<b>Egypt</b>	510	647	237	1,253
<b>Kenya</b>	35	28	82	46
<b>Sudan</b>	574	713	1,348	1,511
<b>Tanzania</b>	342	243	254	249
<b>Uganda</b>	151	185	202	221

*Source: World Development Indicators, 2006, World Bank*

**Table 2: Exports of Goods and Services as % of GDP**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>Ethopia</b>	22	23	24	29
<b>Egypt</b>	18	18	22	29
<b>Kenya</b>	23	25	24	26
<b>Sudan</b>	13	13	15	18
<b>Tanzania</b>	16	17	18	19
<b>Uganda</b>	12	12	12	14

*Source: World Development Indicators 2006, World Bank*

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**Table 3: Imports of Goods and Services as % GDP**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>Ethopia</b>	22	23	24	29
<b>Egypt</b>	22	23	24	29
<b>Kenya</b>	31	28	28	32
<b>Sudan</b>	20	19	19	21
<b>Tanzania</b>	25	25	27	29
<b>Uganda</b>	24	27	27	28

*Source: World Development Indicators, 2006, World Bank*

**Table 4: COMESA Trade 2001-2005 (US\$mm)**

	<b>2001</b>		<b>2002</b>		<b>2003</b>		<b>2004</b>	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
<b>Ethopia</b>	116	98	120	129	129	128	138	131
<b>Egypt</b>	254	125	502	145	502	267	38	373
<b>Kenya</b>	215	467	186	625	241	738	262	584
<b>Sudan</b>	220	95	252	103	367	107	530	86
<b>Tanzania</b>	Not COMESA		Member					
<b>Uganda</b>	257	96	255	90	273	111	279	181

*Source: COMESA Secretariat/The East African, March 20, 2006*

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**Table 5:     Socio-Economic Indicators (2003)**

	<b>Population (mm)</b>	<b>Annual Population Growth (%)</b>	<b>GNI per capita (US\$)</b>	<b>Growth Rate in GNI per capita 1999- 2003</b>
<b>Ethopia</b>	68	2.8	90	1.6
<b>Egypt</b>	67	1.9	1,300	2.7
<b>Kenya</b>	32	2.3	400	(0.2)
<b>Sudan</b>	33	2.3	460	0.3
<b>Tanzania</b>	36	2.5	310	1.2
<b>Uganda</b>	25	2.8	250	3.7

*Source: World Development Indicators 2005, World Bank*



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## ANNEX 2 – EXISTING AID AGENCIES AND RESEARCH GROUPS OPERATING IN THE NILE BASIN

Web Based Regional Scan of Existing Donor, NGO and Research Organisation  
Activities In the Nile Basin

### EGYPT

#### MULTILATERAL ORGANISATIONS

- **World Bank**

The 2005-2008 country assistance strategy of the bank focuses on involving the private sector as a key partner for development. The three priority areas under this strategy are- (1) Facilitating Private Sector Development (2) Provision of public services and (3) Enhancing equity. As of July 2005, the World Bank has financed 110 operations in the country for a total original commitment of US\$7,024.5 million.

World Bank in Egypt implements a small grants programme under which grants are provide to citizens, either individually or in groups to involve in civic engagement. The 2006 theme for the programme is 'Innovative tools for the empowerment of marginalized communities'.

The current World Bank projects in Egypt are-

Project	Objective	Cost (USMillion)
Integrated Irrigation Improvement and Management Project 2005-2014	The Integrated Irrigation Improvement and Management Project aims at assisting the Ministry of Water Resources and Irrigation (MWRI) in improving the management of irrigation and drainage in the project area, to increase the efficiency of irrigated agriculture water use and services. Implementing Agency-Ministry of water resources and irrigation	303

Skills Development Project	The Skills Development Project will assist the Government in the implementation of a pilot program to stimulate the private sector demand for skills training development, through a demand-driven, and competitively-based mechanism. Implementing Agency-Ministry of Skills and technical development.	12.5
Matruh Resource management project 2006 – start date	The Second Matruh Resource Management Project will improve the livelihoods of disadvantaged rural people living in the Northwest Coastal zone, reducing the incidence of poverty, through community development, capacity building, and access to services to help improve welfare, and increase incomes to conserve, rehabilitate, and use their natural resources in a sustainable manner.	5.17
Social fund for development project 1999-2006	The Third Social Fund for Development Project's objective is to help create jobs and provide community infrastructure and services through labor intensive works.	65
Sohag Rural development Project 1998-2007	The Third Social Fund for Development Project's objective is to help create jobs and provide community infrastructure and services through labor intensive works.	50
East Delta Newlands Agricultural Services Project 1997-2007	The objective of the East Delta Agricultural Services Project is to provide support services to facilitate the settlement and increased agricultural production of about 26,000 farm families on 130,000 feddans of newly developed lands in the East Delta, leading to increased farm incomes and laying the basis for the development of a viable rural economy in the East Delta area. Implementing Agency- MALR	91.2
Irrigation Improvement Project 1994-2006	Objectives include improving productivity, sustainability of agricultural production in the region and also to improve the institutional set up. Implementing Agency- MPWR	182.3

The proposed projects are-

Project	Objective	Cost (US Million)

Alexandria Growth Pole Project 2005-2006	Improve economic infrastructure for private sector development, improve local business environment, address high priority investment in squatter settlements in the Alexandria governorate.	130
West Delta Water Conservation and Irrigation Rehabilitation Project	to introduce a framework for financial sustainability of irrigation infrastructure in the West Delta and for greater efficiency in the use of water resources and their conservation through the involvement of farmer stakeholders and private sector participation in major aspects the design, construction, operations and maintenance.	150
Integrated Sanitation & Sewerage Infrastructure Project	The main objective of the proposed project is to contribute to the improvement of the water quality in the selected drainage basins and health conditions of the resident communities through the provision of improved sanitation and sewerage services within the served areas.	180

- **UNDP**

In Egypt UNDP's work focuses on five areas-

1. Democratic Governance
2. Environment and Energy
3. Poverty Reduction
4. Gender in Development
5. Information and Communication Technology

Many of the projects currently being executed by UNDP are relevant to the IDRC study, particularly the projects in the poverty reduction programme. The currently active and relevant projects are-

Project	Objective	Total Project Cost
<b><i>Democratic Governance</i></b>		
Enhancing Local Development and governance using IT support 2002-2005	Through the use of ICT, the project aims to improve the capacity and service delivery of local government. It supports the institutional capacity of local communities to manage sustainable development and empower them to plan their futures Donors-Government of Egypt, UNDP	US \$ 1,100,000

Participatory Slum Upgrading in El Hallous and El Bahtini 2003-2005	<p>The purpose of this project is to develop and implement a participatory approach for physical and social upgrading and community development in the slum areas of El Hallous and El Bahtini. The project will also build the capacity for participatory local governance and urban upgrading through the formulation of working groups and the organization of training programmes for local authorities and community members on leadership and negotiations skills.</p> <p>Donor-Government of Italy</p>	US\$ 3,288,473
Sustainable Growth and Development in the Governorate of Ismailia	<p>This project aims to promote environmentally sustainable economic growth and development in the Governorate of Ismailia. The project will address the sustainable use of natural resources through participatory environmental planning and management (EPM).</p> <p>Donor's- UNDP and Social Fund</p>	\$US 1,566,237
<b>Energy and Environment</b>		
Developing Renewable Groundwater Resources in Arid Lands: A Pilot Case – The Eastern Desert in Egypt.	<p>The objective of the project is to develop a replicable integrated technique for evaluating the extent of renewable ground water resources in arid lands of the Eastern Desert of Egypt.</p> <p>Donors- UNDP, GEF</p>	US\$ 830,000
Egypt- Conservation and Sustainable Use of Medicinal Plants in Arid and Semi-Arid Ecosystems	<p>The immediate objective of the project is to remove the root causes of biodiversity loss and the specific threats to the conservation and sustainable use of globally significant medicinal plants and their habitats in arid and semi-arid areas of Egypt.</p> <p>Donors- UNDP, GEF</p>	US\$ 4.6 million
Global Environment Facility Small Grants Programme	<p>To expand the understanding and practice of conservation and sustainable development strategies.</p> <p>To demonstrate ways in which local communities can contribute to protecting the global environment.</p>	US\$ 1,655,859
<b>Poverty Reduction</b>		
Business Enterprise Support Tools (B.E.S.T)	<p>To test pilot innovative approaches to providing business support to micro and small enterprises on a local level in four pilot communities in Giza, Fayoum,</p>	\$US 2,560,000

	Beni Suef & Menia. Partners- Social Fund for Development (SFD), Northern Upper Egypt Governorates	
Building a National Strategy for Microfinance in Egypt	To support the development of an effective microfinance industry enabled to contribute to income generation and job creation on sustainable basis. Partners- Egyptian Banking Institute (EBI), Central Bank of Egypt (CBE), Social Fund for Development (SFD), United Nations Capital Development Fund (UNCDF), United States Agency for International Development (USAID), and Kreditanstalt fuer Wiederaufbau (KfW).	\$ US 258,674
Promoting Competitiveness in the Micro & Small Enterprise (SME) Sector in Egypt	The project aims at providing a comprehensive data set on the dynamics and characteristics of the Micro and Small Enterprises (MSE) sector in Egypt, as well as creating awareness of the contribution of this sector to the national economy.	\$US 499,985
Social Fund for Development (SFD) 2001-2004	To institutionalize the SFD as a tool for meeting the nation's poverty alleviation & employment goals.To strengthen the capacity of the SFD's 26 regional offices.To promote and test catalytic and innovative poverty reduction mechanisms to provide services to the economically active poor and especially women. To demonstrate the sustainability of SFD operations and its ability to deliver funds committed by its donors.	\$US 31 million
Support to National Programme for Human Resource Development 2000-2004	The project will assist the government in developing a National Employment Programme (NEP) to address unemployment. Measures taken under the plan will help to find jobs for new entrants to the labour market, fill posts in occupations that are under-represented and create new jobs through a nation-wide public works programme. The project will also promote small enterprises and the improvement of labour market information systems.	\$US 292,000
Popular Markets for Local Consumption: A Pilot Case in Social Economy 2004-2006	The overall objective of this project is to provide a community based, integrated poverty reduction mechanism that connects small agricultural producers to urban consumers through the establishment of a low fixed-price weekly popular market (all fruits and vegetables that compose the basic poor family consumption basket, approx 40 items). The major goals include a) increasing the disposable income of low income urban consumers and small farmers; b) to	US\$389,000

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	stimulate community level organizing and mobilization and c) expand and increase valorization of organic agricultural produce and practices.	
<b>Information and Communication Technology</b>		
ICT to Foster Egypt's Sustainable Human Development 2002-2005	The project aims to increase computer literacy and skills among school children across Egypt, improve citizens' access to services and information and reduce male and female illiteracy. Donors- Government of Egypt, Italian Cooperation (debt-for development swap), UNDP	US\$ 10 million

- **International Fund For Agricultural Development (IFAD)**

Egypt was one of the first countries in the world to receive financing from IFAD. IFAD has committed almost US\$ 207 million in loans to Egypt since 1981 to support agricultural development and reduce rural poverty. These funds have supported eight agricultural development projects, with a total value of about US\$445 million, designed by IFAD in collaboration with rural people, the government and other partners. The projects address poverty through promotion of improved incomes and living conditions of small-scale farming communities. They also seek to influence public policy on land tenure and other land settlement systems.

Currently ongoing IFAD projects in Egypt are-

Project	Objective	Project Cost
West Nubaria Rural Development Project	The project is helping small scale farmers improve their housing and living conditions and adopt desert farming technologies that have been developed through Egypt's agricultural research system.	US\$54.75 million
Sohag Rural Development Project Started-1998	The goal of this six-year IFAD-initiated project is to support a high-priority rural development effort by the government in Sohag, one of the country's poorest governorates.	US\$93.75 million

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East Delta Newlands Agricultural Services Project Approved-1996	The main objective is to support the settlement and agricultural production of about 26,000 families in the recently reclaimed desert lands between Nile delta and Suez canal.	US\$91.46 million
Agricultural Production Intensification Project	This seven-year project encompasses the three governorates of Al Minya, Al Fayoum and Beni Suief and is working with almost 1 million rural households that are landless, have small landholdings, or are headed by women. The project is bringing a range of support services – research, extension and credit – to these households, in order to help them rapidly adopt technology that will improve their productivity and intensify land use. This	US\$39.20 million

## **BILATERAL ORGANISATIONS**

- **USAID**

The goal of the USAID/Egypt 2000-2009 strategy is a “Globally Competitive Economy Benefiting Egyptians Equitably”. Over the past 25 years USAID has provided over \$23 billion in economic assistance to Egypt. USAID has funded and is currently executing many projects which are relevant to the IDRC study. Some of the most recent and most relevant (to the study) projects are listed below.

