



## Executive Board Consultation

Country Strategic Opportunities Programme (COSOP) 2025–2030 | Montenegro

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## II. IFAD focus in Montenegro

- Montenegro became a Member of IFAD in 2015
- Focus on the rural, mountainous North, where poverty is concentrated
- A first project (RCTP) was launched in 2017 and completed in 2023
- A second project (GORA) funded by the Adaptation Fund started in September 2024

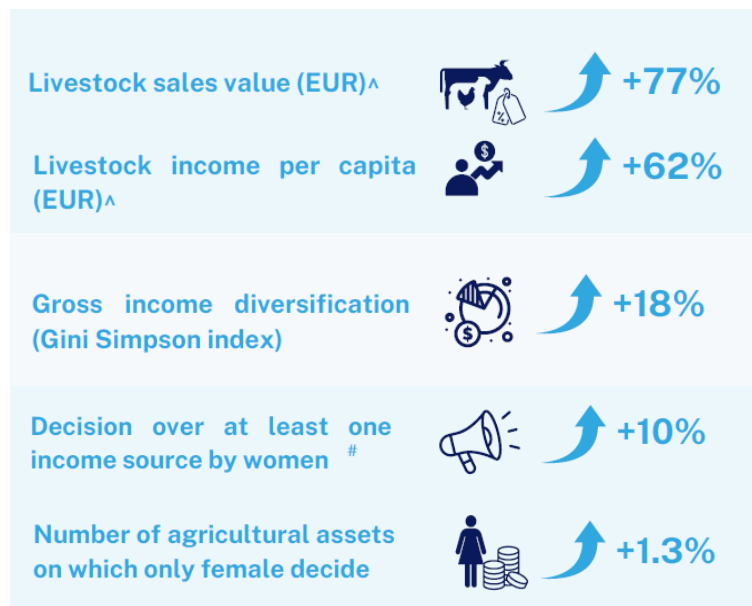
	RCTP	GORA
Period	2017-2023 (closed)	2024-2029 (ongoing)
Financing	EUR 5.7 million (IFAD Loan + ASAP grant)	US\$ 9.2 million (Adaptation Fund grant)
Domestic co-financing	EUR 10.7 million (Gov., Municipalities, Beneficiaries)	US\$ 22.8 million (Gov. Municipalities, Beneficiaries)
Outreach	5,889 HH reached	12,500 HH targeted



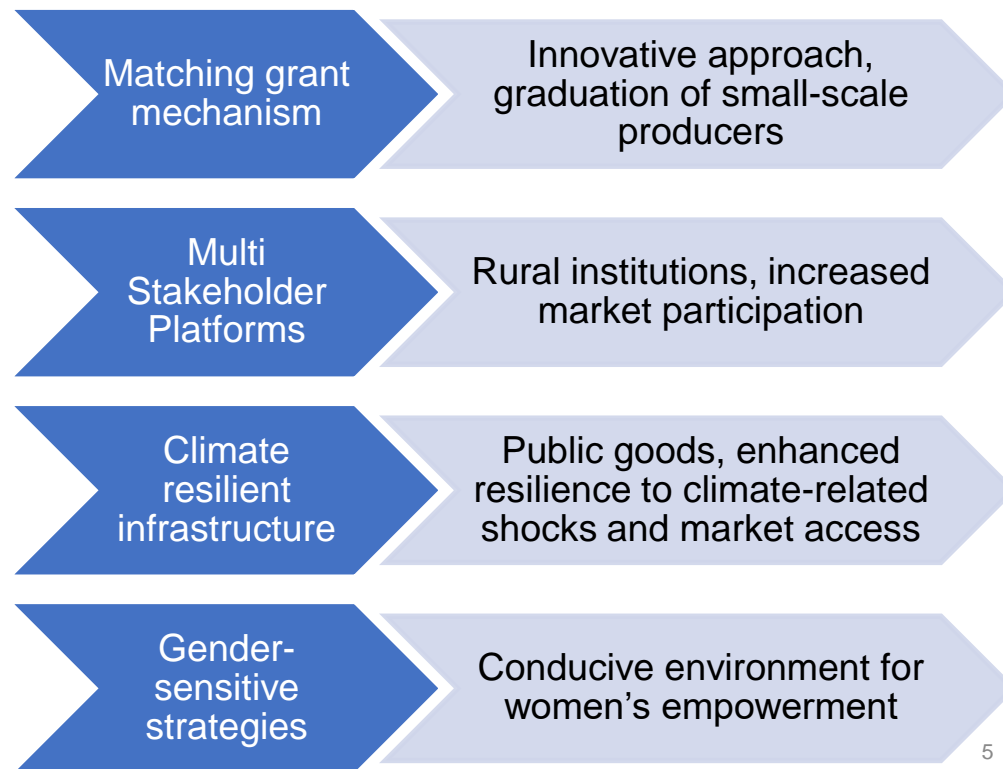
# III. Impact and Lessons Learned

## Key results from RCTP Impact Assessment:

- 34-35% increase in household income
- 21% higher likelihood of recovery from climatic shocks



