

**1997 REGIONAL TECHNOLOGY PROGRAM:
AGRICULTURE AND MANAGEMENT OF NATURAL RESOURCES**

CIAT(TC970226-9-RG)-CIMMYT(TC970227-7-RG)-PROCISUR(TC970231-8-RG)

EXECUTIVE SUMMARY

EXECUTING AGENCY: CIAT (TC970226-9-RG). International Center for Tropical Agriculture. Tropical legume forage and ecoregional activities. Execution: three years, budget equivalent to US\$1,250,000 in Brazilian reales.

CIMMYT (TC970227-7-RG). International Maize and Wheat Improvement Center. Corn production systems and technology transfer. Execution: three years, budget equivalent to US\$1,500,000 in Mexican pesos.

IICA-PROCISUR (TC970231-8-RG). Cooperative Program for the Development of Agricultural Technology in the Southern Cone. Organization and management of subregional technological integration. Execution: two years, budget equivalent to US\$375,000 in Brazilian reales.

BENEFICIARIES: The borrowing member countries of the IDB.

FINANCING: IDB (net income of the FSO
in local currency): US\$3,125,000

Executing agency cofinancing
estimated at US\$15.0 million

Total: US\$3,125,000

TERMS: Period for executing the final disbursement: three months after completion of the execution period for each project.

Period for the final disbursement: one month after completion of the execution period for each project.

**ENVIRONMENTAL
CLASSIFICATION:** The Committee on Environment and Social Impact (CESI-TRG) approved this operation at its meeting of March 7, 1997.

OBJECTIVES: Promote the sustainable management of natural resources, economic growth, and poverty reduction in the region, by means of programs for research,

technology development, training and transfer of technology conducted by international centers, and through cooperative subregional programs for the development of agricultural technology. The goal is to enhance the competitiveness of the food and agriculture sector in countries in the region while fostering sustainable management of natural resources.

DESCRIPTION:

The program comprises research, technology transfer, and training projects in the following areas: (i) genetic improvement of tropical legume forage for dual-purpose livestock on smallholdings; (ii) information systems to identify research priorities at the regional and subregional levels and to boost corn yields in acid soils; and (iii) subregional technology integration in South America.

BENEFITS:

Significant gains in competitiveness and sustainable management of natural resources are expected to accrue from the IDB's investment in research performed in recent years by international and regional research and training centers and under subregional cooperative programs for technology development, in combination with the investment included in the present program.

Specifically, new varieties of feedingstuffs that are higher-yielding in tropical zones as well as corn varieties capable of withstanding acid soils will be developed, while promoting greater institutional efficiency and more effective allocation of public resources for technology development at the national level.

RISKS:

No risks are envisaged during the execution of the operation in view of the experience which the IDB has acquired over the last 20 years in funding regional technical-cooperation projects in the field of technology development. The risks inherent in the proposed research methods are negligible because the proposed research is strategic in nature.

**EXCEPTIONS TO
BANK POLICY:**

To expedite the execution of the operation (which will involve a large number of consultants), in view of the specialized nature of the proposed research activities, and based on the experience with funding for the executing agencies involved in the program, an exception is requested in respect of the procedures for selection and hiring of individual experts, so that specialized firms can be hired as executing agencies.

An initial disbursement will be made (up to 40 percent of the total budget for each project), retroactive to September 1, 1997; a second disbursement (up to 50 percent of the total) will be made midway through each project; and a final disbursement (10 percent of the total) will be made once the final report has been approved.

RESPONSIBILITY: Basic responsibility INT/RTC, technical responsibility SDS/ENV. Monitoring of program execution will be the responsibility of the following units:

