

**ASIAN DEVELOPMENT BANK**

**JFPR: TAJ 35195**

**PROPOSED  
GRANT ASSISTANCE  
(Financed from the Japan Fund For Poverty Reduction)  
TO THE  
REPUBLIC OF TAJIKISTAN  
FOR THE  
TAJIKISTAN RURAL POVERTY REDUCTION PROJECT**

**July 2001**

## **CURRENCY EQUIVALENTS**

(as of 10 May 2001)

Currency Unit	—	Somoni (TJS)
TJS1.00	=	\$0.426
\$1.00	=	TJS2.35

## **ABBREVIATIONS**

ADB	—	Asian Development Bank
CBO	—	community-based organization
EA	—	Executing Agency
GDP	—	gross domestic product
JFPR	—	Japan Fund for Poverty Reduction
M&E	—	monitoring and evaluation
NGO	—	nongovernment organization
PAB	—	Project Advisory Board
SOE	—	statement of expenditure
WUA	—	water users' association

## **NOTE**

- (i) The fiscal year of the Government ends on 31 December.
- (ii) In this report, "\$" refers to US dollars.

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## I. INTRODUCTION

1. The Government of Tajikistan and the Asian Development Bank (ADB) have included the Agriculture Rehabilitation Project and the Rural Financial Systems Development Project in ADB's 2001 country assistance plan. The Tajikistan Rural Poverty Reduction Project, proposed for grant financing by the Japan Fund for Poverty Reduction (JFPR), will pilot test innovative poverty-oriented on- and off-farm interventions that the abovementioned ADB-financed projects may replicate on a larger scale. A Fact-Finding Mission was fielded from 21 to 30 November 2000.<sup>1</sup> This report is based on the Mission's findings and discussions held with nongovernment organizations (NGOs); international organizations; community-based organizations (CBOs); potential beneficiaries; and Government representatives including those from local governments, Ministry of Agriculture, and Ministry of Water Resources and Land Reclamation. The Government endorsed the Project on 1 December 2000, and the Government of Japan approved financing from the JFPR on 20 February 2001. The project framework is in Appendix 1.

## II. BACKGROUND AND RATIONALE

2. Since gaining independence in 1991, the Republic of Tajikistan has experienced civil war and economic collapse. In 1993, the human development index ranked Tajikistan 88th; in 1995, 103rd; in 1997, 115th; and in 1998, 108th.<sup>2</sup> The country's gross domestic product (GDP) is approximately 40 percent of its preindependence level and average wages have sunk to about 5 percent of their previous value.<sup>3</sup> This overall economic decline is mirrored in the agriculture sector, with gross output in 1998 lower by 25 percent than in 1992. Due in part to a drought, cereal production was about 40 percent lower in 2000 than that in 1999.<sup>4</sup> While some macroeconomic improvements (e.g., modest GDP growth and a dramatic drop in inflation) resulted from the Government's economic reform programs, these benefits have not yet reached the household level. Thus, while estimations of poverty vary considerably depending upon the criteria used, all studies show that the poverty level is extremely high. According to the Tajikistan Living Standards Survey undertaken in 1999, about 83 percent of the population is living below the poverty line. Malnutrition levels in some parts of the country are alarming. A survey done by CARE International in Hissor district in October 1999 (just a few months after the harvest) showed an acute malnutrition (wasting) rate of 13 percent among children under five years old. The greatest poverty is found in rural areas (where more than 70 percent of the population lives) in terms of absolute number of poor and of degree of poverty. However, rural poverty has been reduced particularly among those with access to land (particularly if irrigated), capital, and agricultural inputs.

3. Many factors determine agricultural production at the household level. Clearly a key variable is access to land, with irrigated land having the most potential for poverty reduction. Between 20 and 30 percent of available land is not under cultivation due to the breakdown of irrigation systems. Another factor that prevents small-scale farmers from increasing productivity is their lack of access to agricultural inputs (seeds, fertilizers, pesticides, and machinery). While increasing agricultural productivity must be a central part of any rural poverty reduction strategy in Tajikistan, other issues need to be addressed to sustainably increase household income. Because women are an enormous underutilized resource, their inclusion in the development process is critical. Many women are educated and have participated in the labor market before

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<sup>1</sup> The Mission comprised S. Groff, Project Economist/Mission Leader.