## Lessons learned:



# IV. COSOP 2025-2030: Goal and Strategic Objectives

**Goal:** To reduce poverty and enhance resilience to climate change and other shocks by improving rural livelihoods with a focus on poor rural communities, including women and youth

**SO1: Improving the resilience of rural people and landscapes to climate change**

- Adoption of **innovative climate resilient technologies** and practices
- Promotion of **biodiversity and healthier ecosystems and landscapes**
- Strengthening **the institutional and policy environment** for mountain adaptation

**SO2: Reduce rural poverty through productivity increase and linkages to markets**

- Promotion of **local food products**
- **Strengthening rural institutions** through multi-stakeholder platforms
- **Capacity building** of local extension services
- Investment in **market access infrastructure**

**SO3: Promoting women's and youth employment and empowerment**

- Provision of **economic and employment opportunities**
- **Decision-making power and representation** in community-based institutions
- **Gender empowerment** and reduction of women's workload



# IV. COSOP 2025-2030: New Focus on Policy, Public Goods and Innovation

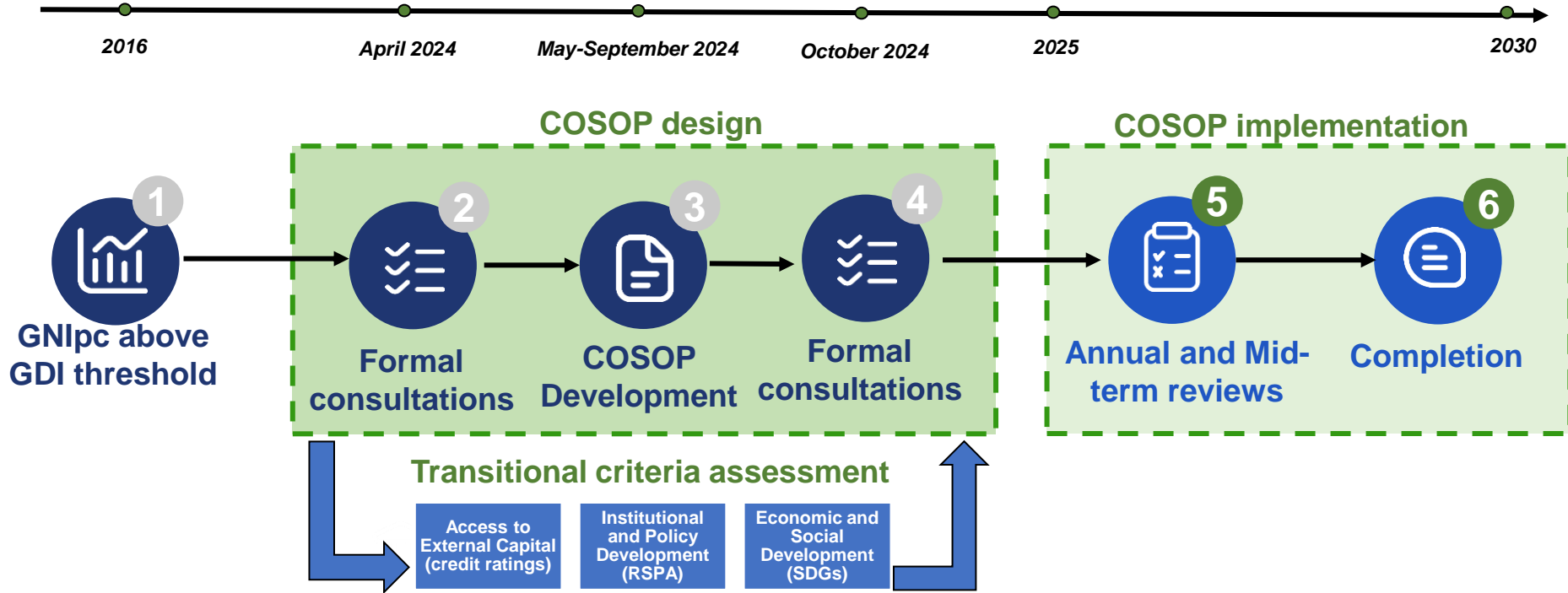
Focus of CSN 2023-2024		Additional focus of COSOP 2025-2030		
<b>Climate resilience</b> <ul style="list-style-type: none"> <li>➤ Climate resilient rural infrastructure</li> <li>➤ Conservation agriculture</li> <li>➤ Sustainable water management</li> <li>➤ Drought resistant crops</li> </ul>	<b>Inclusive value chains</b> <ul style="list-style-type: none"> <li>➤ Productivity of key value chains</li> <li>➤ Producer/processor commercial linkages</li> <li>➤ Multi-stakeholder platforms/ rural clusters</li> </ul>	<b>Policies and Institutions</b> <ul style="list-style-type: none"> <li>➤ <b>Strategy</b> for the North mountainous areas</li> <li>➤ Local <b>climate adaptation strategies</b></li> <li>➤ Municipal <b>gender and youth action plans</b></li> <li>➤ <b>Capacity-building</b> of municipal extension services and rural institutions</li> <li>➤ <b>Development of synergies</b> with other development partners and policies</li> </ul>	<b>Regional or Global Public Goods</b> <ul style="list-style-type: none"> <li>➤ Investment in <b>public infrastructure</b> (climate-adaptive roads and water systems)</li> <li>➤ <b>Sustainable landscape management</b> and conservation of natural resources</li> <li>➤ Preserving <b>biodiversity</b> and rural ecosystems</li> <li>➤ <b>GHG emission reduction</b> and sequestration</li> </ul>	<b>Innovation, KM and SSTC</b> <ul style="list-style-type: none"> <li>➤ <b>Scaling-up social and technical innovations</b> piloted by RCTP</li> <li>➤ <b>Piloting</b> additional innovations (agroecological practices and nature-based solutions)</li> <li>➤ <b>Mainstreaming innovations</b> through relevant policy forums and research institutes</li> <li>➤ <b>SSTC</b> for the development of mountainous areas within the Balkans, Europe and Central Asia</li> </ul>