CIAT: COF/CCO
CIMMYT: COF/CME
PROCISUR: COF/CUR

I. BACKGROUND

- 1.1 Given the abundance of natural resources in Latin America, coupled with the fact that some countries lack other sources of wealth, the food and agriculture sector has always been of paramount importance in the region. Even after decades of active industrialization policies, food and agricultural production accounts for over 25 percent of regional GDP and over 40 percent of exports. In fact, in some countries (Colombia, Argentina, Nicaragua, and Costa Rica) the sector's respective share of GDP and exports is far higher.
- 1.2 There is considerable under-investment in technology development in general. At present, a mere 0.5 percent of annual agricultural GDP is invested in science and technology for the food and agriculture sector, whereas the corresponding figure for the USA, Japan, and Australia is in the range of 2 percent to 5 percent per year. Corrective action is needed, especially at a time of liberalization and integration in Latin America and the Caribbean, for boosting the sector's competitiveness is the key to enhancing economic growth in a sustainable fashion.
- 1.3 The IDB has played a key role in agricultural and livestock development in Latin America. In recent decades, the IDB has funded projects in the following areas: development of infrastructure for irrigation, roads, and grain storage, thereby helping to modernize agricultural production, rural credit, rural development, policy adjustment and assistance for technology creation and transfer. In the latter case, the IDB's efforts were designed to build up technology R&D institutions and their programs; implement regional mechanisms for the pursuit and coordination of research, i.e., cooperation projects involving countries from the various subregions identified with cooperative subregional programs for technology development (PROCI's); and assist the international agricultural research centers (CIIAs) participating in the International Consultative Group on International Agricultural Research. 1/
- 1.4 The proposed operation reflects the IDB's ongoing support for priority technology development programs to be executed through cooperative regional research mechanisms. The operation exemplifies the IDB's latest strategies for achieving food and agricultural development, sustainable management of natural resources, and poverty reduction. The international and regional executing agencies for the proposed program are coordinating with

1/ The IDB has funded over US\$1 billion in projects for investment in domestic agricultural technology since 1964; and approximately US\$200 million in regional technical-cooperation operations since 1974, when it joined the CGIAR.

national research organizations from the region, in pursuit of a common agenda for regional research. 2/

- 1.5 The CIIAs boost food production in developing countries through agricultural research, technology transfer, and training programs, thereby raising nutritional standards and improving the general economic circumstances of the low-income population. The CIIAs' research agenda has changed in recent years, as its focus has tended to shift away from genetic improvement of strategic food crops, and more towards research targeted at poverty reduction and the conservation and management of natural and genetic resources. These objectives are pursued through the design and management of production systems; institutional strengthening; and socioeconomic research and the study of food policy and research management.
- 1.6 The regional impact of the CIIAs' efforts is attributable to the following factors: (i) the development of "generic" technologies that are "public goods," usable in a variety of agroecological zones; (ii) the strategic use of economies of scale in agricultural research and in the exchange of information, combined with the ability to assemble a critical mass of researchers; and (iii) the design and maintenance of germ plasm banks. The research findings of the CIIAs, working together with regional and national organizations, have boosted food production, improved genetic security, enhanced the preservation and management of natural resources, and established a mechanism for effective cooperation on developing the agricultural sectors and economies within the region at large.
- 1.7 The IDB's investment in strengthening national technology development systems and in regional and international research organizations has been highly effective, complementing the IDB's efforts in promoting other areas of agricultural, economic, and social development while helping to ensure the successful expansion

2/ The main domestic research organizations are the national research institutes, agricultural colleges, foundations, nongovernmental organizations, producer associations, and private sector firms. These organizations complement each other's efforts in that they are pursuing (or funding) different types of research and producing different types of technology. This complementarity extends to the activities of regional and international organizations vis-à-vis national organizations; thus, the investment in regional research envisaged in this operation can strengthen technology development at the national level.

- of the region's economies. 3/ The IDB's investment in regional research programs has led to increases in production and yields for key crops (corn, wheat, potatoes, yucca, rice, feeding stuffs), more effective management of natural resources, new agricultural policies, not to mention the positive effects on jobs and incomes. 4/ The multiplier effect of these activities (funded on a nonreimbursable basis) has maximized the returns on IDB-funded loans in the various countries involved.
- 1.8 In view of the national benefits accruing from regional research programs, and given the decline in the IDB's nonreimbursable financing for such programs in recent years, a group of countries (assisted by the IDB and other development organizations) has established a Regional Agricultural Technology Fund. The Technology Fund (to be capitalized at approximately US\$200 million) will be established in 1997-1999; as it becomes operational, the Fund will ensure continuity and stability in the competitive financing of priority activities of mutual interest to member countries, while strengthening members' involvement in the pursuit of a regional research agenda.
- 1.9 The Technology Fund is funded with contributions from countries within the region, as confirmed during the second meeting of the Board of Executive Directors in Washington D.C. in September 1997. Until such time as the Fund becomes fully operational, these contributions will be administered by the Bank as authorized by the Board of Executive Directors on March 10 (document GN-1965). In addition, the IDB is funding the activities of the Secretariat of the Technology Fund until December 1999 under a regional technical-cooperation project approved in August 1997 (ATN/SF-5666-RG).
- 1.10 Over the next three years, the resources generated by the Technology Fund's start-up capital are estimated at US\$500,000,