<sup>2</sup> United Nations Development Programme, 1999. Tajikistan Human Development Report 1999, Dushanbe.

<sup>3</sup> Background Report to CARE Tajikistan's Household Livelihood Security Assessment Study, Dushanbe, June 2000.

<sup>4</sup> World Food Program/Food and Agriculture Organization Assessment of Tajikistan, Dushanbe, June 2000.

the breakup of the former Soviet Union. One of the few productive resources remaining under their control is the kitchen garden, which is an important source of produce for household consumption and small-scale trading. Women also traditionally keep bees, livestock, and poultry. Cows are particularly important sources of livelihood, although their number is declining as they are sold off and butchered. Many households define poverty according to ownership of cows or lack of it. However, for lack of capital, resource-poor women are frequently not able to take advantage of such traditional livelihood opportunities.

### III. THE PROPOSED JFPR PROJECT

#### A. Objective

4. The Project's objective is to increase the capacity of vulnerable households to meet their basic needs by improving agricultural production and increasing incomes.

#### B. Scope

5. The Project has three components: (i) increasing agricultural production, (ii) improving income-generating opportunities for women, and (iii) building capacity. For the first year's operations, the project area will be selected from the following districts where the two NGOs selected for implementation (para. 12) are working: Darband, Djirgital, Faizabad, Garm, Hissor, Khodjimaston, Kofarnihon, Leniniskii, Rogun, Tajikabad, and Tavildara. The project area for the subsequent two years' operations, which may include additional areas, will be selected in close consultation with the Government. Appendix 2 presents sample activities to be undertaken in each component.

#### 1. Increasing Agricultural Production

6. Agricultural production will be increased by (i) improving productivity; (ii) extending the production area in all project *jamoat*,<sup>5</sup> and (iii) ensuring that in the production area (a) land distribution is equitable (i.e., marginalized groups have not been excluded), (b) the population has properly secured land rights, and (c) the cultivators are allowed to make their own farming decisions. Agricultural productivity will be increased by (i) improving irrigation facilities, (ii) improving access to agricultural inputs, and (iii) providing agricultural extension services. Small-scale irrigation facilities will be improved and new ones constructed with the beneficiaries' active involvement. Eventually the facilities will be managed by water users' associations (WUAs).<sup>6</sup> The Project will increase access of farmers, particularly those in remote areas, to quality seeds, fertilizers, insecticides, and other agricultural inputs. Through training sessions and demonstration farms, the Project will promote (i) selection of crops and varieties suitable for agroclimatic conditions and market demand; (ii) improved irrigation; (iii) rational use of fertilizers and insecticides; (iv) kitchen gardening; and (v) livestock raising and bee keeping. The Project will foster better agricultural practices through training sessions and demonstration farms. These practices will particularly relate to selection of crops and varieties suitable for local agroclimatic conditions and market demand, improved irrigation practices, rational use of fertilizers and insecticides, kitchen gardening, poultry, livestock, and bee keeping.

<sup>5</sup> A *jamoat* is the lowest unit of public administration.

<sup>6</sup> In some areas, WUAs already exist, although they are still in their early stages of operation. The Project's capacity building component will facilitate formation of new WUAs and training of old and new ones.

## **2. Improving Income-Generating Opportunities for Women**

7. The Project will work with women's credit groups to provide small-scale credit to establish income-generating opportunities. Most women are expected to concentrate on on-farm and agricultural-related activities, especially raising cows. The Project will work with women to form small-scale credit groups that will enhance women's access to social networks. Women will also benefit from the agricultural extension activities.

## **3. Building Capacity**

8. The Project's central emphasis is on creating and strengthening institutions that support the beneficiaries. The Project will work with four types of CBO: (i) WUAs for irrigation, (ii) agricultural machinery associations,<sup>7</sup> (iii) farmers' associations for other agricultural activities, and (iv) women's groups for development of small-scale economic activities. These groups will undergo intensive program of institutional strengthening and organizational development during project implementation.