Project	Objective	Cost
Agribusiness Linkages 1996-2003	project is aimed at creating and implementing agricultural linkages between the US and Egypt in the livestock industry, including meat and dairy products.	\$ 12 Million
Agricultural Reform 2002-2004	The project brought about increased production and productivity to the small holder farm household, improved their access to recently liberalized product and input markets and thereby increased their share of agricultural marketing, and helped them to adopt improved technologies for production and marketing.  Implemented by- CARE	\$ 1.4 Million



Institutional Linkages Activities	will focus activities on building capacity of graduates, creating public-private international linkages and strengthening biotechnology research applications.  Partners- Purdue University, Ohio State University, University of Minnesota, University of Florida, Lincoln University and other Egyptian and European institutions.	\$5.3 million
Smallholder Dairy and Livestock Activity 2003-2007	Promote Quantitative and Qualitative Improvements in Smallholder Productivity Growth. Increase Private Profitability for Livestock Processors and Traders. Strengthen Livestock Input Suppliers and Other Agricultural Support Services. Increase Efficiency in the Marketing Chain.  Partners- ACDI/VOCA, National Research Centre, Animal Production Research Institute, Animal Health Research Institute, Animal Reproduction Research Institute.	\$7.5 million
Support to Trade Associations & Smallholder Groups ( STASHG ) 2004-2006	To strengthen the capacity of smallholders in Upper Egypt to expand the markets for horticultural and livestock products through improved linkages with agricultural trade associations, and improved market development support by those associations.	US\$17.2 mn
Assistance for Trade Reform ( ATR ) 2002-2006	To improve Egypt's trade policy framework and regulatory climate by strengthening and improving institutions and by applying international norms and best practices to trade and investment regulation.	\$ 20 Million
Egyptian Center for Economic Studies ( ECES ) 1993-2004	Egyptian Center for Economic Studies (ECES) is a non-profit organization funded by the USAID, aimed at analysis of current economic issues and concerns contributing to the implementation of economic reforms and development activities. ECES also helps in this regard through producing policy research on development issues in Egypt.	\$14.1 Million
Micro Credit Schemes for women.	According to an agreement signed on November 24, 2004, between ASBA and the Credit Guarantee Company (CGC), under the USAID Micro-enterprise Development Umbrella, ASBA will manage a micro-enterprise program in Fayoum focusing on poor women. By the end of 2007, more than 50,000 female heads of household operating in Fayoum villages are expected to benefit from this program.	(Not specified)

CEDPA: New Horizons 1994-2004	This activity expands access to education for girls and young women, increases community participation and support for girls' education, and improves the health and educational status of girls and young women living in Egypt.  Partner- CEDPA( US NGO)	\$12.6 million
Cairo Air Improvement Project 1995-2002	USAID is working closely with several Egyptian agencies to reduce industrial pollutants and promote energy conservation and the use of cleaner fuels.	\$60 million
Power Sector Support 1989-2003	This USAID program supports reduction in electricity sector subsidies and other energy sector policy changes through the provision of technical assistance and capital infrastructure incentives.	\$461 million
Power Sector Support II 2003-2004	Through this project, USAID promotes the development of a commercially oriented power sector including the transformation of the Egyptian Electricity Holding Company into an autonomous, commercially self-sufficient utility by providing technical assistance for sector reform and financing for capital infrastructure.	\$172 million
Telecommunications Sector Support 1993-2003	The objective of USAID assistance in this program is to help the Government of Egypt transform Telecom Egypt into an autonomous telecommunications utility capable of operating on a commercially sound, self-sustaining basis through increased private sector participation.	\$278 million
Skills for Competitiveness Developed 2000-2004	USAID is assisting through a variety of activities to increase the number of Egyptians with managerial and information technology skills and to improve the capacity of training organizations to provide training that is responsive to the needs of business.	\$25 Million
University Linkages II 1993-2003	Through University Linkage II program, USAID supports applied research collaborations between Egyptian and U.S. universities on key developmental and technological issues. Program activities contribute to economic growth and assist in increasing the competitiveness of Egyptian products and industry through the application of research to reduce costs and improve productivity and quality.	\$18 Million
Collaboration for Community Level Services 2000-2003	This activity fosters the transition from aid to trade by focusing on selected communities contributing to a modern export-oriented economy.	\$5 million

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NGO Service Centre 1998-2004	The five-year NGO Service Centre activity supports development of the service delivery and civic action capabilities of individual Egyptian NGOs, strengthening the infrastructure of civil society at large, and leaving behind a sustainable NGO support facility capable of providing NGOs with a range of services including training, technical assistance, and operational support	\$32.5 million
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Current USAID policy programs are helping reduce tariffs, improve intellectual property rights, enhance information flows, and facilitate the private sector in playing a larger role in the economy. Implemented separately is ongoing activity that also supports increased trade and investment by training judicial personnel in modern trends in commercial law, including intellectual property rights.

- **DFID**

As of March 2005 DFID has decided to close the bilateral programme. UK assistance for Egypt would be channelled through the European Commission.

- **European Commission**

Egypt has been the major beneficiary of EU's funding to its Mediterranean partners. Till 1995 the countries in the Mediterranean region were covered under the four year protocol agreements. But since 1995 onwards the European Commission assistance to this region is covered under the MEDA programme. Total funds committed for Egypt under MEDA I bilateral assistance (1995 -1999) amounted to €686 million (20% of total MEDA I funds €3.424 billion).

The ongoing EU projects in Egypt are-

Project	Objective	Cost
<b>Under Protocol Funding</b>		
Assistance for Controlling and Monitoring Brown Rot in Potatoes - Phase II	The overall objective of the project is to assist the Egyptian government in its Brown Rot project by sharing European experience in diagnosis and biology of the pathogen, and by strengthening the measures for control of the disease, to further ensure that no infected tubers are included in potato export consignments.	€2 million

<b>Under MEDA 1</b>		
Education Enhancement Programme Started 1999	The Education Enhancement Programme aims to improve the basic education system in Egypt - focusing on educationally less privileged geographical areas - and progress towards the goal of universal elementary education.	€100m illion
Health Sector Reform Programme (2000-2005)	<p>Against this background the Health Sector Support Programme (HSRP) was launched in 1998 aimed at (a) introducing Family Health (FH) as the new model for improving the management and provision of health care services at primary level, (b) redefining the mandate, role and functions of the Ministry of Health and Population (MOHP) and (c) introducing a sustainable universal health insurance system.</p> <p>The EC, World Bank (WB), African Development Bank (AFDB), USAID and a number of bilateral donor agencies are providing financial and technical support to this process.</p>	€110 million
Social Fund for Development – Phase II  1998-2005	The overall objective is to contribute to the reduction of poverty in Egypt, create employment and sustain the economic growth of the country. This is achieved through the contribution to each of Social Fund for Development's five main programmes: Public Works Community Development, Small Enterprise Development, Human Resources Development and Institutional Development	€155 million (EC), €77 million (GOE)
<b>Under MEDA Phase 2 Funding</b>		
Trade Enhancement Programme – A  2002-2007	The Trade Enhancement Programme-A forms part of a family of programmes (Trade Enhancement Programmes) which underline the commitment of the EC to assist Egypt in meeting the challenges of globalisation.	€20 million
Trade Enhancement Programme – B	The overall objective of the programme is the improvement of access of Egyptian producers to international markets and the increasing of competitiveness of Egypt's exports.	€40 million
Trade Enhancement Programme – C	The overall objective of this programme is to reduce the cost of doing business in Egypt, especially as regards foreign trade transactions, in order to enhance economic efficiency and foster competitiveness of exports.	€6 million
Technical and Vocational Educational Training Programme.  Starts 2004(Six year programme)	Through this programme, the European Commission will provide training, institution and capacity-building and policy advice with a view to supporting the development of human and institutional capacities for the formulation and implementation of a systemic national technical and vocational educational training reform policy.	€33 million

Spinning and Weaving Restructuring Programme	to assist Egypt in the restructuring and modernisation of its spinning and weaving industry.	€80 million )
Financial and Investment Sector Reform Programme  Started 2003	Senior international experts help improve the financial architecture of Egypt.	€15 million
Financial and Investment Sector Co-operation: Rural Development Starting 2004(Three years)	The specific objective of the programme is the reinforcement of the capital base of two credit lines which have been established and supported by the European Commission in the 1990s.	€ 17 million
South Sinai Regional Development Programme	The programme purpose is the development of local economy and activities and the preservation and support of the social, cultural and natural resources of South Sinai.	€64 million
Social Development and Civil Society: Children at Risk	The main objective of this €20 million programme, signed in May 2004, is to improve the living conditions and the prospects of social re-integration of the most economically vulnerable and socially marginalised groups in the Egyptian society and to enhance the capacity of NGOs to contribute effectively to social development.	€20 million

- **IDRC**

As of 2006 there are three projects which are active.

Project	Objective	Cost
Agro-Ecology West of Lake Nasser 2004-2007	This action research project aims to develop sustainable strategies for improving the socioeconomic conditions, health and livelihoods of poor and marginalized settlers living in fragile ecosystems.	CAD\$478,760
Competition, Efficiency and Competition Policy in the MEast and N Africa Region	This project will analyze industrial market conditions and regulatory provisions affecting competition in four MENA countries: Morocco, Tunisia, Egypt and Jordan.	(Details not given)

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NGOs, gendered social entitlements and active citizenship: 2004-2006	This project will assess the extent to which NGOs promote active citizenship in the Mashreq region (Egypt, Lebanon and Palestine) and strengthen their capacity to do so.	CAD\$287,790
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- **CIDA**

The ongoing CIDA projects in Egypt are-

Project	Objective	Total Project Cost
Small- to medium-sized enterprise program in Egypt 2004-2010	The project fosters better employment opportunities in small- and medium-sized enterprises (SMEs) in four governorates by supporting organizations that help new businesses start up and existing businesses grow.	£20,000,000.00
Participatory Development Initiative 2002-2007	The Participatory Development Initiative supports training and research that enhance the ability of CIDA's Egypt Desk to develop and put into effect policies and strategic plans appropriate to the evolving situation in Egypt.	£4,521,981.00
Strategic opportunities project 2002-2007	This project contributes to a variety of initiatives to support areas of long-term strategic interest, such as involvement in the World Trade Organization (WTO) and associated reforms, human rights and the media, environmentally sustainable organic agriculture, and HIV/AIDS awareness.	£500,000.00
Promoting and protecting the interests of children who work 2002-2007	This project will contribute to improvements in the employment conditions of working children in the growing small- and micro-business sector in Egypt; augment their opportunities for schooling; and help them act in their own interests. Project methods include issuing small loans; supporting networks for working children; and sharing	£4,822,999.00

	research information with other local or international groups and with the Egyptian government.	
Participatory development facility 2001-2008	This project works to strengthen selected civil society organizations and institutions in Egypt by providing technical assistance and guidance to help them improve their ability to plan and deliver rights-based, gender-sensitive, and participatory programs in their communities.	£4,900,000.00
Climate change initiative 2001-2006	This project serves to promote sustainable and sound environmental practices by Egyptian private, non-governmental, and community organizations in order to manage and conserve the country's natural resources, especially soil and water. New and established entrepreneurs in small- and medium-sized businesses are assisted in developing environmentally friendly manufacturing practices.	£5,238,657.00

## NGOS/RESEARCH ORGANISATIONS

- FORD Foundation**

Since setting up a country office at Cairo the Ford foundation has supported several programs that directly touched the lives of many Egyptians, including initiatives to irrigate desert land, increase the production of corn and other crops and raise livestock. In the Aswan dam region, the foundation provided funding for environmental planning and development programs designed to help people improve their livelihoods.

Some of the grants provided by Ford Foundation to support activities in Egypt are –

Organisation	Objective	Grant
Near East Foundation 2005	To publish and disseminate research on philanthropy in Egypt and to plan the consolidation of NEF's Middle East programs under one office	\$ 100, 000

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German Caritas Association 2005	To increase awareness of reproductive rights and health issues among women attending adult literacy programs in seven governorates in Egypt	\$ 80, 000
Economic Research Forum for the Arab Countries, Iran and Turkey 2005	For a national labor market panel survey designed to provide critical data on poverty and development issues in Egypt	\$ 75, 000
Cairo Demographic Center 2005	For institutional capacity building and expansion of its research and training activities in Egypt and to initiate a regional network of research on youth reproductive health and rights issues	\$ 100, 000
Save the Children Federation, Inc. 2005	To expand an integrated educational and empowerment program for out-of-school adolescent girls in Upper Egypt	\$ 200, 000
Cairo University 2005	For the Center for the Study of Developing Countries to conduct a multidisciplinary program of research, public debates & publications examining major development problems facing the state in Egypt	\$ 150, 000
The American University in Cairo 2005	For a research program on changing social and economic relations in rural areas of Upper Egypt	\$ 125, 000
Aga Khan Foundation 2003	To develop, field test and deliver an integrated set of on-line educational and reference tools on mobilizing indigenous resources for development in Africa and the Middle East	\$ 58, 000
Assoc. for Development and Enhancement of Women 2004	For technical and legal services to women in low-income areas of Cairo and for a series of educational and awareness raising activities	\$ 300, 000



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- **CARE Egypt**

The CARE projects in EGYPT are the following(Project amounts not specified in the site)-

Project	Objective	Funded by
New School Programme	Aimed at increasing girl enrolment rates in Egypt	USAID
The Rights and Responsibilities Redirected for Results Initiative (R4)	R4) aims at a systematic and coherent learning and implementation process of Rights-Based Approaches (RBAs) in program strategies, plans, and application within CARE Egypt's programs and that of its partners.	CARE UK , CARE Egypt
(Enhanced Livelihood from Smallholder Horticultural Activities Managed Sustainably) EL SHAMS (Start 2003)	empowers smallholder horticultural growers with knowledge and skills to compete in Egypt's growing high-end domestic and export markets.	USAID,CARE Egypt
Integrated Development with Emphasis on Water and Sanitation Project(ALIVE)	ALIVE partners with community development associations (CDAs)intermediary organizations, and a micro-finance institution to enhance their capacity to help people bring clean water into their homes and install environmentally sound sewage and solid waste management systems.	Egyptian Development CARE      Swiss Fund,
Euro-Med Participatory Water Resources Scenarios project (EMPOWERS) (Start 2003)	Improves long term access to water by vulnerable people through more effective management of water resources in the MEDA region.	European Union, CARE International

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Safe Agriculture for Farmers in Egypt (SAFE) (Started-March 2003)	To improve the livelihood security of small scale male and female small scale farmers in three upper Egypt governorates.	EU, Government of Austria and CARE Austria
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- **Aga Khan Foundation- Microfinance Programme**

The programme, centred in a district that numbers 250,000 people, is meant to support local ownership, stimulate the development of tourism and ensure sustainability of the rehabilitation work. Since the beginning of the programme, a variety of businesses have been either started or further financed within three principal categories: shoemaking, furniture and handicraft goods.