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- 3/ The background and rationale for the IDB's contribution to regional agricultural research were analyzed in "El rol del BID en el fortalecimiento de la investigación agropecuaria en América Latina y el Caribe" (1993), which summarizes the main findings resulting from two years of work, including an international workshop organized by the IDB. The documentation prepared in 1995 and 1996 in connection with the Regional Agricultural Technology Fund examines the IDB's contribution to research efforts within the region.
- 4/ The CIIAs' activities affect 8 of the 15 basic goods that stand to gain the most from the use of new technologies within the region (milk, meat, corn, rice, wheat, bananas and plantains, legumes, potatoes and yucca); the combined efforts of the CIIAs and the national programs are estimated to yield annual economic gains of the order of US\$1 billion (see papers by CIAT, CIMMYT, and CIP on agricultural research in Latin American and the Caribbean. Cali, Colombia, 1992).

US\$1.0 million, and US\$3.0 million; with these modest sums it will be possible to finance only a limited number of regional research projects. To facilitate the launching of the Fund while forging closer ties between the CIIAs and national research organizations, the IDB should continue to make a minimum annual contribution to the reference program, allocating resources to research projects conducted jointly by CIIAs and national organizations in the priority areas specified in the medium-term plan of the Regional Fund and in accordance with the project selection criteria established in the latter's Manual of Operations. Ensuring the medium-term continuity of one core program will help the IDB to set the Technology Fund on a firm footing, as it continues to serve as a member of the CGIAR, now in conjunction with member countries of the Technology Fund.

II. OBJECTIVES

- 2.1 The program is designed to promote agricultural development, ensure the sustainable management of natural resources, and foster economic growth in countries within the region through the use of programs for research, technology development, training, and transfer of agricultural technologies conducted by regional and international research organizations. The goal is to boost the competitiveness of the food and agriculture sector of countries within the region while fostering sustainable management of natural resources.
- 2.2 Given the nature of the proposed research and technologies (in addition to technology transfer and training), the program will complement the research activities of the (public and private) national components of the region's agricultural technology system.

III. DESCRIPTION OF THE PROGRAM

- 3.1 The program comprises three research, technology transfer, and training projects in the following areas: (i) genetic improvement of tropical legume forage for dual-purpose livestock on smallholdings; (ii) information systems to identify research priorities and boost corn yields in acid soils; and (iii) strengthening subregional technology integration in South America. The program stresses the conservation and management of natural resources and the strengthening of subregional technology development institutions.
- 3.2 The proposed activities have been prioritized on the basis of demand and competition for projects at the national and subregional levels, technical capacity of the executing agencies, consultation

with experts, efforts to identify priorities at the regional and subregional levels (funded by the IDB over the last five years), an examination of global priorities by the advisory technical committee [Comité Técnico Asesor] of the CGIAR, and the medium-term plan of the Regional Fund.

- 3.3 The program projects were identified, selected, and prioritized on the basis of technical analysis performed by the project team (RE1/EN1, RE2/EN2, RE3/EN3, SDS/ENV, and INT/RTC). All of the envisaged CIIA programs will be conducted jointly with national research organizations, and cofinanced by the CIIAs, regional and national organizations, and in some cases by bilateral agencies.
- 3.4 The precipitous drop in annual funding that the program has suffered over the last several years (US\$9.3 million in 1994, US\$7 million in 1995, US\$5.7 million in 1996, and a proposed US\$3.1 million for 1997) is attributable to the severe shortage of concessional local-currency resources available to the IDB. This has curtailed regional research in areas critical to the future prospects of countries in the region.

A. Activities

- 3.5 The program includes the projects summarized below. The complete project proposals (available as Annexes I to III in the files of SDS/ENV) include a detailed description of the rationale, objectives, activities, participating entities, work schedule, and information on executing agencies. These proposals will serve as a work plan while the activities are being carried out.
- 3.6 International Center for Tropical Agriculture (CIAT). *Tropical legume forage and ecoregional activities (TC-97-02-26-9-RG).* Duration: 3 years. Budget: US\$1,250,000. The first component of the project is designed to enhance the availability of food sources for dairy systems based on smallholdings in Central America. Approximately 60 percent of the budget will be executed by research counterparts under the supervision and coordination of the CIAT and with assistance from the International Livestock Research Institute (ILRI). The resources will be used to fund programs of the TROPILECHE consortium and reinforce the CIAT's expertise in animal nutrition and upgrade its capacity to identify new species of legumes that can improve soils and enhance the supply of nutrients.
- 3.7 The second component of the project dovetails with the ecoregional approach pursued by CIAT in conjunction with other research organizations in Latin America. This component will identify and evaluate agricultural research priorities at the subregional and regional levels. At the subregional level, the resources will be used to design and implement resource allocation models with an explicit environmental focus, including consolidating and distributing databases relating to socioeconomic and biophysical variables, to complement the information available to these