## **4. Project Impact Monitoring**

9. During the first three months, the Project will undertake a baseline survey of the project area. This survey will be used as a benchmark for comparison with others conducted at the end of first and second years to determine if changes in project design are warranted. A similar survey will be conducted after project implementation to monitor the impact of the Project on poverty incidence.

## **C. Costs and Financing**

10. The Project is estimated to cost \$3.2 million equivalent. ADB will provide \$2.9 million equivalent. The Project will be financed by ADB on a grant basis from the JFPR, funded by the Government of Japan. The NGOs selected for project implementation (paras. 11 and 12) are expected to contribute about \$300,000 equivalent in the form of their fixed costs of operation. Appendix 3 provides the project costs and financing plan.

## **D. Implementation Arrangements**

### **1. Executing and Implementing Agencies**

#### **a. The Executing Agency**

11. The executing agency will be an international NGO operating in Tajikistan. Due to government agencies' limited capacity to implement such activities at the grassroots level, giving an experienced NGO full authority to implement the pilot activities will (i) expedite project implementation, and (ii) allow the Government to determine if the interventions can be replicated under the future loan project. The governments of Japan and Tajikistan have consented to such NGO involvement. ADB, in consultation with the Government of Tajikistan has selected a suitable NGO using ADB's procedure for direct selection of consultants. The selected NGO will be responsible for managing all funds and for implementing the Project.

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<sup>7</sup> The Project will help establish agricultural machinery associations within *rayons* or *jamoats*. The associations will be composed of individuals who own or have control over agricultural machinery and who wish to pool their machinery resources and make them available for hire to other community members. These associations may also wish to access credit to purchase additional machinery or spare parts.

12. The ADB Fact-Finding Mission identified the Aga Khan Foundation and CARE International as candidates for the executing agency. Both are credible international NGOs with broad working experience in Tajikistan; their strategies and priorities are consistent with ADB's program of assistance in the country. They are also the only two international NGOs whose geographic coverage in Tajikistan is consistent with the planned coverage for the future ADB loan project. Both NGOs have formally agreed to undertake the Project as a team, with Aga Khan Foundation serving as the executing agency. Immediately after project approval, the NGOs will be required to reconfirm the agreement and submit a detailed implementation plan identifying the project areas and detailed project implementation schedule, costs, and funding requirements. The proposal will be reviewed and approved by the project advisory board (PAB) and ADB (para 13). Implementation will start soon after the signing of a letter of agreement by ADB, the Government, and the Aga Khan Foundation.

#### **b. Coordination**

13. The PAB will coordinate the Project's activities. The PAB will be chaired by the deputy prime minister for agriculture and the members will comprise, the minister of agriculture; minister of water resources and land reclamation; and representatives of the provincial, district, and *jamoat* administration. The PAB will meet as required but at least once every quarter. The Aga Khan Foundation will be required to seek the PAB's guidance in key matters and to work very closely with the beneficiaries. The project structure is in Appendix 4.

14. The Project will work closely with other NGO projects such as the Private Farmers Support Project, Farmers Irrigation Project, and Women's Economic Opportunities Project. The Project will be reviewed regularly by ADB review missions.

#### **2. Implementation Schedule**

15. The Project will be implemented over three years starting in August 2001.

#### **3. Linkages to Counterpart Projects**

16. As over 70 percent of the population lives in rural areas and agriculture accounts for 60 percent of employment in Tajikistan, ADB's strategy for poverty reduction in the country must include interventions in the rural and agriculture sectors. While ADB has not yet invested in these sectors, its operational program for 2001 includes two relevant projects: Agriculture Rehabilitation Project, and Rural Financial Systems Development Project.<sup>8</sup> Given ADB's limited experience in these sectors in Tajikistan and their importance to the country's development and poverty reduction, the Project will pilot test innovative modalities for on- and off-farm activities. The Project's flexibility will allow the innovations to be tested, reviewed, and evaluated before being replicated on a larger scale in the loan project. The tests will (i) direct future loan investments into areas and modalities that have proved to be effective, (ii) provide the basis for forming relationships with counterparts and the Aga Khan Foundation, and (iii) develop capacity of the counterpart government agencies to implement the investment project. The microfinance component will help develop groups and organizations that can be tapped for the Rural Financial Systems Development Project, although the small-scale nature of the credit interventions will likely mean that most project participants will be those who cannot participate in the loan project.