Partners: Social Development Fund, European Union, KfW

(Time period and contribution not specified)

- **Social Fund for Development**

Established in 1991, the SFD was designed as a social safety net associated with the government of Egypt's agreement to undertake its extensive Economic Reform and Structural Adjustment Program (ERASP). Serving as a vanguard of economic empowerment, quality human resources, and an enabling environment for human development, SFD has successfully developed into a full-fledged organization with a new development perspective: it consolidates mechanisms for better understanding of the impact of globalization and mobilizes efforts to minimize risks of social exclusion, help alleviate poverty and combat unemployment. In this capacity, it creates employment opportunities for start-up entrepreneurs and provides them with credit, technical assistance, skills, and technological know-how both Egyptian and international.

The target groups of SFD are

- 1.Women
- 2.New Graduate
- 3.Unemployed Youth
- 4.Start Up Entrepreneurs.

- **Association for the Protection of the Environment**

The Association for the protection of the Environment,(A.P.E), is a non-profit organization serving the communities of garbage collectors in Cairo, Hurghada, Tora and Wadi El Natruun in Egypt. A.P.E Objective is to improve the lives of the indigenous groups of garbage collectors as individuals and as a community .A.P.E combines its interest in

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serving the poor with its interest in protecting the environment specifically with regards to man-made household waste. A.P.E through its various departments produces a set of handicraft of very high quality. Those products, when sold, generate income to the girls of the garbage committee and their families. A.P.E runs various projects and programs: recycle compost, rags, paper teach literacy, run a children's club, manage and execute garbage separation project, project for teenage girls, organize field trips and recreational activities and many others. Some of the programmes are-

1)Composting Plant-This project allowed the residents of the neighborhood to clean out their pig sites on a regular basis and not let such unhealthy waste pile up in their homes, thus reducing the health hazards to the household. The income earned from the sale of the compost was directed to a community-based health project, an income generating project (rag recycling for girls and women) and literacy classes as well as field trips and recreation.

2)Rug Weaving- This project targeted drop out girls who had had to go out on the garbage route as children and who had to be deprived from going to school. These mothers were recruited into the 'learning and earning' school - a model of how to learn all the elements of school learning but in a recycling project revolving around the transformation of clean rags into marketable products.

- **Community and Institutional Development**

CID designs and implements integrated programs and monitors their sustainability in community, communication and institutional development. CID helps communities and institutions achieve social, economic and environmental sustainability through the creation of public private partnerships using a multi-disciplinary approach to development. The following are the areas in which CID operates-

1. Community Development-

(a) Implementation of Solid Wastes Programme- Some of the projects in this category are-

- Establish SWM Transfer Stations, in Nuweiba, South Sinai, Egypt 1998-ongoing.
- Design solid waste management systems in South Sinai and other parts of Egypt based on the separation at source of solid waste.
- Plan, design and conduct community awareness campaigns, mobilizing community participation and stakeholder partnership to institute a self-financing system for solid waste management, leading to sustainable tourism development.
- Train heads of Municipal Waste departments in 26 governorates, USAID Training Program 1999-2000.
- Design recycling projects for girls & women in Cairo's urban community based on a non-formal model of education, 1988-1998.
- Assess the relationship between SWM projects and water & wastewater issues in rural Egypt, 1994-1998.
- Institutional strengthening of local non-profits and municipalities around environmental issues.

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2. Provide advocacy groups, international organizations, government officials, decision-makers and policy oriented groups with studies on:

- Solid Waste Management issues
  - Informal solid waste sector in Egypt
  - Solid waste management in Mali
  - The community aspects of health and their implications for a health sector policy geared toward the individual and the community
  - The empowerment of women through credit and micro-enterprise in both rural and urban areas
  - The design and implementation of non-formal and adult education programs that connect the world of learning with the world of work
  - Rural water and sanitation issues from a gender perspective

### **3. Crafts Programs in Rural & Urban Areas**

- Establish crafts projects in rural Upper Egypt and Urban Cairo
- Organize crafts producer groups
- Train leaders in project management
- Develop and implement marketing strategies for handicrafts
- Create networks among crafts producers
- Promote export of crafts through Alternative Training Organizations (ATO's)

### **4. Rural Water and Sanitation**

- Contribute to policy issues at national as well as governorate level regarding rural water and sanitation support to implementation of water and sanitation infrastructure in rural areas.
- Capacity building of local community development associations and local government institutions in the rural water and sanitation sector.
- Design and conduct training programs in rural water and sanitation.
- Evaluate rural water and sanitation projects.

- **ACDI/VOCA**

This is a private, nonprofit organization that promotes broad-based economic growth and the development of civil society in emerging democracies and developing countries. ACDI/VOCA is funded primarily by USAID, USDA, the World Bank, UNDP, other organizations, and contributions from individuals, corporations and foundations. It is affiliated with the National Council of Farmer Cooperatives and the Farm Credit Council, and it has almost 20 U.S. business and farm credit bank members.

This organisation has been executing projects in Egypt which are relevant to the IDRC study. A list of the projects are given below-

Agricultural Exports and Rural Incomes (AERI) (Current)	ACDI/VOCA is implementing the four-year Agricultural Exports and Rural Incomes (AERI) Dairy and Livestock project in six governorates in Upper Egypt. The project aims to increase rural incomes, smallholder production assets, and on-farm and off-farm agribusiness employment. (Currently active but commitment and time period not specified)
Egypt – Agribusiness Linkage (Completed)	Started in 1997, Agribusiness Linkages for Egypt (AgLink) was a six-year program designed to build stronger commercial ties between the United States and Egypt. The U.S. Agency for International Development's mission in Egypt funded the \$11 million ACDI/VOCA project. AgLink provided technical expertise to Egyptian agribusinesses and promotes trade and investment through consulting and outreach activities.
Dairy Directive Project (Completed)	The project – with a value of over \$1.5 million – focused on commercial dairy processors and smallholder dairy producers, significant additional benefits will accrue across the entire dairy industry by creating linkages between commercial producers and processor associations. In particular, the project supported the development of the Egyptian dairy sector by:
Marketing Information Project (MIP V)	The Marketing Information Project aimed at increasing horticultural marketing efficiency through the maintenance of a sustainable horticultural market information service. The project made wholesale market prices available through television, radio and newspapers, and is training farmers in the use of this marketing information.
Egypt – MicroStart (Completed)	MicroStart, a global initiative by the United Nations Development Program (UNDP), was designed to help improve the access of the working poor to appropriate financial services offered by local organizations, in order to enhance their economic activities, increase their revenues, and create employment

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## ETHIOPIA

### MULTILATERAL ORGANISATIONS

- **World Bank**

This country is one of the largest beneficiaries of the World Bank's concessional lending program, the International Development Association (IDA), with a portfolio of 31 projects worth over US\$2.25 billion as of January 2005. Active projects support initiatives across a number of areas including:

Governance and Public Management  
Agriculture and Rural Development  
Private Sector Development  
Health and HIV/AIDS  
Infrastructure  
Education  
Water Sector Development Programme

The current World Bank projects in Ethiopia which are most relevant for this study are-

Project	Objective	Cost(US Million)
Women Development Initiatives 2000-2006	The Women Development Initiatives Project, aims at testing methodologies to enhance the social, and economic welfare of households in selected poor districts, improving opportunities for women, by increasing their skills, productivity, and income.	8
Agricultural Research and Training 1998-2006	The Agricultural Research and Training Project will make the Ethiopian agricultural research system more efficient and sustainable by: i) building institutional capacity to manage the entire agricultural research system; ii) rationalizing the way the programs are identified, designed, and prioritized according to an acceptable economic criteria; iii) improving their relevance through decentralization; iv) drawing on the relevant pool of knowledge available internationally; v) consolidating and strengthening the existing research centers; vi) expanding research facilities into less favorable agroecological settings; and vii) building human resource capacity in collaboration with the Alemaya University of Agriculture (AUA).	60

Conservation and Sustainable Use of Medicinal Plants Project 2001-2006	The Conservation and Sustainable Use of Medicinal Plants Project seeks to initiate support for conservation, management, and sustainable utilization of medicinal plants for human and livestock healthcare in Ethiopia.	1.8
Food Security Project 2002-2006	The development objectives of the Food Security Project for Ethiopia are to build the resource base of poorer rural households, increase their employment and incomes, reduce their real costs of food, and improve nutrition levels for their children under five years of age as well as for pregnant and lactating mothers.	109
Pastoral Community Development Project 2003-2008	The Pastoral Community Development Project seeks to improve the livelihoods of the pastoral groups of the arid, and semi-arid Ethiopian lowlands, by fostering income growth, access to public services, and by facilitating better institutional, social, and environmental conditions.	60
Productive Safety Nets Project 2004-2006	The Productive Safety Net Project for Ethiopia aims to assist the Government to shift from a relief-oriented to a productive and development-oriented safety net by (i) providing predictable, multi-annual resources, (ii) replacing food with grants as the primary medium of support, and (iii) making resources available for critical capital, technical assistance, and administrative costs.	70
Private Sector Development Capacity Building Project 2004-2011	The Ethiopia Private Sector Development Capacity Building Project aims to by creating conditions for improving private sector productivity and competitiveness.	25

The important proposed projects are-

Project	Objective	Cost(US USMillion)
Rural Capacity Building Project	to increase the productivity and the profitability of the agricultural sector in Ethiopia through investments designed to raise the human capital of farmers and extension agents and through investments in improving the effectiveness of agricultural research and extension services.	135

Ethiopia Capacity Building of Civil Society	The project aims to provide citizens and CSOs with new mechanisms and capacity to: (a) monitor the effectiveness of public services; (b) provide feedback to elected representatives on how to improve their effectiveness; and (c) participate in developing/monitoring kebele and woreda development plans, and the management of local facilities (e.g. schools, clinics).	30
Decentralization Fiscal Support for Local Infrastructure Grant	The first objective of this project would be to increase capital investment at the local government level (woreda and municipal) in order to deliver better services to the population. The second objective of this project would be to deepen the decentralization process to the local level. In delivering additional resources to local government, the project would help realize the benefits of better allocative efficiency implied by decentralization in two ways.	260

• **UNDP**

The following are the key focus areas of UNDP Ethiopia-

Democratic Governance

Poverty Reduction

Crisis Prevention and Recovery

Energy and Environment

Information and Communication Technology

HIV/AIDS

Among these different areas the projects which are most relevant to the IDRC study are

Project	Objective	Cost(US Million)
Agricultural Development Programme	The objective of the programme is to strengthen the national capacity for food security and poverty reduction. Focus areas include-1.Upgrading capacities for better gender sensitive and result oriented research and extension systems to promote access and utilization of improved farm technologies; 2.Strengthening the capacity for strategic agricultural information management and establishment of national agricultural information system through computer connectivity between the Federal and Regional States; 3.Developing strategies and strengthening the capacity for improved use and management of small-scale irrigation; 4.Promoting the strategy for effective functioning of micro finance institutions to serve rural communities.	135



Ethiopian Social Rehabilitation and Development Fund	ESRDF focuses on the rural poor and women as beneficiaries of the Programme. Communities are given greater chance to play an active role in participating in the design and implementation of the project and also in sharing part of the project cost.	30
Water Resources Development and Utilisation Programme	1.Strengthen NRM capacity of rural communities 2.Contirbution towards increase of small scale irrigation schemes 3.Empowerment of women.	\$5mn
Water Sector Development Programme	Works with other UN agencies on advocacy work on water related activities.	\$7 bn
Environment and dry land management programme	Development of environmental awareness, mainstreaming environmental tools in national development planning process, and capacity building ogf communities to sustainably manage resource.	\$4.5mn

- **IFPRI**

The following are the IFPRI research programmes of which Ethiopia is also a beneficiary.