countries at the national and local levels. These activities will be performed in conjunction with the International Food Policy Research Institute (IFPRI) which is supporting the priority subregional and regional efforts under way in the region. In addition, this component will research alternative uses for the acid tropical savannahs of Latin America. This research combines the CIAT's efforts to identify "improved agricultural and grazing systems" with the efforts of the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) to evaluate and improve sorghum varieties suitable for cultivation in such soils.

- 3.8 International Maize and Wheat Improvement Center (CIMMYT). *Corn production systems and technology transfer (TC-97-02-27-7-RG).* Duration: 3 years. Budget: US\$1,500,000. The corn production systems component is designed to develop varieties and hybrids of high-yield corn suitable for cultivation in acid soil in Latin America and the Caribbean, as well as to boost the potential yield and agronomic characteristics of the corn crop, encouraging its use by national agricultural research systems, nongovernmental organizations, and other research and development institutions within the region. This component is designed to meet increases in demand for corn estimated at 3.5 percent to 4 percent per year over the next decade. The products covered by the project will directly or indirectly enhance the food security and welfare of the general public by helping to lower food prices, reducing migration from rural to urban areas, and conserving marginal forest areas. The research capacity of scientists within the region will need to be expanded through collaborative efforts, consulting services, workshops and in-service training at CIMMYT headquarters in Mexico, as well as the training program in crop management research at EMBRAPA's National Center for Corn and Sorghum Research (CNPMS), at Sete Lagoas, Brazil.
- 3.9 The second component of this project will enhance the efficiency of investment in agricultural research at the national level within the region, specifically by analyzing spillover effects in terms of technology and reducing unnecessary duplication of research efforts in different countries. Such action will ensure that scarce resources can be effectively targeted at research activities into sustainable systems for low-income producers. The proposed inquiries will examine the actual and potential spillover effects associated with corn and wheat research at three levels: (a) flows of research outputs that arrive before the technology is available; (b) flows of production technologies on individual farms; and (c) evaluation of the scientific capacity of institutions within the region. The flow of production technology to individual farms will be evaluated with reference to three types of technology: varieties of corn and wheat, agronomic innovations, and natural resource management practices. These inquiries will be performed in conjunction with national research programs, through the network established through the regional priorities project (IICA-IDB).

3.10 Cooperative Program for the Development of Agricultural Technology in the Southern Cone (PROCISUR). Organization and management of subregional technological integration (TC-97-02-31-8-RG). Duration: 3 years. Budget: US\$375,000. The national research institutes belonging to PROCISUR (INIA/Chile, IBTA/Bolivia, DIA/Paraguay, EMBRAPA/Brazil, INTA/Argentina, and INIA/Uruguay), as well as PROCISUR itself are implementing institutional reforms in response to the new demand for technology generated by globalization, subregional integration, and economic liberalization. Nationally, the INIAs are striving to enhance the competitiveness of the agricultural and agroindustrial sector from the technological standpoint, while meeting environmental and social needs. PROCISUR has pursued technological cooperation efforts aimed at bolstering subregional reform capacity as part of the process of strengthening the Southern Cone Common Market (MERCOSUR).

3.11 The project will speed up and deepen the institutional reforms now under way, forging closer ties with the entire spectrum of supply and demand for agricultural and agroindustrial technology, and advancing and managing the strategies behind the process of subregional technological integration in accordance with the strategies pursued by governments and MERCOSUR.

3.12 A medium-term plan will be prepared for the program, consisting of three modules: (i) organize the supply and demand for agricultural and agroindustrial technology and identify strategic research areas of interest to the various parties involved; (ii) analyze and propose strategies to organize and fund a new institutional framework for technological reform mechanisms; and (iii) internalize the process of reform, training, and management of the integration of agricultural and agroindustrial integration within the Southern Cone. The project will spearhead efforts to integrate subregional R&D capacities while crafting strategies for the development of agricultural and agroindustrial technology. The project will draw upon the efforts of PROCISUR members, as well as various agencies and centers of excellence at the national and international levels.