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<sup>8</sup> The 2003-2004 pipeline includes two more projects; Development of Microfinance Institutions, and Agricultural Rehabilitation II.

#### **4. Sustainability**

17. Development of skills through capacity building, together with enhancement of the beneficiaries incomes, will ensure sustainability of the Project benefits. Well-organized and suitably trained WUAs, with more resources resulting from increased farm incomes, will be able to operate, manage, and maintain the irrigation, drainage, and other facilities in a more systematic, efficient, and sustainable manner. Support to agricultural machinery associations will lead to more efficient use of farm machinery. Training of women's groups, supported by a small-scale credit facility for on- and off-farm activities, will provide sustainable higher levels of incomes for women of the project area.

#### **5. NGO and Community Involvement**

18. Being executing agency, the Aga Khan Foundation in association with CARE International will play a key role in project implementation and will plan the project activities keeping in view the capacity, needs, and aspiration of the beneficiaries, and market assessment. They will implement the Project in close consultation with the relevant government agencies and active participation by the beneficiaries. Women will be the focus for the small-scale credit, which will provide them opportunities to generate incomes. The capacity building component will strengthen four beneficiary organizations (para. 8), which will ensure achievement of project benefits and their sustainability.

#### **6. Funds Flow, Disbursement, and Procurement**

19. The NGOs identified for project implementation use an internationally acceptable accounting system and have satisfactory track records of handling funds of international financing agencies. However, as the NGOs' financial resources are limited, they will need advance payment to finance the project activities. The lead NGO's country office will maintain a separate account for the Project. The details regarding this advance payment and the establishment of a JFPR account will be subject to an agreement between the Aga Khan Foundation, Government, and ADB. The amount of advance payment (imprest fund) will be determined based on the detailed implementation plan. Statements of expenditure (SOEs) will be used to liquidate and replenish the advance. The use of the imprest account and SOE will be audited by internationally acceptable private auditors, and the annual audit reports will include a separate audit opinion on the use of the imprest account and SOE. The establishment and liquidation of the imprest account and the use of SOE procedures will be in accordance with ADB's *Loan Disbursement Handbook*. Procurement will be conducted in accordance with ADB's *Guidelines for Procurement*.

#### **7. Performance Monitoring Indicators**

20. The performance of the project will be primarily assessed according to the logical framework in Appendix 1, which includes activity, output, effect, and impact indicators. Additionally, economic indicators will be used to assess the changes in the income levels of targeted families against other households in the village.

#### **8. Reporting and Impact Assessment**

21. The Aga Khan Foundation will be responsible for preparing quarterly reports documenting progress in meeting project objectives, problems encountered during project implementation, issues affecting the Project and its beneficiaries, and discussion of the status of risks and assumptions upon which the Project was designed. More comprehensive annual

reports will be prepared at the end of the first and second years of the Project, with a final report submitted within two months after Project completion. The annual reports will also be forwarded to the Government of Japan.

## **E. Impact Assessment**

### **1. Sustainable Poverty Reduction Impact**

22. The Project aims to reduce the incidence of poverty from 83 percent to about 44 percent in the targeted *jamoat* (Appendix 5). Approximately 33,600 people will directly benefit from this Project. The credit activities will benefit approximately 11,200 women. The agricultural component will benefit approximately 22,400 people. Access to privately owned land (particularly, if irrigated) is a key factor in reducing poverty which, in turn, is correlated with improved health, education, etc. Providing additional income opportunities to vulnerable groups is also a critical factor in any poverty reduction strategy.