1. Ethiopian Strategy Support Program -ESSP, a new Ethiopia-driven and Ethiopia-owned program, is a collaborative undertaking of the Development Strategy and Governance Division of the International Food Policy Research institute (IFPRI) and the Ethiopian Development Research Institute (EDRI). Building on IFPRI's longstanding involvement in Ethiopia, it seeks to strengthen policy analysis and dialogue by helping bridge the gap between knowledge and policy on agricultural and rural development issues.

Project	Objective
Sustainable Development of Less-Favored Lands 1994-2005	The objectives of the research are to provide empirical evidence on (a) the productivity, poverty, environmental and food security consequences of targeting agricultural investments, including agricultural research, to less-favored agricultural areas compared to more favored areas, and (b) the appropriate development strategies for different types of less-favored lands.

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Strategic Analysis and Knowledge Support System	the Development Strategy and Governance (DSG) Division at IFPRI has taken the lead in launching a Strategic Analysis and Knowledge Support System (SAKSS) that compiles, analyzes, and disseminates data, information, and tools in order to help inform the design, implementation, and monitoring and evaluation of rural development strategies in order to make them more effective.
Globalization and Markets	The overall objective of the globalization and markets research program is to support the adoption of policies for more efficient functioning of the global food, nutrition, and agricultural system.
Eastern and Central Africa Programme for Agricultural Policy (ECAPAPA)	ECAPAPA convenes agricultural policy research, analysis, and formulation aimed at facilitating an enabling agricultural policy environment for agricultural transformation.

## **BILATERAL ORGANISATIONS**

- **DFID**

DFID's main areas of support in Ethiopia are food security, education, capacity building, and HIV/AIDS. Large proportion of DFID's assistance is in the form of a direct contribution to the Government's budget. DFID's Country Assistance Plan identifies food security, education, capacity building, and HIV/AIDS as the main areas for UK assistance to Ethiopia. In 2005 UK announced a planned programme of £ 90 million in Ethiopia. But following election-related disturbances in June, 2005 the Secretary of State for International Development announced that he was putting on hold a £20 million increase in poverty reduction budget support. No general budget support has been provided to Ethiopia from the UK since then. Following the recent incidents, the UK is further reviewing its development assistance programme in close collaboration with other donors.

Some of the significant projects funded or being funded by DFID are the following-

### **1. DFID funded CARE international project.**

Through the project TESFA (A federation of traditional community groups in Ethiopia called iddirs) was able to reduce poverty. The project initiatives were-

Setting up a new mini-media unit to tell town dwellers about HIV, AIDS and other issues

Help older people to become self-sufficient

Encourage iddirs to stop expensive funeral customs

Encourage iddirs to provide credit to those who need it

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Now other iddirs in the urban sprawl surrounding Addis Ababa are finding out about these ideas: slowly these social groups are becoming development associations which can better serve the needs of their communities.

**2. Partnership Fund Action-** The overall focus of the Partnership Fund is to help improve partnership between government, local community and civil society organisations, with the objective of increasing transparency, accountability and responsiveness of government to the public and civil society. The Partnership Fund has been in operation since 2001/02 and the grant amount provided for the overall projects is £500,000. The following are some of the projects supported by this fund-

*Poverty reduction strategy paper (PRSP):* Assisting Ethiopia in the preparation, implementation and monitoring of a comprehensive poverty reduction strategy.

*Capacity building in Districts (woredas) and Sub-districts (kebeles):* Strengthening local services for local people.

*Safety, Security and Access to Justice:* Strengthening and providing local security and access to justice.

*NGO/Civil Society Capacity Building:* Strengthening Capacity of Ethiopian Civil Society Organisations

*Human Rights:* Supporting the rule of law and human rights as set out in the Ethiopian constitution.

*Media-government relations:* Helping the media access and disseminate correct information to the public and helping the government use the media to get its message across.

The **Imfundo research programme** is the team within DFID which creates partnerships to deliver ICT-based activities supporting gender equality and universal primary education in sub-Saharan Africa. Imfundo is working in Ethiopia with an Ethiopian civil society organisation called 'Forum for Street Children (FSCE)' and a wide range of partners to design and implement a project called IFORUM. IFORUM looks at how Information Communication Technologies (ICT) can best be used to enhance the learning experiences of 'street children' in Ethiopia. In particular, children who are at risk of both living and working on the streets, and giving them skills which will enable them to gain beneficial employment. The main purpose of the project is to develop replicable ICT based materials and methods for supporting out of school children's learning and then to disseminate them in Ethiopia.

- **European Commission**

The following are the priority areas supported in Ethiopia-

Project	Objective	Contribution (€)
<b>Rural Development and Food Security</b>		
Coffee Improvement Programme IV (CIP IV) 2002-2008	The overall objective is to improve standards of living in coffee growing areas thus reducing widespread poverty. The project purpose is to realise the earning potential of coffee smallholders.	15 000 000
Participatory sustainable forest management: innovations in policy and practice in East Africa	The project aims to achieve environmental sustainability and biodiversity conservation through supporting the development of innovative participatory forest management (PFM) plans that secure the rights, revenues and responsibilities of forest users.	2 361 452
Rural poverty reduction and sustainable forest management 2003-2007	The aim of the project is to reduce rural poverty and protect natural forest areas by strengthening local institutions and developing the role of primarily non-timber forest products (NTFP) especially in the livelihoods of the rural poor.	1 174 348
Integrated Food Security program in Eastern Hararghe zone (EHZ IFSP II) Oromia Regional State  2002-2005	The overall objective of the Project is to strengthen the livelihood of the most vulnerable population living in food insecure areas in selected PA's of Gursum, Babile, Fedis, Kersa and Gorogutu woredas of East Hararghe woredas of Oromia region.	873 382
<b>Economic Section</b>		
Micro and Small Enterprise Development Programme (MSEDP) 2002-2005	The purpose of the project is to increase the number and quality of the private sector throughout the country by creating long lasting and favourable conditions for their development and initiatives.	7.000.000

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- **GTZ**

GTZ's activities focus on the following priority areas:

- Sustainable use of natural resources to ensure food security
- Capacity building in the government and administration system
- Vocational training

GTZ contributes to these three priority areas through programmes and projects. It also executes projects to restructure Ethiopia's road authority, to promote the construction of low-cost housing, and to support the training of skilled workers, technicians and engineers in the water sector.

The following area the main GTZ programmes and projects being carried out in Ethiopia-

Project	Objective
Sustainable use of natural resources	Programme: Sustainable use of natural resources to ensure food security
Capacity building	Capacity building in the government and administration system
Vocational training	Programme to promote vocational training  Project: Promoting the construction sector reform
Other ongoing projects	<ul style="list-style-type: none"><li>• Low Cost Housing Construction</li><li>• Restructuring Ethiopia's road authority</li><li>• Assistance for Arba Minch Water Technology Institute</li><li>• Urban planning and development in Addis Ababa (CIM)</li></ul>

- **CIDA**

The ongoing CIDA projects in Ethiopia are-

Project	Objective	Total Project Cost
World Bank Food Security Project 2004-2010	This project consists of a grant contribution to the World Bank Food Security Project. The project tackles food security issues at the woreda (district) level. Its goal is to reduce poverty and malnutrition in vulnerable, food insecure communities.	£19,500,000.00
Water Harvesting in Tigray	The Water Harvesting and Institutional Strengthening in Tigray (WHIST) project focuses on strengthening Tigrean regional government institutions to improve food security in drought-prone areas	£7,500,000.00
Water Harvesting and Institutional Strengthening in Amhara	To help regional government institutions and farmer associations to develop and promote the sustainable use of water for irrigation and improved agricultural production.	£16,930,000.00
Improving Productivity and Market Success 2004-2010	This project helps to create an enabling environment where the Government of Ethiopia and farmers will be empowered to increase agricultural production and productivity in a market-oriented development approach.	£19,900,000.00
Ethiopia Strategy Support Program (ESSP) 2005-2009	This project has been planned to strengthen national rural development, food and agricultural policy analysis and research capacities.	£500,000.00
Ethiopia Gender Equality Fund 2002-2007	The Tsion Dessie Memorial Gender Equality Fund (GEF) helps Ethiopian NGOs and governmental organizations undertake practical projects to promote change and improve the status of women throughout Ethiopia.	£3,000,000.00
Ethiopia's Poverty Reduction Strategy	The Support to Ethiopia's Poverty Reduction Strategy Paper (SDPRP) Formulation and Consultation project has supported Ethiopia's	£500,000.00

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Paper 2001-2006	Sustainable Development and Poverty Reduction Program formulation, a process directly geared towards poverty reduction, while reducing food insecurity and promoting good governance.	
Direct Poverty Reduction Operation 2005-2009	This project involves the provision of general budget support aimed at providing the Government of Ethiopia (GOE) with predictable, flexible and financial support for use against the development priorities outlined in its national poverty reduction strategy, the Sustainable Development Poverty Reduction Program (SDPRP)	£104,855,120.00
Disaster Mitigation Project	This capacity-building project is strengthening the Disaster Prevention and Preparedness Commission and local government agencies responsible for disaster prevention, preparedness and response. Save the Children Canada (SCC) is the implementing agency.	£5,000,000.00

- **USAID**

The USAID 2004-2008 strategy for Ethiopia includes -

**SO14- Human Capacity and Social Resiliency Increased**

IR 14.1: Use of high impact health, family planning and nutrition services, products, and practices increased.

IR 14.3: Use of Primary education services enhanced.

**SO15: Capacity for good governance increased**

IR15.1: Accountability by regional and local governments improved

IR15.2: Civil Society capacity to engage government strengthened

IR15.4: Women's participation in political processes expanded and enhanced.

**SO16: Market Led economic growth and resiliency increased**

IR16.1: Selected essential policy reforms implemented

IR16.2: Selected Input and Product markets strengthened

IR16.3: Natural resource Management and Agricultural Productivity Improved

IR16.4: Livelihood Options for the food insecure protected, expanded and diversified.

- **IDRC**

Project	Objective	Cost
Assessing the Effects of Long-Term Seed Aid in Ethiopia 2005-2007	This project will examine the effects of long-term seed aid on a country (Ethiopia) that has been the recipient of such aid for 27 years. The project will look at the effects of seed aid on farming families in three regions of the country and analyze the policies that shape such aid.	CAD\$288,140
Gender and Livelihood transitions among Ethiopian Pastoralist Societies 2004-2006	This grant will support an action-research program aimed at investigating key gender issues in pastoral populations. Researchers will build the capacity of communities, government and nongovernmental organizations (NGOs) to work together to achieve more positive and gender-balanced long-term development	CAD\$400,070
Intergrated Water &and management 2003-2004	The purpose of the workshop is to identify priority issues in research and capacity building in water and land management; devise the overall governance and mode of operation of the program of research and capacity building in water and land management; and finalize a strategy for resource mobilization for the program.	
Planning Activity for an Improved Agroecosystem Management (PRIAM) Project	Planning Activity for an Improved Agroecosystem Management (PRIAM) Project	
Young Lives Ethiopia	Young Lives Ethiopia (YL) is part of a four country, multi-donor project, coordinated by Save the Children UK. The study seeks to record changes in child poverty over a 15-year period through a longitudinal survey. The purpose of this project is to help policy-makers and planners in Ethiopia improve the quality of children's lives.	Not specified



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## NGOS/RESEARCH ORGANISATIONS

- **ACDI/VOCA**

This is a private, non-profit organization that promotes broad-based economic growth and the development of civil society in emerging democracies and developing countries. ACDI/VOCA is funded primarily by USAID, USDA, the World Bank, UNDP, other organizations, and contributions from individuals, corporations and foundations. It is affiliated with the National Council of Farmer Cooperatives and the Farm Credit Council, and it has almost 20 U.S. business and farm credit bank members. This organisation has been executing projects in Ethiopia which are relevant to the IDRC study.

Project	Objective
Agricultural Cooperatives in Ethiopia (ACE)	This five-year program supports the establishment of secondary level unions, allowing access to broader outlets for purchasing and distribution. (USAID funded project whose total cost is \$10 million)
Ethiopia – Smallholders Linkages Program (SHLP) Current	The SHLP helps establish commercial relationships between farmer cooperatives and producers and exporters so that farmers can move their products into higher-value market channels in anticipation of increased returns. The program helps farmers access these markets by providing market information and business skills. The SHLP program seeks to strengthen the capacity of cooperatives and small- and medium-scale producer-exporters to deliver services that ease movement of the products of micro-enterprise producers into higher-value markets. (USAID FUNDED Project Cost-1.1 Million US\$)
Southern Tier Initiative (STI)	The STI provides increased market access for pastoralists and agro-pastoralists through training of Cooperative Promotion Office (CPO) staff, cooperative employees and pastoralists themselves, to organize, register and support cooperatives and associations.(USAID funded )

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- **Care International**

The current projects in Ethiopia are –

<b>Project</b>	<b>Objective</b>
Strengthening Communities through Partnerships for Education (SCOPE )	The goal of this project is to improve access to primary education, especially among children in disadvantaged circumstances, such as pastoralists in remote, difficult to reach areas and girls, who still face obstacles in getting an education. CARE is working with schools, communities and local government to improve access to and quality of education in Ethiopia.
Borena Range Land	CARE is aiming to help 30,000 pastoralist families to gain access to a permanent supply of food and water. We do this by helping families to develop better ways of raising livestock, constructing water tanks and water holes, as well as helping communities to purchase and store food. CARE is training people in each community in basic veterinary practices and supplies medicines and equipment to prevent disease among the livestock. The project also helps women develop ways of earning a living, such as handicrafts.