# IV. COSOP 2025-30: Investment Volume and Sources

IFAD	IFAD 13: GoM requested BRAM loan (GORA+)	USD 14 M
	IFAD 14: Possibility to request a second BRAM loan	TBD
Co-financing	OPEC Fund (GORA financing gap)	USD 9.8 M
	Opportunity to request a second AF grant (GORA+)	USD 10 M
	Opportunities to leverage additional grant resources (GEF, GCF, GBFF, SDG Acceleration Fund)	TBD



# V. Transitional Readiness Assessment: Process



# V. Transitional Readiness Assessment Framework

Criteria	Indicator	COSOP		
		Baseline (2024)	Midterm benchmark (2027)	Completion target (2030)
<b>Access to International Capital Markets</b>	Credit rating	B	B+	BB+
<b>Institutions/policies for Sustainable Rural Development</b>	Overall RSPA* rating	3.9	4.1-4.2	4.5
	(1.1) Policies/frameworks	4.7	4.8	4.9
	(3.2) Climate change policies	4.0	4.2	4.5
	(4.1) Access/use of rural financial services	3.2	3.8	4.5
<b>SDG 1: No Poverty</b>	Poverty headcount ratio (Upper middle income)	8.57%	7.76%	7.08%
<b>SDG 2: Zero Hunger</b>	Prevalence of undernourishment	2.5%	2.5%	2.5%
	Prevalence of severe food insecurity	2.1%	2.2%	2%
	Agriculture share of total government expenditure	1.67%	1.9%	2.15%
<b>SDG 5: Gender Equality</b>	5.5.1 Proportion of seats held by women in local governments	35.3%	40%	45%
	Gender Inequality Index (over 100)	60.4	65.3	69.8
<b>SDG 10: Reduced Inequalities</b>	10.1 Growth rate of income share of bottom 40%	3.4%	3.7%	4.2%
<b>GNI per Capita (Atlas method, thousand US\$)</b>		11.5	13.13	14.34

## VI. Conclusion and Way forward



**Actively seek and establish new partnerships**



**Pursue new co-financing opportunities**



**Engage in policy dialogue on mountainous areas**



**Strengthen SSTC within the Balkan region**



**Monitor process** through periodic assessment of targets/projections validity (Annual, Mid-term and Completion COSOP Reviews)

# Thank You