### **2. Participatory Development Issues**

23. For development initiatives to be sustainable, communities must be fully involved in project design, implementation, and evaluation. Therefore, participation of the communities is a central and fundamental part of the Project and will be the driving force behind all activities. For example, WUAs will be the focal point for activities in the area of irrigation. Likewise, in the field of women's income generation, the primary decision makers will be the women themselves. For the capacity building component, the beneficiaries, under the guidance of the participating NGOs, will determine their training needs. The Project will ensure that all activities and technical knowledge and information that it promotes are of high quality and are timely. However, the ultimate decision makers in all project activities will be the beneficiaries themselves. The project will ensure that beneficiaries are aware of the available options, the positive and negative consequences of a given farming/business decision, and that they have the skills to make such decisions effectively.

## **F. Risks and Assumptions**

24. Successful implementation depends on continued government support for agricultural reforms and small-scale farmers. While the Government has made great efforts to sustain the pace of reform, the rural political economy remains extremely complex, including (i) a variety of land tenure systems existing side by side, (ii) different opinions about and levels of implementation of reform, (iii) varying degrees of acceptance of CBOs, and (iv) unclear legal systems in some areas. The Project is designed to deal with the problems in implementation. Therefore, the Project must actively monitor and try to influence its external operating environment by emphasizing process and flexibility during implementation.

## **IV. RECOMMENDATION**

25. The President recommends that the Board approve ADB administering grant assistance to the Government of the Republic of Tajikistan in an amount not exceeding the equivalent of \$2,900,000, to be financed from the Japan Fund for Poverty Reduction on a grant basis, for the purpose of the Tajikistan Rural Poverty Reduction Project.

**APPENDIXES**

<b>Number</b>	<b>Title</b>	<b>Page</b>	<b>Cited on (page, para.)</b>
1	Project Framework	8	1, 1
2	Sample Activities	9	2, 5
3	Cost Estimates and Financing Plan	10	3, 10
4	Project Structure	11	4, 13
5	Estimated Poverty Reduction Impact	12	6, 22

## PROJECT FRAMEWORK

Design Summary	Performance Indicators And Targets	Monitoring Mechanisms	Assumptions and Risks
<b>Goal</b> Decrease poverty incidence in targeted areas	Poverty reduction from 85 to 44 percent in target <i>jamoat</i>	Project surveys (baseline and evaluation)	
<b>Objective</b> Increased capacity of vulnerable households to satisfy their basic needs by increasing agricultural production and incomes	<ul style="list-style-type: none"> <li>• Improved capacity of target groups and their income to satisfy their basic needs</li> <li>• Improved capacity of target groups to meet their needs by increasing agricultural production</li> </ul>	<ul style="list-style-type: none"> <li>• Project surveys</li> <li>• Monitoring and evaluation (M&amp;E) reports</li> <li>• Project surveys</li> <li>• M&amp;E reports</li> </ul>	<ul style="list-style-type: none"> <li>• Political stability</li> <li>• Continuous reform (particularly of taxation and economic incentives)</li> </ul>
<b>Components and Outputs</b> <ul style="list-style-type: none"> <li>• Increasing agricultural production</li> <li>• Improving income-generating opportunities for women</li> <li>• Capacity building</li> </ul>	<ul style="list-style-type: none"> <li>• Support for agricultural development activities in four districts</li> <li>• Women's access to credit, training, and socioeconomic networks in about 50 women's credit groups</li> <li>• Improved organizational development ratings of community-based organizations</li> <li>• Improved organizational development ratings of provision of technical services to beneficiaries by line ministries working with the TA</li> </ul>	<ul style="list-style-type: none"> <li>• M&amp;E reports</li> <li>• Project reports</li> <li>• Project reports</li> <li>• M&amp;E reports</li> <li>• Organizational development tool ratings</li> <li>• Project reports</li> <li>• Organizational development tool ratings</li> </ul>	<ul style="list-style-type: none"> <li>• Continued government promotion of small-scale private farming</li> <li>• Continuous reform of the taxation system</li> <li>• Improved access to markets</li> <li>• Existence of effectively functioning democratic, community bodies</li> <li>• Line ministry personnel willing to partner with the project</li> </ul>
<b>Activities</b> <ul style="list-style-type: none"> <li>• Identifying target villages for the first year of activities, undertaking baseline surveys and developing an M&amp;E system</li> <li>• Developing detailed implementation plan</li> <li>• Implementing activities with communities</li> <li>• Identifying sites for years 2 and 3 and preparing for expansion</li> </ul>	<ul style="list-style-type: none"> <li>• Start: June 2001</li> <li>• Complete: July 2001</li> <li>• Responsibility: nongovernment organization (NGO)</li> <li>• Start: July 2001</li> <li>• Complete: September 2001</li> <li>• Responsibility: NGO</li> <li>• Start: August 2001</li> <li>• Complete: August 2004</li> <li>• Responsibility: NGO</li> <li>• Start: August 2002</li> <li>• Complete: December 2002</li> <li>• Responsibility: NGO</li> </ul>	<ul style="list-style-type: none"> <li>• Project reports</li> <li>• Asian Development Bank (ADB) review missions</li> <li>• Project reports</li> <li>• ADB review missions</li> <li>• Project reports</li> <li>• ADB review missions</li> <li>• Project reports</li> <li>• ADB review missions</li> </ul>	<ul style="list-style-type: none"> <li>• Signing by Government of project agreements</li> <li>• Continuous reform process</li> <li>• security within the country and project area</li> </ul>
<b>Inputs</b> <ul style="list-style-type: none"> <li>• Agricultural support, \$1.22 million</li> </ul>	<ul style="list-style-type: none"> <li>• Support to women's income generation, \$0.725 million</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening institutions, \$ 0.740 million</li> </ul>	<ul style="list-style-type: none"> <li>• Administrative costs, \$ 0.215 million</li> </ul>