- **Ethiopian Rural Self Help Association**

The following are the objectives of this association-

- Increase income of households through providing credit and implementing income-generating activities.
- Increased agricultural production and productivity through implementing/introducing improved crop and livestock production practices.
- Building the capacity of communities and line departments through training, logistical support and organizing.
- Increasing/improving communities access to services though: Family planning, assisting the community to installing grinding mill through credit, water supply, adult education, etc.
- Enhancing sustainable natural resources utilization through participatory land use planning, awareness creation, etc.

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## KENYA

### MULTILATERAL ORGANISATIONS

- **World Bank**

As of February 2005, the commitment value of the 27 ongoing projects (including GEF) is \$963.9 million. Active projects support initiatives across a number of areas including:

- Infrastructure
- Human Development
- Agriculture/Environment
- Private Sector
- Public Sector Management

The projects in IDRC relevant areas are-

Project	Objective	Cost (US Million)
Western Kenya Integrated Ecosystem Management Project 2005-2010	The principal objective of the project is to improve the productivity and sustainability of land use system in selected watersheds in the Nzoia, Yala and Nyando river basins through adoption of an integrated ecosystem management approach.	7.65
Energy Sector Recovery Project 2004-2010	The Project Development Objectives are to: (i) enhance the policy, institutional and regulatory environment for private sector participation and sector development; (ii) support efficient expansion of power generation capacity to meet the economy's projected supply deficits by FY2006/07; and (iii) increase access to electricity in urban and peri-urban areas while improving the efficiency, reliability and quality of service to existing consumers.	225.52
Micro, Small, and Medium Enterprise Competitiveness Project 2004-2010	The Micro, Small, and Medium Enterprise (MSMEs) Competitiveness Project aims to increase productivity, and employment in participating MSMEs, by strengthening financial, and non-financial markets to meet the their demand, strengthening institutional support for employable skills, and business management, and, reducing critical investment climate constraints on MSMEs.	22

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Kenya Agricultural Productivity Project (KAPP) 2004-2007	The Kenya Agricultural Productivity Project (KAPP) aims to contribute to the revitalization of agriculture. The overall project takes a three pronged approach to reform: policy dialogue and stakeholder consultation, capacity building, and piloting.	81
Northern Corridor Transport Improvement Project 2004-2009	The Project seeks to increase efficiency of road transport along the Northern Corridor, to facilitate trade, and regional integration, enhance aviation safety, and security to meet international standards; and, promote private sector participation in the management, financing, and maintenance of road assets.	275
Development Learning Centre Project 2003-2008	The main purpose of the Development Learning Centre Project is to test the effectiveness, and sustainability of a development learning centre (DLC) in Kenya, as part of a global knowledge-sharing network to strengthen the capacity of public, private, and civil society in designing, planning, and managing social and economic development policies and programs.	4
Regional Trade Facilitation Project – Kenya 2001-2011	Not specified	75
Lewa Wildlife Conservation Project (Approved 2000)	Not specified	0.75

- **UNDP**

The country strategy for the period 2004-2008 focuses on the following areas for co-operation-

**1. Democratic Governance**

Key focus areas under this theme are capacity building, information, education and communication, decentralization and local governance, civic education and human rights and legal policy and institutional reforms.

**2. Poverty Reduction**

This theme has four sub components

a) *Employment and Sustainable Livelihoods*- Under this programme the Globally Sustainable Business in Kenya initiative is facilitating various innovative enterprise solutions to poverty in various sectors such as fruit processing, SME productivity and sustainable energy

b) *Enhancing Foreign Direct Investment*-Objectives include review Kenya's investment climate, present the findings, put forth recommendations and also help develop capacity

for Kenya's investment promotion centre. The overall resources to spend over 2004-2008 to achieve this objective is US\$ 465,000.

*c) Access to information for development*-This project aims at creating awareness on usage of ICT to selected women groups in the rural Kisii District in Nyanza province, linking them to local and well established marketing and financial firms. This is expected to trigger a spill-over effect in the use of ICTs at community level.

*d) Developing the export potential of honey and bee products in Kenya*-The programme aims to develop an enabling environment at the domestic level, facilitate trade and promote private sector investment as well as technology flows. It covers export development in fish, leather and leather products, dairy as well as honey. The overall budget for this programme is US\$4,014,500.

## **BILATERAL ORGANISATIONS**

- USAID**

The following are some of the main USAID programmes and projects in Kenya-

Project	Objective
<b>Program Development and Analysis</b>	
Education Support for Children of Marginalized Populations	The intent is to establish a process that strengthens the linkages and partnerships between communities, schools, and districts.
Trade and Investment Development	The trade and investment development program objective in Kenya will assist the Government of Kenya in addressing three inter-related problems: (a) implementation of Kenya's bilateral, regional and multilateral trade commitments; (b) increasing competitiveness of the economy in preparation for greater foreign competition; and (c) redefinition and strengthening of existing institutions to enable them to adapt and become more efficient in the multilateral trading system.
<b>Agriculture &amp; Microenterprise Development</b>	
Kenya Maize Development Programme(KMDP)	This contributes to USAID/Kenya's Agriculture and Microenterprise program objective to increase rural household incomes, by increasing productivity of maize in target areas, increasing access to agricultural markets and business support services and improving the effectiveness of small holder organizations.

FOOD SECURITY PROGRAM (PL 480 TITLE II)	To achieve sustainable improvement in food security and increase in rural household incomes in Arid and Semi Arid Lands (ASAL) of Kenya where food insecurity is greatest.
WOMEN'S NUTRIBUSINESS PROJECT WOMEN IN DEVELOPMENT	The goal of the Women's Nutribusiness project is to increase the agricultural productivity of smallholder women farmers while increasing local food security and improving the nutritional status of vulnerable individuals in the local areas. The project implementers
<b>Natural Resources Management</b>	
WILDLIFE MANAGEMENT PROGRAM	The objective of the wildlife program is to increase socio-economic benefits of communities living adjacent to Parks and Reserves from conservation and sustainable management of wildlife and natural resources.
KENYA COASTAL MARITIME INITIATIVE (KCMI)	The objective of this program is to set the foundation for Kenya marine policy. A two-track approach is adopted in implementing the program namely i) national level initiatives and ii) local level initiative.
FORESTRY MANAGEMENT PROGRAM	This program aims at enhancing integrated forest management and conservation.

- **DFID**

DFID's main focus in Kenya is on HIV and AIDs. DFID is also providing funding to combat malaria, improve the environment for the private sector and increase the accountability of Government to its citizens. DFID along with Vodafone is participating in a project in Kenya to explore ways in which mobiles can help deliver financial services to poor, 'unbanked' customers. £910,000 was provided by DFID for the mobile microfinance project, with £990,000 from Vodafone.

- **European Commission**

The main programmes and projects are –

Project	Objective
<b>Agriculture and Rural Development</b>	
Panafrican	Aims at building upon the headway made in the campaign

Programme for the Control of Epizootics	against rinderpest in order to establish lower-cost national and continental epidemiological surveillance networks for the main animal diseases, provide the countries with the capacities needed to organize economically and technically justified control programmes and develop effective and sustainable distribution of veterinary products and services
Kenya Veterinary Association(KVAPS)	The Scheme was set up to support the process of privatisation by helping establish sustainable private veterinary practices run by veterinary doctors.
<b>Community Development</b>	
Community Development Trust Fund (CDTF)	The main objective of the CDTF is to contribute to poverty reduction efforts in Kenya by offering support, in the form of grants, to community-based projects which address social, economic and environmental priorities.
Community Development for Environmental Management (CDEMP) /Euro 13 million	The aim of the CDEMP will be to contribute to a reduction in poverty levels through support for improved environmental management in Kenya.
<b>Environment and Biodiversity</b>	
BIODIVERSITY CONSERVATION PROGRAMME (EURO 5 MILLION)	This programme is a 5 year flexible and demand-driven intervention which provides both financial and technical support to biodiversity conservation initiatives in priority conservation areas through key local-based conservation efforts and institutions
<b>Private Sector</b>	
MICRO-ENTERPRISE SUPPORT PROGRAMME (MESP)	MESP provides support to micro-enterprises through grant financing of product development and marketing.

• **IDRC**

The main IDRC projects are-

Project	Objective	Total Cost
Community Based Conservation of Medicinal Plants 2001-2006	The aim is to enhance the sustainable use and conservation of medicinal plant biodiversity, thereby improving the health and productivity of the people of Kenya.	CAD\$306,600

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Integrated Malaria Control Interventions with Development Strategies (Kenya) II	The ultimate goal is to put in place a number of strategically chosen activities to control malaria and improve the agro-ecosystem. Researchers will document the impact of the Ecohealth approach to malaria control with a view to its application in other parts of Africa.	CAD\$578,150
Protecting Community Rights over Traditional Knowledge	The overall objective is to help indigenous and local communities to protect their rights over traditional knowledge related to biological resources, in accordance with their customary laws and practices	CAD\$382,500
Community-Based Interactive Learning and its Application to Soil Fertility Management (Kenya) - phase II	Not specified	CAD\$410,300

- **GTZ**

The three priority areas are:

- Water
- Reproductive health
- Agriculture

GTZ also supports Kenya with projects to establish good governance and pro-poor public budget administration, and to strengthen peace and security in the region. Support is also given to initiatives concerning youth policy and youth-related government and civil society programmes. HIV/AIDS prevention is mainstreamed within all programmes and projects.

## **NGOS/RESEARCH ORGANISATIONS**

- **African Economic Research Consortium**

AERC, established in 1988, is a public not-for-profit organization devoted to advanced policy research and training in economics. Funders- DFID, IDRC, SIDA, CIDA, IBRD, SDC, MacArthur Foundation, Ministry of Foreign Affairs(Denmark),Ministry of Foreign Affairs(France),Ministry of (Netherlands), Rockefeller Foundation, Norwegian Agency for Development Cooperation.

The objectives are to:

- build a credible local capacity for policy-oriented research:
- generate research results for use by policy analysts and policy makers



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- promote links between research and policy
  - encourage retention of high quality researchers

**Thematic Research** – Under this small grants are offered to groups of individuals drawn from both academia and policy institutions to conduct research on a limited number of pertinent themes. The current thematic areas are:

- Poverty, Income Distribution and Labour Market Issues
- Trade, Regional Integration and Sectoral Policies
- Macroeconomic Policies, Stabilization and Growth
- Finance, Resource Mobilization and Investment

**Collaborative Research**-Under this senior African and non-African researchers together to conduct research on topical issues of interest and to produce a critical mass of literature of policy and academic relevance to sub-Saharan Africa. So far, eight collaborative research projects had been initiated:

- Regional Integration and Trade Liberalization in Sub-Saharan Africa
- Africa and the World Trading System
- Financial Markets and Monetary Policy: The African Experience
- Africa East-Asia Comparative Development Experiences
- Managing the Transition from Aid Dependence in Sub-Saharan Africa
- Poverty, Income Distribution and Labour Markets in Sub-Saharan Africa
- Explaining African Economic Growth Performance
- African Imperatives in the New World Trade Order

**Comparative Research**-Comparative research provides for a cross-country synthesis of completed research on specific issues and research on issues of regional/sub regional relevance.

- **Aga Khan Foundation for Microfinance**

The Aga Khan Foundation's Coastal Rural Support Programme has supported a savings and credit service in rural areas of Eastern Kenya. Specific emphasis is placed on vulnerable groups, women in particular, as a way of raising rural incomes. The oversight of the microcredit component this programme is being transferred to AKAM. The Agency is also initiating a programme in support of agro-industrial projects of the Aga Khan Fund for Economic Development. These loans include micro-loans for farming, services and retail enterprises, as well as loans to individuals and to rotating credit schemes that are part of village development funds. AKAM is expanding the range of instruments to encompass seasonal loans and loans to businesses. At a later stage, social loans for housing improvement, education and health will also be extended.

- **Environment Liaison Centre International**

Environment Liaison Centre International is an non-governmental organization that emerged from the first Earth Summit in Stockholm in 1972, and was established in

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Nairobi in 1974 to track international environmental processes, when the United Nations Environment Programme was located there.

The currently active programmes of this centre are-

Programme	Objective
Kenya Organic Agriculture Network	Formed in 1994 Kenya Organic Agriculture Network (KOAN) aims at enabling the organic movement to evolve to become a highly beneficial and integral industry for Kenya, with positive and far-reaching impacts on the environmental and socio-economic status of the country. The key roles are to promote organic agriculture to attain food security, improve livelihoods, develop both national and export markets for organic products and enhance coordination among stakeholders
East African Forest Certification Initiative	Encourage and sustain networking for exchange of experiences in forest certification within and among Eastern Africa countries..
Africa Civil Society Network on Water (ANEW)	The Mission of the Africa Civil Society Network on Water (ANEW) is to facilitate the coordination of diverse African Civil Society Organizations (CSO) voices in water and sanitation. Its main objective is to build the capacity of African CSOs, thus enabling them influence and develop policies supportive of MDG and WSSD targets.