B. Organization and execution

3.13 Executing agencies will be accountable to the IDB for execution of the activities described in the proposed research projects (Annexes I to III). These documents will serve as work plans while the projects in question are being carried out.

3.14 Basic responsibility for the program will reside with the Regional Technical Cooperation Division, Integration and Regional Programs Department (INT/RTC). Technical responsibility will reside with the Environment Division of the Social Programs and Sustainable Development Department (SDS/ENV). Monitoring of program execution will be the responsibility of the IDB's Country Offices in Colombia

(COF/CCO) in the case of the project to be executed by CIAT; the Country Office in Mexico (COF/CME) in the case of CIMMYT; and the Country Office in Uruguay (COF/CUR) in the case of PROCISUR.

C. Reports

- 3.15 Executing agencies will be required to furnish their respective Country Offices (with copies to SDS/ENV) with the following reports:

Mid-term technical report (condition precedent to the second disbursement) midway through the total execution period, describing the results achieved and those planned for the 2nd phase of the project;

Final technical report (condition precedent to the third disbursement) during the 30 days after completion of the project, giving a full description of the results and expected socioeconomic impact of the project, and action taken to use and publicize its findings within the countries concerned;

Final financial report, during the three months following completion of the project, to be audited by an independent public accountant or firm of such accountants, subject to the IDB's approval.

D. Cost and financing

- 3.16 This program will be funded from the net income of the Fund for Special Operations (FSO) on a nonreimbursable basis; the resources will be disbursed in local currencies in a total amount equivalent of US\$3,125,000 (Table 1). Executing agencies are expected to provide cofinancing of up to the equivalent of US\$15.0 million, taking into account the research budgets of the executing agencies included in the program. Most of the funding provided by the Bank will be used to hire consultants.

Table 1: Cost and financing of the 1997 regional technology program

Executing agency	Project	US\$ (000s) (local currency)
International Center for Tropical Agriculture (CIAT)	Tropical legume forage and ecoregional activities	1,250 (BR)
International Maize and Wheat Improvement Center (CIMMYT)	Corn production systems and technology transfer	1,500 (ME)
Cooperative Program for the Development of Agricultural Technology in the Southern Cone (PROCISUR)	Organization and management of subregional technology integration	375 (BR)
		3,125

E. Disbursements and special conditions precedent to disbursement

- 3.17 The funds will be disbursed in three stages: first disbursement (40 percent), when the agreement is signed; second disbursement (50 percent), when the mid term technical report is approved; and third disbursement (10 percent), when the final technical and financial report is approved.
- 3.18 Given the nature of the envisaged research projects, the first disbursement will be for up to 40 percent of the total project budget, retroactive to September 1, 1997, to reflect the expenditures associated with program projects since that date.

F. Hiring of consultants, procurement of goods and services

- 3.19 A waiver is hereby requested in respect of the procedures for selecting and hiring individual experts, so that specialized firms may be hired as executing agencies. Given the specialized nature of the proposed research projects, this waiver will make it possible to hire experts without the need for clearance from the IDB, thereby expediting the management of the short-term and medium-term research operations. The IDB and the executing agencies have a successful track record (extending over two decades) in the financing of agricultural technology development projects through the use of regional technical-cooperation operations; and this experience will allow international and regional centers serving as project executing agencies to be hired as specialized firms.
- 3.20 Apart from the exception mentioned above, goods and services are to be procured in accordance with IDB procedures. Only actual, direct expenditures made for project execution purposes will be eligible; indirect expenses or general operating services not included in the detailed budgets for the proposed projects (Annexes) will not be eligible.

IV. BENEFITS AND RISKS

- 4.1 The region is expected to benefit significantly from the program as a result of the development of tropical feeding stuffs, new varieties of corn, and the institutional strengthening of subregional research mechanisms.
- 4.2 No risks are envisaged during the execution of the operation because the executing agencies have proven themselves capable of executing regional technological development projects from the technical and administrative standpoints. The risks inherent in the research process are comparatively negligible given that the planned research efforts are primarily strategic in nature.