### SAMPLE ACTIVITIES

Category	Activities
<p><b>Increasing agricultural production</b> (irrigation, provision of inputs, seed multiplication, and agricultural extension)</p>	<ul style="list-style-type: none"> <li>• Identification of working areas</li> <li>• Advocacy for land to the most vulnerable</li> <li>• Discussions with communities to plan and implement irrigation schemes</li> <li>• Formation and training of water users associations and agricultural machinery associations</li> <li>• Identification of required agricultural inputs</li> <li>• Procurement of inputs (if only available outside country)</li> <li>• Training and development for communities on credit policies and procedures for agricultural inputs</li> <li>• Release of credit</li> <li>• Agricultural extension (including demonstration plots)</li> </ul>
<p><b>Improving income-generating opportunities for women</b> (small-scale food processing, animal husbandry, purchase of inputs such as greenhouses, seeds, etc.)</p>	<ul style="list-style-type: none"> <li>• Formation of women's groups</li> <li>• Development of credit policies and procedures for credit groups</li> <li>• Training for credit groups (e.g., business feasibility analysis, basic accounting, marketing, etc.)</li> </ul>
<p><b>Capacity building</b> (community-based organizations and line ministries)</p>	<ul style="list-style-type: none"> <li>• Review of organizational development tools</li> <li>• Provision of technical support to and/ or training on credit and agriculture</li> <li>• Institutional support to district-level line ministries</li> <li>• Coordination with line ministries at the national level</li> </ul>