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## SUDAN

### MULTILATERAL ORGANISATIONS

- **World Bank**

The World Bank has not had an active lending program in Sudan since 1993, because of significant arrears on past debt-servicing obligations. Consequently, the Bank's Resident Mission was closed that year. Since that time, the Bank has provided technical assistance on the Nile Basin Initiative, irrigation sector reform and the social sectors.

The major project supported by the World Bank in Sudan is the Nile Basin Initiative. This is a transitional mechanism that includes nine Nile riparian countries-Burundi, Democratic Republic of the Congo, Egypt, Ethiopia, Kenya, Rwanda, Sudan, Tanzania, Uganda-- as equal members in a regional partnership to promote economic development and fight poverty throughout the Basin. The vision of the NBI is to achieve sustainable socio-economic development through the equitable utilization of and benefit from, the common Nile Basin water resources. The overall total cost of the project is 120 million US dollars.

The other currently active projects are-

Project	Objective	Total Cost
Community Development Fund for National Sudan	The objective of the Project is to meet urgent community-driven recovery and development needs in the war-affected and underdeveloped areas of North Sudan including the Three Areas by providing social and economic services and infrastructure.	
MDTF for Sudan reconstruction and development 2005 Approved	Not specified	100

- **UNDP**

As per 2002-2006 the following projects are relevant to the IDRC project-

Projects	Objective	Total Cost of the Project
<b><i>Crisis prevention and recovery</i></b>		
Community Radio in the Transitional Belt of Sudan 2005-2009	Moved by the belief that radio can play a major role in promoting and consolidating peace, as well as in contributing to post-conflict recovery, UNDP has designed the gradual development of a low-cost community-owned radio network that should reach and cater for all listeners regardless of religion, ethnic group, political affiliation, language or educational background.	US\$ 2,500,000
Livelihoods Rehabilitation and Gender Equality Programme in the Nuba Mountains (2003-2006)	Build local technical and institutional capacities to plan and implement priority recovery and development initiatives; support to local governance structures;- Empower and capacitate Nuba Mountains people and institutions to manage conflict transformation towards consolidating peace;- Secure sustainable livelihoods for vulnerable groups (returnees, IDPs, ex-combatants, female-headed households, poor subsistence producers, etc); - Improve access to basic social services (health, education, recreational facilities, etc) and public economic infrastructure (roads, bridges, markets, water supply, etc).	US\$ 3,006,560 (2004 –2006)
Community Empowerment Project (CEP) 2005-2007	The overall goal of the Nuba Mountains Community Empowerment Project (CEP) is to promote peace building in the Nuba Mountains through a focus on community empowerment and self-reliance.	US\$ 1,505,160
Development of Abyei Area through Good Governance and Poverty Reduction 2004-2007	- Strengthen local authorities to support community development and peaceful coexistence through good governance as indicated by improvements in provision of basic infrastructure, social services (health, education, water and emergency distributions of food and shelter), improved protection of the environment and human rights; - Improve the welfare of the people living in the project	US\$ 5,841,079

	area through socio-economic development, including promotion of agriculture, livestock production, savings- and credit schemes, capacity building and market development.	
<b><i>Improved Natural Resource Management</i></b>		
Development of a National Adaptation Programme of Action (NAPA)	The overall objective of Sudan's National Action Plan is to promote sustainable development paths that improve Sudan's adaptive capacity to future climate change, as well as to its growth in GHG emissions through integration of climate change issues and concerns into national policies, strategies and development plans.	UNDP -TRAC US\$ 190,000 GEF US\$ 200,000 Govt. of Sudan US\$ 50,000

- **IFPRI (Programmes with Sudan components)**

**1. Agricultural Science and Technology Indicators** - The ASTI initiative compiles, processes, and makes available internationally comparable data on institutional developments and investments in agricultural R&D worldwide, and analyzes and reports on these trends in the form of occasional policy digests for research policy formulation and priority setting purposes.

**2. Eastern and Central Africa Programme for Agricultural Policy (ECAPAPA)** - convenes agricultural policy research, analysis, and formulation aimed at facilitating an enabling agricultural policy environment for agricultural transformation.

**3. Empowering the Rural Poor in Volatile Policy Environments**- IFAD is funding a three-year IFPRI study to examine how to create local institutions that empower the poor and give them the flexibility to adjust to an evolving and unstable policy and economic environment. Increased capabilities are key to enabling the poor to act as agents of change both at individual and group levels.

**4. Pro Poor Public Investment Programme**- Pro-Poor Public Investment Program works with governments as well as with the private sector, civil society, and international organizations to carry out research on the role of public investment and on strategies that can better connect public investments and policies with development goals. The program comprises policy-oriented research, capacity building, and policy communication.

## **BILATERAL ORGANISATIONS**

- **USAID**

US development aid to Sudan ceased in January 1991 because of concerns about the Government of Sudan's policy on human rights, international issues and the continuing civil war. USAID has, however, continued to provide humanitarian assistance to meet the

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most urgent needs in Sudan. Since the start of the peace process they have broadened their assistance to Sudan to include direct support for the peace process and rehabilitation work where possible in areas such as the Nuba Mountains where a ceasefire has held. Since September 2003, USAID has committed over £90 million to humanitarian relief in Darfur,. USAID has committed £112.75 million in humanitarian and development aid for this financial year, including £45 million towards the UN 2005 Workplan and their appeal for Eastern Chad, which is being used to deliver urgent humanitarian assistance such as food aid, water and basic healthcare. USAID also expects to engage in assisting the Justice Sector; Delivery of Basic Services; Disarmament, Demobilisation and Rehabilitation and Security Sector Reform; and resolution of Sudan's debt burden

The US participated in a Norwegian government hosted a Sudan donors' conference in Oslo on 11-12 April and set out their assistance of £288.7 million until 2007. Over 60 donors and agencies were represented, along with a strong attendance from the Government of Sudan and SPLM. The conference saw international donors pledge over \$4.5 billion for 2005-2007. During this conference the donor community continued to press the Sudanese government on the need to make progress on Darfur.

## **NGOS/RESEARCH ORGANISATIONS**

- **Agricultural Research Corporation(Sudan)**

The goals of the corporation are-

- Achieving food and nutrition security through self-reliance and sufficiency.
- Improving agricultural production to increase producers' income
- Providing surplus for export.
- Providing equity in income distribution.
- Conserving natural resources through efficient utilization.

Twenty-four research programs have been identified to respond to the various challenges and needs to develop appropriate technologies. They include:

Cereal crops - Cotton crop - Oilseed crops - Sugarcane crop - Grain legume crops - Vegetable crops and medicinal plants - Fruit crops and ornamentals - Forage crops - Gum Arabic - Forestry - Land and water - Crops protection - Food processing - Agricultural engineering - socioeconomics - Pesticides - Biotechnology - Genetic resources.

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- **Care International**

The current Care projects in Sudan are-

Project	Objective
Emergency Household Livelihood Security (HLS) Project	CARE is helping people who have fled their homes in the Upper Nile region in South Sudan. The project provides families with agricultural products and tools and fishing equipment, helping them get back on their feet.
Greater Darfur Logistics Project	CARE aims to improve the living conditions of 1,800,000 people who have been forced to flee their homes because of the conflict in the Darfur region of Sudan
Sudan Basic Education Program (SBEP)	The Sudan Basic Education Program aims to work with the provisional government to increase access to education for all children in South Sudan by improving teacher education and rehabilitating 290 primary schools and ten secondary schools.

- **Near East Foundation**

NEF has worked in Sudan since 1978. Initially, the Foundation provided support for improved beekeeping in central and Western Sudan. Throughout the 1980s NEF, in partnership with Sudanese groups, implemented rural development initiatives designed to improve nutrition and supplement incomes by promoting household and commercial production of honey, poultry, milk, cheese, and other foods. Since the early 1990s, NEF has provided training and technical assistance to strengthen the growing number of local institutions and non-governmental organizations struggling to cope with the continual decline in living standards. With funding from the World Bank, NEF helped launch the first Ethiopia-Sudan Development Marketplace, a competition that showcased innovative ideas and best practices in development and poverty reduction. As a result, 20 Sudanese organizations received funding for their ideas.

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## TANZANIA

### MULTILATERAL ORGANISATIONS

- World Bank**

In Tanzania the focus of World Bank lending is on higher growth, poverty reduction, and institutional reforms to improve governance and service delivery. It shares the main directions of the Government of Tanzania: adherence to macroeconomic stability, renewed emphasis on rural development, improved governance, and increased private sector participation.

Project	Objective	Cost (US Million)
Tanzania Private Sector Competitiveness Project 2005-2012	The project creates sustainable conditions for enterprise creation and growth.	157
Tanzania Marine and Coastal Environment Management Project (Starts 2005)	This project aims to strengthen the sustainable management and use of the Borrower's Exclusive Economic Zone, territorial seas, and coastal resources resulting in enhanced revenue collection, reduced threats to the environment, better livelihoods for participating coastal communities living in the Coastal Districts, and improved institutional arrangements.	5
Tanzania Second Social Action Fund	The Tanzania Second Social Action Fund Project aims to empower communities to access opportunities so that they can request, implement, and monitor sub-projects that contribute to improved livelihoods linked to Millennium Development Goal (MDG) indicator targets in the Tanzania Poverty Reduction Strategy.	178.5
Wildlife and Livestock Utilization 2004 onwards	A significant reduction in conflict over access to resources through the integration of pastoralism, cropping and wildlife conservation through effective policy and institutional change.	.38
Participatory Agricultural Development and Empowerment Project	The Participatory Agricultural Development and Empowerment Project for Tanzania seeks to raise the production of food, incomes, and assets of participating households and groups in about 840 villages in a sustainable manner through the implementation of small agricultural development subprojects planned and managed	70



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2003-2008	by community members and farmers' groups.	
Rural Water Supply and Sanitation Project 2002-2006	The development objective of the Rural Water Supply and Sanitation Project for Tanzania is to ensure access to improved and sustained water and sanitation services in rural communities.	27
Forest Conservation and Management Project 2002-2007	This Project will initiate an integrated biodiversity conservation strategy for the Eastern Arc Mountains, thus strengthen Tanzania's capacity to coordinate forest biodiversity conservation interventions.	33
Lower Kihansi Environmental Management Project 2001-2006	Support a coordinated institutional and legal framework for environment management in the region.	6.4
Regional Trade Facilitation Project - Tanzania 2001-2011	Not specified	45
Privatization & Private Sector Development. 1999-2007	The Privatization and Private Sector Development Project will support implementation of Tanzania's private sector development strategy through its public enterprise (PE) privatization program, banking restructuring, and infrastructure and utilities' regulation.	80
Financial Institutions Development Project (02) 1999-2006	The objective of the Second Financial Institutions Development Project, is to improve access by small savers, and micro entrepreneurs, within a sound, and competitive financial system environment.	32

• **UNDP**

The UNDP 2002-2006 strategy outlines the following areas for action and cooperation-(a) development management; (b) decentralized, democratic, participatory and transparent governance; and (c) management of the response to the HIV/AIDS epidemic.(The overall resources for this time frame is 70,033 US dollars.)

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## BILATERAL ORGANISATIONS

- USAID**

USAID, together with its partners in the government and the private sector, focuses on achieving four principal objectives: improved health, better resource conservation, a stronger partnership between civil society and government, and a more vibrant private sector.

The following are the key programmes and projects supported in Tanzania-

Project	Objective	Cost
Natural Resources	Develop and implement natural resource policies, Improve national park and wildlife area management, Support community-based conservation	
Enhance Private Sector Participation	<p>Since 80% of the rural people live in rural areas with no access to markets USAID focuses on improving market linkages and market access that help small businesses.</p> <p>Key activities-</p> <ol style="list-style-type: none"><li>1. Strengthen capacity-USAID-sponsored programs focus on improving product quality to meet export standards and providing training to business owners. Programs focus on Tanzania's breadbasket, introducing affordable and improved farming methods to farmers in areas proven to have significant growth potential. In addition, USAID is supporting the development of partnerships between American companies, such as Starbucks and General Mills, and Tanzanian businesses, to help them identify and penetrate new markets, create sound business plans, raise financing, and think and act strategically.</li><li>2. Improve policies-with USAID support, the Tanzanian government recently passed a policy actively promoting growth of small businesses.</li><li>3. Rural Access-USAID projects promote sustainable rural road improvements in high production areas. Projects work with district governments to hire local private contractors to rehabilitate the roads, and follow up by contracting with local communities to maintain them.</li></ol>	

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- **DFID**

DFID supports the Government of Tanzania in the implementation of its poverty reduction strategy. Dfid's country allocation has risen from £80 million in 2003/04 to £110 million for 2005/06, with about 70% going to general budget support. The general budget support is combined with technical and financial assistance. The key focus areas of DFID in Tanzania are-

Further development and embedding of poverty reduction processes; increased and sustained economic growth, focusing on growth which is equitable and in which the poor can participate; and effective and accountable government.