- 4.3 The environmental impact is expected to be positive or neutral, as the proposed projects involve research, training, and the transfer of agricultural technology with a specific focus on sustainable management of natural resources. Furthermore, executing agencies will be required to submit to the IDB: (i) a mid-term technical report (condition precedent to the second disbursement) midway through the execution period, describing the results achieved and activities planned for the second phase; (ii) a final technical report (condition precedent to disbursement in full) upon completion of the project, giving a full description of the results achieved and steps taken to use and publicize the project findings within the countries concerned as well as the socioeconomic and environmental impact of the project; and (iii) an external evaluation technical report. The final technical report will include the potential environmental implications and impact, as well as any environmental safeguards that need to be mandated when utilizing the results of the research activities. The external evaluation will focus on the environmental aspects of the technology development activities.

V. MONITORING AND EVALUATION

- 5.1 For the technical monitoring of program execution, an evaluation will be performed of how the projects are progressing in relation to the proposal originally approved (Annexes I to III), the mid-term technical report and the final technical report. This monitoring will be done by SDS/ENV in conjunction with the Country Offices concerned.
- 5.2 In addition to the final technical report prepared by the executing agencies, each project will require a technical evaluation report during the six-month period following completion of the project, to be performed by independent external consultants hired by the IDB under SDS/ENV supervision.
- 5.3 The objective of the report will be to perform a technical evaluation of the results of the project. The evaluation report will cover the following areas in particular: accomplishment of the objectives, the extent to which the activities programmed have been achieved, including the strengthening of national research institutions involved in the project, new know-how and technology generated by the project and the anticipated (socioeconomic and environmental) impact thereof, constraints impeding further work on the project and suggestions and/or recommendations for managing these constraints, as well as the likelihood of continuity in the research activities performed in the course of the project.

PROPOSED RESOLUTION

REGIONAL. NON REIMBURSABLE TECHNICAL COOPERATION FOR THE 1997
REGIONAL TECHNOLOGY PROGRAM: AGRICULTURE AND
NATURAL RESOURCE MANAGEMENT

The Board of Executive Directors

RESOLVES:

1. That the President of the Inter-American Development Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreements as may be necessary and to take such additional measures as may be pertinent for the execution of the plan of operations referred to in Document AT- with respect to a non reimbursable technical cooperation with the International Center for Tropical Agriculture (CIAT), for the execution of the 1997 Regional Technology Program: Agriculture and Natural Resource Management.

2. That up to the equivalent of US\$1,250,000 in reales, is authorized for the purpose of this resolution, chargeable to the net income of the Fund for Special Operations.

3. That the above-mentioned sum is to be provided on a non reimbursable basis.

PROPOSED RESOLUTION

REGIONAL. NON REIMBURSABLE TECHNICAL COOPERATION FOR THE 1997
REGIONAL TECHNOLOGY PROGRAM: AGRICULTURE AND
NATURAL RESOURCE MANAGEMENT

The Board of Executive Directors

RESOLVES:

1. That the President of the Inter-American Development Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreements as may be necessary and to take such additional measures as may be pertinent for the execution of the plan of operations referred to in Document AT- with respect to a non reimbursable technical cooperation with the Instituto Interamericano de Cooperación para la Agricultura - Programa Cooperativo para el Desarrollo Tecnológico Agropecuario del Cono Sur (IICA-PROCISUR), for the execution of the 1997 Regional Technology Program: Agriculture and Natural Resource Management.

2. That up to the equivalent of US\$375,000 in reales, is authorized for the purpose of this resolution, chargeable to the net income of the Fund for Special Operations.

3. That the above-mentioned sum is to be provided on a non reimbursable basis.

PROPOSED RESOLUTION

REGIONAL. NON REIMBURSABLE TECHNICAL COOPERATION FOR THE 1997
REGIONAL TECHNOLOGY PROGRAM : AGRICULTURE AND
NATURAL RESOURCE MANAGEMENT

The Board of Executive Directors

RESOLVES:

1. That the President of the Inter-American Development Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreements as may be necessary and to take such additional measures as may be pertinent for the execution of the plan of operations referred to in Document AT- with respect to a non reimbursable technical cooperation with the International Maize and Wheat Improvement Center (CIMMYT), for the execution of the 1997 Regional Technology Program: Agriculture and Natural Resource Management.

2. That up to the equivalent of US\$1,500,000 in pesos mexicanos, is authorized for the purpose of this resolution, chargeable to the net income of the Fund for Special Operations.

3. That the above-mentioned sum is to be provided on a non reimbursable basis.