## COST ESTIMATES AND FINANCING PLAN

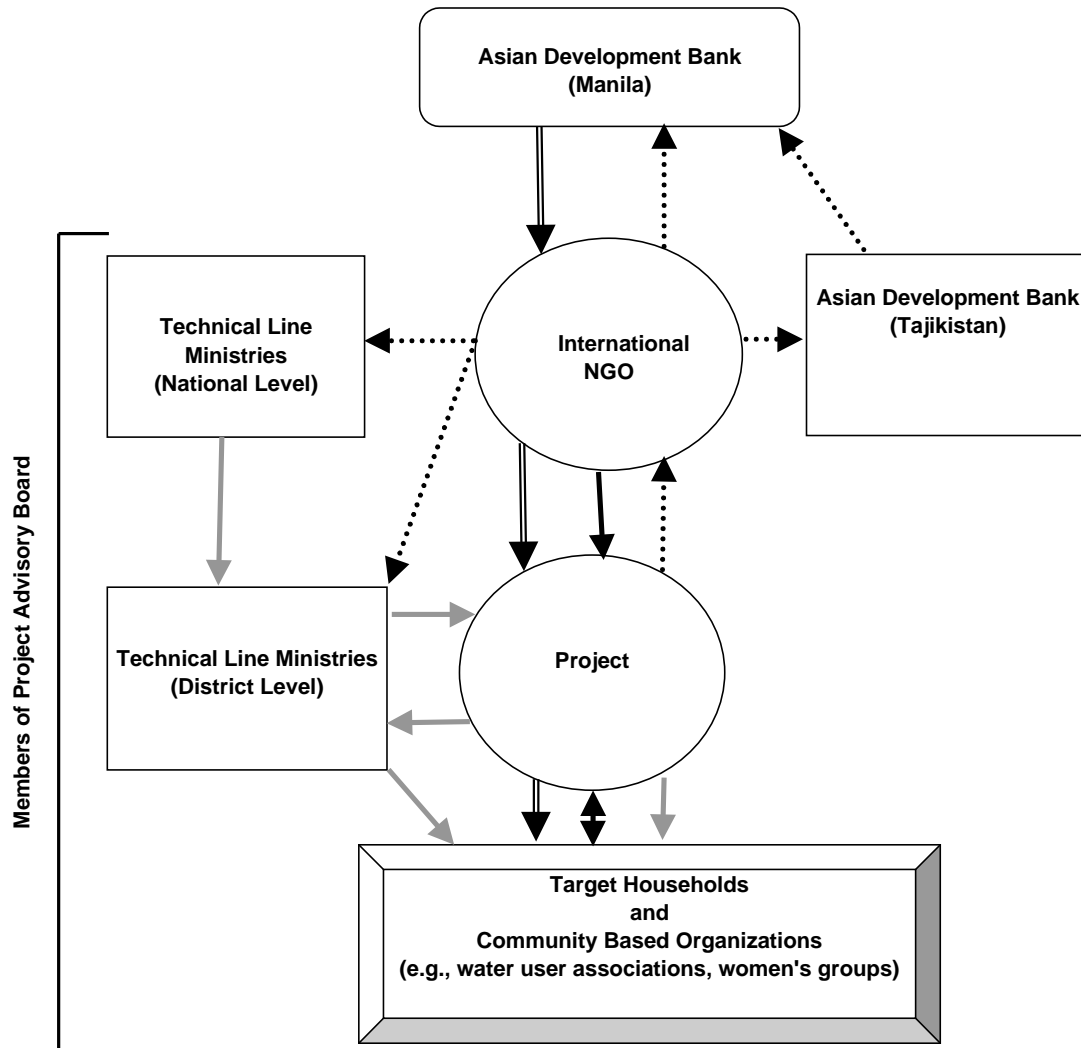
(\$ '000)






Inputs	Project Components			Total
	Agricultural Support	Support for Women's Income Generation	Strengthening Institutions	
<b>A. JFPR Financing</b>				
1. Revolving credit facilities		550		<b>550</b>
2. Civil works	400			<b>400</b>
3. Equipment, machinery, materials, and other capital costs	345			<b>345</b>
4. Supplies	230			<b>230</b>
5. Training, workshops, and seminars	150	110	675	<b>935</b>
6. Project management	130	75	85	<b>290</b>
7. Contingencies	70	40	40	<b>150</b>
<b>Subtotal (A)</b>	<b>1,325</b>	<b>775</b>	<b>800</b>	<b>2,900</b>
<b>B. NGO Counterpart Funding<sup>a</sup></b>				<b>300</b>
<b>Total (A+B)</b>				<b>3,200</b>

<sup>a</sup> This represents a portion of fixed administrative expenses associated with NGOs' operating expenses in Tajikistan that can be attributed to the Project.