- **European Commission-**

The following are the key areas and programmes -

Project	Objective
Macro Economic Support	Since 2001, the European Commission has been assisting Tanzania with macro-economic support totalling close to EUR 200 million, as part of the Poverty Reduction Budget Support (PRBS) arrangement between the Government and 14 donors. The purpose of budget support in Tanzania is to reduce poverty by supporting the ongoing Government reforms, articulated since 2005 around the MKUKUTA, the new Poverty Reduction Strategy.
Water	Water Supply Programme to Regional Centres (€ 44.76 million, 2003-2007)- The programme's main objective is to improve the access to sustainable quality water supply and wastewater management services in the three regional centres of Mwanza, Iringa and Mbeya.  Mwanza Sewerage Rehabilitation Project (€6.6 million, 2000-2004)- To prevent the overflow of raw sewage from Mwanza town to be directly disposed to Lake Victoria the Mwanza sewerage system has been rehabilitated and extended.
Education	A major part of this support goes directly to schools and districts to contribute to the construction programmes, and also to the activities aiming at quality improvements. Under the 8th EDF ( European Development Fund) support to PEDP amounts Euro 25 million and under the 9th EDF, basic education being a focal sector, EC has planned to continue its support with an amount of Euro 43 million.
Fisheries	1.Sanitary Controls Project, Value €7.7m. Duration 2004 – 2006 - This project aims to improve the access of ACP countries fish and fishery products to the EU and world markets by strengthening export health controls and improving production conditions in beneficiary countries.

	<p>2.Implementation of a Fisheries Management Plan for Lake Victoria. Value €30m. Duration 2003-2008- The EC-funded Lake Victoria Fisheries Research Project (ended Dec 2002) found that urgent action was needed to conserve stocks and that a fisheries management plan and monitoring strategy should be implemented.</p> <p>3.Marine Monitoring, Control and Surveillance (MCS). Value €2.1m. Duration 2003-2006- The EU is supporting a project which has conducted the first ever marine patrols in the Tanzania Exclusive Economic Zone (EEZ) and has made the first arrests of vessels in this zone.</p> <p>4.Indian Ocean Tuna Tagging Project. Value €14m. Duration 2004-2009-The objective of this project is to reinforce regional management capacity leading to the sustainable exploitation of tuna resources in the Indian Ocean.</p>
Livestock	<p>Pan-African Control of Epizootics (PACE). Value €1.2m. Duration 2005-2006- The overall objective of the Tanzanian Component is to contribute to poverty alleviation and food security through livestock development by improving the capacity of national animal health services to plan, implement, monitor and evaluate the strategic control of epizootic diseases.</p>
Natural Resources, Conservation and Tourism	<p><b>Mahale Ecosystem Management Project</b>-5-year partnership between Tanzania National Parks and the Frankfurt Zoological Society, with counterpart support from the EUvs Programme on Tropical Forests in Developing Countries. The overall goal of this integrated conservation and development project, expected to begin in April 2003, is to help conserve the Mahale ecosystemvs globally important tropical forest biodiversity while at the same time improving the livelihoods and environmental security of neighbouring communities.</p> <p>Kagera Kigoma Game Reserves Rehabilitation Project-The major activities supported by this project are (1) strengthening the reserve management; (2) protection of the wildlife resources through funding law enforcement operations; (3) development of management plans; (4) encouraging community based conservation of the surrounding wildlife resources.</p> <p>TACARE Project-The project aims to seek ways of arresting the rapid degradation of natural resources, especially indigenous forest in the Kigoma region partly due to the influx of refugees. The objectives of the project include the creation of environmental protection awareness; to provide models for sustainable socio-economic development; to strengthen local institutional capacity for sustainable development; to introduce farming and agro-forestry systems; establishment of a tree nursery service and the promotion of income generating activities through village based savings and credit schemes.</p>

Agriculture and Commodities	<p>Coffee Research and Technology Support Programme. Value €9m. Duration 2003-2007-The Tanzania Coffee Research Institute Limit (TaCRI) is responsible for coffee research and technology transfer to support the rejuvenation of coffee industry in Tanzania.</p> <p>Stabex Tea. Value €1.0 million. Duration 2004--2006.- From 2001-2004 €3.2 million was spent on tea research, compensation payments to smallholders for export losses and support for retrenchment of employees of the Tanzania Tea Authority.</p> <p>Agriculture Sector Development Programme. Value €18m. Duration 2003-2006.- The aim of this project is to ensure that the ASDP has the required capacities for programme formulation, coordination and implementation. This involves making sure that there is sufficient data for baseline indicators, monitoring and evaluation as well as database development.</p> <p>Rehabilitation of Priority Rural Roads. Value €10m. Duration 2005-2006. - -TanRoads will assist the implementation of this project which aims at supporting the backlog maintenance of regional roads in coffee growing areas. The result should be that approximately 450kms of roads are rehabilitated.</p> <p>Stabex Cotton. Value €2.1m. Duration 1996 - 2005.- The Stabex FMO 91/92 for Cotton was signed in July 1996, and to date almost all the funds have been committed and drawn down. More than 70% of the funds were spent on transport and farm equipment, laboratory equipment and ginning equipment for the two cotton research stations. Remaining funds are targeting rehabilitation works at ARDI Ukiriguru and Ilonga and research activities.</p>
Private Sector Support	<p>The five key areas of EU intervention to support private sector development are:</p> <ul style="list-style-type: none"> <li>• create a favourable environment for the private sector</li> <li>• investment promotion</li> <li>• investment finance (EIB)</li> <li>• technical support to individual enterprises</li> <li>• support to micro-enterprises (microfinance).</li> </ul>

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• **German Development Co-operation(DED)**

Project	Objective
Conservation and sustainable use of natural forest and wildlife resources	<ul style="list-style-type: none"> <li>• Forest Policy Implementation Support Project</li> <li>• Community Wildlife Management Advisor</li> <li>• Katavi-Rukwa Conservation and Development Programme</li> </ul>
Capacity building in the government and administration system	<ul style="list-style-type: none"> <li>• Improving the Legal and Institutional Framework for Economic Development</li> <li>• District Natural Resources Management Project</li> <li>• Tanzania Revenue Authority</li> <li>• Support for the Poverty Reduction Strategy</li> </ul>
Water	<ul style="list-style-type: none"> <li>• Support to the Tanzanian Water Sector Reform Programme</li> </ul>
Health	<ul style="list-style-type: none"> <li>• The programme to support Tanzania's health sector (TGPSH) comprises the following components: <ul style="list-style-type: none"> <li>○ district health services and quality management</li> <li>○ reproductive health</li> <li>○ multisectoral HIV/AIDS prevention and control</li> <li>○ financing in the health sector</li> <li>○ cooperation between public and private sector health services</li> <li>○ human resources development</li> <li>○ development of national health policy and strategy in the health system</li> </ul> </li> <li>• Prevention of Mother to Child Transmission (PMTCT) and Antiretroviral Treatment in collaboration with Charité (faculty of medicine), University of Berlin</li> <li>• AIDS Control in Companies in Africa (ACCA)</li> <li>• Secondary school teacher training in the field of HIV/AIDS prevention in cooperation with the Swiss Tropical Institute Prevention and Awareness at Secondary Schools of HIV/AIDS</li> <li>• Capacity Building of Multisectoral AIDS Committees (CMACs) in collaboration with the University of Heidelberg</li> <li>• Capacity Building of Health Workers for ARV Treatment in collaboration with Charité (faculty of medicine), University of Berlin</li> </ul> <p>Use of ICTs for the dissemination of health information to disadvantaged groups</p>

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## NGOS/RESEARCH ORGANISATIONS

- FINCA International**

Village Banking – Under this initiative, FINCA helps to create community-run, community-focused credit and savings associations, particularly in areas untouched by the formal financial industry. The village banking method is highly participatory in nature. It gives the beneficiaries a voice and it involves them in the development process. Members not only receive loans, they form cohesive groups who manage and collect repayments on those loans, who save diligently and decide on ways to invest those savings, and progress together, forming networks for mutual support.

- Ford Foundation**

Project(Organisation)	Objective	Total Cost
Women Legal Aid Centre 2005	For Mwangaza, the centre's radio outreach program on women's legalrights in Tanzania	\$ 100, 000
Tanzania Association of Women Leaders in Agriculture and the Environment 2005	Tie-off support to produce a book documenting its experiences in the past 10 years and train agricultural extension personnel in household food security	\$ 80, 000
Cooperative for Assistance and Relief Everywhere Inc.	For research in Zanzibar and coastal Tanzania to identify policy,governance and rights issues affecting the management of natural resources for community protection against natural disasters	\$ 50, 000
Actionaid – Tanzania 2005	For the Zanzibar Dynamic Civil Society Programme to strengthen local civil society organizations and develop networks, coalitions and umbrella organizations to strengthen the sector as a whole	\$ 120, 000
The Tanzania Gatsby Registered Trustees 2005	Tie-off support to develop and launch an endowment campaign	\$ 150, 000
Sokoine University of Agriculture.2004	Tie-off support for a research and monitoring program on the roleof forest resources and institutions in poverty reduction in Tanzania	\$ 200, 000

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## UGANDA

### MULTILATERAL ORGANISATIONS

- World Bank**

The commitment value of projects totals approximately US\$920 million. World Bank project work has helped Uganda on many fronts -- from improving access to rural areas by upgrading roads to expanding and improving water supply systems to training teachers.

A list of the currently active projects in Uganda are –

Project	Objective	Cost(US Million)
Private Sector Competitiveness II 2004-2010	The overall objective for the Second Private Sector Competitiveness Project for Uganda is to create sustainable conditions for enterprise creation and growth that responds to local and export markets. The project, which will reduce the cost of doing business and encourage investment, will enable the private sector to be better positioned to respond to opportunities in specific categories of the market.	72.5
Sustainable management of natural resources 2003-2009	The overall objective of the Sustainable Management of Mineral Resources Project, is to assist the Government of Uganda (GOU) implement its strategy to accelerate sustainable development, and reduce poverty by strengthening governance, transparency, and capacity in the management of mineral resources, with particular emphasis on community development in mining areas, and improve small-scale, and artisanal mining, in addition to promoting a socially, and environmentally sound development of the minerals sector, based on private investments.	28
Energy for Rural Transformation Project	The Energy for Rural Transformation Project will promote the use of stand-alone solar photovoltaic (PV) systems and the generation of conventional power from small renewable energy resources.	75
Northern Uganda Social Action Fund Project	The Northern Uganda Social Action Fund Project aims to empower communities in Northern Uganda by enhancing their capacity to systematically identify, prioritize, and plan for their needs and implement sustainable development initiatives that improve socio-economic services and opportunities.	133.5



Protected Areas Management and Sustainable Use project 2002-2007	The Protected Areas Management and Sustainable Use Project, will ensure the effective, long-term conservation of Uganda's biodiversity, through a sustainable, and cost-effective management of its wildlife, and cultural resources.	30
Decentralized Service Delivery: A Makerere University Training Pilot Project 2002-2006	The Decentralized Service Delivery (Makerere University Training Pilot) Project seeks to support Uganda's efforts at building capacity for improving the quality of decentralized public services delivery at the local government level. Its key objective is to develop an effective, sustainable, and replicable mechanism--that is fully integrated with the Government's decentralization and public service reform programs and capacity building goals--for strengthening the skills and competencies of those responsible for service delivery and management at the local government level.	11
Energy for Rural Transformation Project 2001-2006	The purpose of the long-term program is to develop Uganda's rural energy and information/communication technologies (ICT) sectors so as to bring about rural transformation.	111.24
Regional Trade Facilitation Project 2001-2011	Not stated	60
Second Environmental Management and Capacity Building Project 2001-2006	The Second Environmental Management and Capacity Building Project will sustain environmental management at the national, district, and community levels, and assist the Government of Uganda (GOU) in the implementation of the National Environmental Action Plan, related National Environment Statute, and the Local Government Act.	24.1
National Agricultural Advisory Services Project 2001-2008	The National Agricultural Advisory Services Project, will assist poor farmers in Uganda, in becoming aware, and able to adopt improved technology, and management practices in their farming enterprises, to enhance productivity, economic welfare, and sustainability of farming operations.	108
Privatization and Utility Sector Reform Project	The Privatization and Utility Sector Reform Project for Uganda aims to improve the quality, coverage, and economic efficiency of commercial and utility services, through privatization, private participation in infrastructure, and an improved regulatory framework.	95.3
Second Economic and Financial Management Project 1999-2006	The Second Economic and Financial Management Project, is part of the assistance strategy for supporting improvements in the public expenditure management process in Uganda, and the project will improve the efficiency of Government planning/budgeting, financial management, and monitoring/evaluation processes.	43

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AGRIC.RES & TRNG. II 1999-2007	The Second Agricultural Research and Training Project (ARTP II) seeks to a) increase the efficiency and productivity of the dominant crop, livestock, fisheries, and forestry farming systems of Uganda; b) increase farm household income and improve family welfare; and c) enhance the management of natural resources for the protection of the environment. There are three project components.	26
Kibale Forest Wild Coffee Project Approved 1999	Objectives are the removal of the present threat to biological diversity in both the core conservation zone, and the buffer zone, the establishment of an ecologically, sustainable management system, including that for a self-sustaining incentive for conservation of biological diversity in an agricultural landscape, and, the creation of a financial flow for sustaining management costs, to be invested in socioeconomic improvements for the community.	.75

The currently proposed projects are-

Project	Objective	Cost( US Million)
Kampala Institutional and Infrastructure Development Project	The overall objective of the project is to develop a strong governance and institutional structure within KCC to enhance service delivery and improve the economic performance of Kampala.	39
Millennium Science Initiative	The project's development objective is for Ugandan universities and research institutes to produce more and better qualified science and engineering graduates, and higher quality and more relevant research, and for firms to utilize these outputs to improve productivity.	21
Uganda Poverty Reduction Support Credit 5	The PRSCs support four o f the five pillars o f the Poverty Eradication Action Plan: Economic Management; Enhance Production, Competitiveness and Incomes; good governance; and human development	135

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- **UNDP**

As per the 2001-2005 country strategy UNDP in Uganda supports the following projects which are relevant to the IDRC study.