Source: Staff estimates

PROJECT STRUCTURE



-  Fund Flow
-  Technical Advice
-  Line Management
-  Reporting
-  Monitoring and Evaluation

## ESTIMATED POVERTY REDUCTION IMPACT

1. Poverty figures in Tajikistan are notoriously difficult to interpret due to the different measurements used. According to World Bank figures,<sup>1</sup> 85 percent of the population is "poor". A breakdown of the figures suggests that (i) 67 percent of the population is "ordinary poor," where family incomes are insufficient to meet basic food and other needs; (ii) 12 percent is "extremely poor," experiencing acute or chronic food insecurity and surviving only by selling assets, receiving assistance, begging, stealing, and reducing food intake; and (iii) 5 percent as "destitute," facing extreme poverty, and unable to care for themselves due to chronic illness or disability, being orphaned, or being old and living alone.

2. These figures are not necessarily precise, but they do show that the vast majority of the population lives in poverty, with a significant proportion (17 percent) being either extremely poor or destitute. All project beneficiaries will be among the 85 percent who are poor, and this is used as the baseline. However, the nature of the interventions, i.e., working with those who, at the beginning of the Project, do not have access to private, irrigated land, will mean that many of the targeted are likely to be extremely poor or ordinary poor.

3. The figures used to calculate the poverty reduction impact are illustrative as they are based on a number of important factors:

- (i) The number of people covered by the Project does not necessarily equal the number of people who will no longer live in absolute poverty. Rather, poverty will be reduced among all beneficiaries rather than eliminated, with a number of people moving between different categories of poverty.
- (ii) While the women's credit and agricultural activities will generally work with different groups of beneficiaries, sometimes the same households will benefit from more than one intervention, and care will have to be taken to avoid double-counting.
- (iii) The figures used are estimates based on national poverty figures. Before commencing activities in a *jamoat*, during the baseline survey the Project will undertake more studies to better quantify levels of poverty. In some cases the level will be higher than the national average, in some cases lower.

4. The Project must develop a more detailed monitoring and evaluation plan, that will chart the progress of activities, outputs, and impact. While essentially quantitative, the plan will also capture some of the more complex measures of poverty, including the perceptions of beneficiaries themselves as to whether they are poor, and will provide the detailed monitoring plan for project impact. The plan will be revised after the baseline survey and provide the basis for project evaluation.

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<sup>1</sup> World Bank. 1998. Note on Poverty in the Republic of Tajikistan. Paper presented at the consultative Group Meeting, Paris, France, 20 May 1998.

**Table A5.1: Population Figures in Project Area During the Life of the Project<sup>a</sup>**

Area	2001	2002	2003
National	6,200,000	6,299,200	6,399,987
4 Districts	696,900	708,000	719,358
8 <i>jamoat</i> <sup>b</sup>	80,000	81,300	82,581

<sup>a</sup> Assuming a 1.6 percent population growth rate per annum.

<sup>b</sup> Assuming an average of 10,000 people per *jamoat*

**Table A5.2: Poverty Figures in Project Area without Project<sup>c</sup>**

Area	Number of Poor			% of Poor	
	2001	2002	2003	2001	2003
National	5,270,000	5,354,320	5,439,989	85%	85%
4 Districts	592,350	601,800	611,450	85%	85%
8 <i>jamoat</i>	68,000	69,100	70,200	85%	85%

<sup>c</sup> Assuming a 1.6% population growth rate.

**Table A5.3: Poverty Figures in Project Area with Project<sup>d</sup>**

Area	Number		Percentage	
	2001	2003	2001	2003
National	5,270,000	5,397,989	85%	84%
4 Districts	592,350	489,200	85%	80%
8 <i>jamoat</i>	68,000	30,400	85%	44%

<sup>d</sup> Assuming 1.6% population growth rate and total TA beneficiary numbers of 33,600.

### Figures Used for Calculations

Description	Figure
Population Growth Rate	1.6%
Poverty Rate at Beginning of TA	85%
Number of <i>Rayon</i> (Districts) in which TA will work	4
Number of <i>Jamoat</i> (below district) in which Project will work	8
Number of Beneficiaries (Agriculture)	22,400
Number of Beneficiaries (Credit)	11,200
Total number of Beneficiaries	33,600