1. *Democratic Governance-* The Good Governance for Poverty Eradication Programme, worth about US \$ 5.5 million, is complemented by United Nations Volunteers (UNV) and United Nations Capital Development Fund (UNCDF) support to Uganda in the area of good governance amounting to US\$ 1 million and 6.5 million respectively.
2. *Poverty Reduction-* Two main programmes are supported under this theme

Project	Objective	Total Project Cost
Poverty Analysis and Poverty Monitoring	To assist Uganda in furthering the objectives of the country poverty eradication plan through support for poverty monitoring and enhanced capacity for policy analysis and policy development.	\$1,300,000

3. *Environment-* Since 1997, UNDP has supported environment projects in Uganda to the tune of about US\$ 10 million, mostly in the area of capacity building for environmental management.

Recent and current projects include-

Strengthening the capacity of the National Environment Management Authority (NEMA).
Support to biodiversity conservation in Rakai, Mbarara, Karamoja and the Albertine Rift through the Global Environment Facility (GEF)
Strengthening capacity for the management of River Nile Basin .
Support to the preparation of Climate Change Communication in Uganda
Support for the implementation of the National Action Plan to Combat Desertification.
Support to the integration of dryland issues in the Plan for the Modernization of Agriculture and the PEAP.
Building of the financial management capacity of the Forestry Department, which has been subsumed under the National Forestry Authority.
Support to community level environment conservation projects through the Global Environment Facility Small Grants Programme .

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## BILATERAL ORGANISATIONS

- **DFID**

The UK and Uganda signed a Poverty Reduction Budget Support (PRBS) arrangement in December 2004 for a grant of up to £145 million over three years. This budget support arrangement is linked to reforms detailed in the Poverty Eradication Action Plan, including macro-economic management and governance. The UK indicated at the time the agreement was signed, that up to £40 million was available in financial year 2004/05, £50 million in 2005/06 and £55 million in 2006/07. The UK disbursed £35 million in 2004/05, having cut £5 million due to concerns about the progress of Uganda's political transition leading up to multi-party elections in 2006. The total development assistance to Uganda this financial year is £71.6 million. The original indication was that PRBS would form £50 million of this assistance. In view of Uganda's overall progress, the UK government has decided to disburse £30 million of PRBS this year, with £15 million to be reallocated to humanitarian assistance in northern Uganda and £5 million to be held back for a decision on the disbursement until after the elections in February. The remaining £21.6 million supports:

- improved governance and the capacity of the government to implement its budget effectively;
- service provision in the key areas of health, HIV/AIDS and water and sanitation;
- civil society and the private sector, and their contribution to poverty reduction; and
- conflict resolution and other humanitarian assistance in northern Uganda.

Some of the recent studies or projects supported by DFID in Uganda are-

Project	Objective
Country Case Study on Uganda 2004	As part of the operationalising pro poor growth programme, a joint initiative of the world bank, AFD, BMZ (GTZ, KfW Development Bank and DFID). This programme aims to provide better advice to governments on policies that facilitate the participation of poor people in the growth process.
Impact of public private partnerships addressing access to pharmaceuticals in selected low and middle income countries- A case study of Botswana, Sri Lanka,	A study done by the Institute for Health Sector initiated by the Initiative on Public Private Health Partnerships and funded by DFID.

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Uganda and Zambia. 1999-2004	
Forest Sector Policy Strategy Project	This project was developed by the GoU and DFID to support the Forest Sector Umbrella Project , an initiative by the government of Uganda to reform the forest sector.
Education of Women	In association with Action Aid DFID supported a research programme in Bangladesh and Uganda looking at Adult Education among women and analysing why NGO's initiate them and whether it does lead to empowerment of women.

- **USAID**

The main USAID goal in Uganda is poverty alleviation. Three strategic objectives underline this – economic growth, improved human capacity and effective governance.

1.Economic Growth- This objective is designed to boost economic growth, restructure and revitalise Ugandan exports, curb environmental degradation and enhance food security for the vulnerable elements of the population.

2. Improved Human Capacity- This aims at improving the education and health status of Ugandans. The main focus is on HIV/AIDS.

3. Effective Governance- This addresses problems of accountability, political pluralism and informed participation of civil society.

- **GTZ**

German and Ugandan bilateral cooperation has been stepped up considerably since the German Federal Ministry for Economic Cooperation and Development (BMZ) declared Uganda a priority partner country. In May 2000, the German and Ugandan counterparts agreed to concentrate their work in sector-wide approaches in three priority areas:

- Financial sector
- Water sector
- Vocational training

The following are the major programmes and projects in Uganda

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Programme	Project
Financial sector development	Financial System Development Programme
Water sector development	Cooperative Programme for Water Sector Development
Vocational and technical training	Promotion of Employment Oriented Vocational and Technical Training
Other ongoing projects	<ul style="list-style-type: none"> <li>• Advisory Services to the Directorate of Refugees (DREF)</li> <li>• Basic Education in Urban Poverty Areas (BEUPA)</li> <li>• Basic Health Services (BHS)</li> <li>• Promotion of Children and Youth (PCY)</li> <li>• Energy Advisory Project (EAP)</li> <li>• Prevention of Mother to Child Transmission of HIV (PMTCT plus)</li> <li>• Food and Nutrition Security Project in West Nile (FNS)</li> <li>• Social Centre Project Gulu, for the rehabilitation of traumatised children in northern Uganda</li> <li>• UNHCR/GTZ Project - Uganda</li> <li>• HIV/AIDS Mainstreaming</li> <li>• Justice Law and Order Sector (JLOS)</li> </ul>

• **IDRC**

The following are the active IDRC projects in Uganda.

Project	Objective	Total Cost
AIDS, Food and Nutrition Security: Supporting Innovation 2001-2005	This multi-donor initiative will support several institutional innovations aimed at enhancing the capacity of the region's agricultural R&D system to respond to the AIDS challenge. Specifically, the IDRC grant will support a meeting of country teams to consolidate a network; research in Uganda on the vulnerability of agricultural systems to AIDS; and assessments of policies and programs by country teams in Uganda and Malawi. EH	CAD\$349,000

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Private Sector-led Aquaculture and Malaria in Western Uganda 2004-2006	This project will explore the complex links between malaria incidence and environmental management in southwestern Uganda, an area that has seen the proliferation of fish ponds as a form of income generation promoted by the government. Researchers will investigate potential links between commercial fish farming and malaria incidence, and identify appropriate social and environmental interventions to reduce the risk of malaria transmission. EH	CAD\$370,420
Improvement of Banana and Natural Resources Management Through Participatory Development (Phase II) 2004-2007	This grant will support the efforts of farmers to reach their counterparts in neighboring areas and at three benchmark sites in the Uganda National Banana Research Programme (NBRP) using participatory development communication.	CAD\$450,080
Improvement of Banana and Natural Resources Management Through Participatory Development Communication (Phase II)	This grant will allow the Southern African Development Community (SADC) Centre for Communication in Development to appropriate the Isang Bagsak program by offering it to a small number of teams in Zimbabwe, Malawi and Uganda, while developing a strategy to ensure its sustainability.	CAD\$470,690

## NGOS/RESEARCH ORGANISATIONS

- **Action for Development**

Action for Development (ACFODE) is a non-profit, non-governmental, non-sectarian women's organization whose mission is to improve the status and lives of women in Uganda through communication and networking with rural and urban women, and by close collaboration with other organizations. ACFODE aims to empower women by sharing knowledge and experiences on issues regarding health, family planning, legal rights, income generating projects and other social problems.

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- **Natural Resources Institute (UK)**

Project	Objective
Linking information demand and supply in Uganda	The project "Linking the demand for and supply of agricultural information in Uganda" works with the National Agricultural Advisory Service (NAADS), NARO, Makerere University, NGOs, farmers, private service providers, local government and other stakeholders in Uganda to integrate smallholder demand for agricultural technologies and market information with the supply of information from research organizations, market traders, equipment manufacturers, other farmers and the extension services.
Warehouse Receipt System	Agriculture reforms focused primarily on dismantling state intervention but with little emphasis on developing institutions to help private sector success in commodity marketing activities. To overcome this the warehouse receipt system was initiated in Zambia which established regulatory frameworks of high integrity that could screen warehouse operators and certify those wishing to lend against the deposited grain. Following the success of this project a similar pilot project has been initiated in Uganda in the area of coffee and cotton .

- **Advocate Coalition for Development and Environment (ACODE)**

ACODE is an independent public policy research, analysis and advocacy think tank. With headquarters in Kampala-Uganda, ACODE undertakes independent public policy research and analysis of global, regional and national public policy issues. They work for communities who are being deprived of their rights and livelihoods by representing them in policy circles and judicial redress systems.

The areas in which ACODE works are-

Environmental Democracy Programme- The overall objective of this program is to contribute to the formulation of public environmental policy at the global, regional, national and local level. The Program me will entail a series of policy research and advocacy activities that demonstrate the relationship between power over environmental resources and the development of democratic institutions. The program will support initiatives to promote participation and accountability in making decisions that affect the environment.



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Ongoing Project - Implementing the PMA through field lessons and experiences of civil society organizations.

Supported by the DFID, this is a US\$. 294,000 project aimed at contributing to the various policy reform processes under the PMA by documenting the experiences of civil society organizations working with poor people. The project being implemented under a triplicate partnership with Environmental Alert and VEDCO.

Intellectual Property Rights and Biotechnology Policy Programme—Projects under the IPR and Biotechnology Policy Programme are designed to achieve two broad objectives. First, they are intended to promote the participation of civil society in East Africa in the on-going global dialogue on the implications of emerging IPR regimes on developing countries. Second, the IPR and Biotechnology Policy Programme focuses on influencing and contributing to the formulation of national and regional biotechnology policies.

Ongoing Project- Negotiations for a Liability Regime Under the Cartagena Protocol on Biosafety: This project is supported by a "seed" grant of US\$. 26,900 the Rockefeller Foundation. Under the project, ACODE undertakes analysis of existing legal regimes for redress and their relevance to biotechnology damage in order to inform government negotiating positions. Under ACODE's new strategic plan (2002-2006) this project will be expanded to cover the three East African Community Countries.

#### Trade Policy Governance Programme

The overall goal of the Trade Policy Governance Programme is to promote the democratisation of national and regional trade policymaking and trade policy implementation. The main objective of the programme is to contribute to the improvement of outcomes of trade policy making so that trade policy promotes the three pillars of sustainable development: economic development; social development and environmental protection.

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- **ACDI/VOCA**

Some of the current projects supported by ACDI/VOCA in Uganda are-

Project	Objectives	Funded by
Rural Economy and Agricultural Production Project	<p>The project activities consist of:</p> <ul style="list-style-type: none"> <li>• A cash-for-work component to rehabilitate 80 km of community roads that make possible the development of agricultural lands and provide access between the fields and the main road;</li> <li>• Outreach to local farmers on improved farming systems and agro-forestry through contact farmers and demonstration plots;</li> <li>• The development of a 100-hectare communal farming plot, where improved inputs and farming systems (including oxen for plowing) are used to generate greater income and reintroduce communal farming methods while incorporating modern agronomic techniques; and</li> </ul> <p>Training in farming as a business, post-harvest handling and marketing strategies.</p>	USAID
Global Food for Education Initiative	ACDI/VOCA bolsters the ability of rural families to send their children, especially girls, to school. The program also helps school districts provide quality education, increase school attendance and enrollment, and encourage communities to become more involved in education.	USAID
Farmer-to-Farmer Program	ACDI/VOCA recruits volunteers who have extensive experience in their fields and a genuine desire to improve the lives of the people with whom they work. Volunteers focus on increasing the productivity of farmer organizations; promoting agricultural trade in domestic, regional and international markets; improving food security through increased production and natural resource management; and increasing the technical and managerial capacity of associations, cooperatives, private enterprises and nongovernmental organizations.	USAID

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Food Development Project – Grants Management & HIV/AIDS	for	These programs collectively seek to affect all stages of the food chain, including production, processing and marketing. Program recipients benefit from increased rural food security and improvement of institutional capacity at the grassroots level. Through collaboration with local community organizations, agribusinesses, financial institutions, local government agencies and international organizations, ACDI/VOCA promotes sustainable agricultural production and the long-term food security of smallholder farmers.	USAID
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- **FINCA International**

Village Banking – Under this initiative FINCA helps to create community-run, community-focused credit and savings associations, particularly in areas untouched by the formal financial industry. The village banking method is highly participatory in nature. It gives the beneficiaries a voice and it involves them in the development process. Members not only receive loans, they form cohesive groups who manage and collect repayments on those loans, who save diligently and decide on ways to invest those savings, and progress together, forming networks for mutual support. Currently FINCA has 22 programmes in 21 other countries.