

Document: EB 2013/108/R.26  
Agenda: 17  
Date: 18 March 2013  
Distribution: Public  
Original: English

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Enabling poor rural people  
to overcome poverty

## Helping 80 million people move out of poverty: overview of IFAD's Medium-Term Plan 2013-15

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Executive Board — 108<sup>th</sup> Session  
Rome, 10-11 April 2013

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For: **Information**

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## Abbreviations and acronyms

AGRA	Alliance for a Green Revolution in Africa
APR	Asia and the Pacific Division
ASAP	Adaptation for Smallholders Agriculture Programme
CGAP	Consultative Group to Assist the Poor
CMR	Corporate Management Results
COM	Communication Division
CPM	Country Programme Manager
CPO	Country Portfolio Officer
DSF	Debt Sustainability Framework
ECD	Environment and Climate Division
ESA	East and Southern Africa Division
FTE	Full-time equivalent
ICOs	IFAD country offices
ICT	Information and communications Technology
IFAD	International Fund for Agricultural Development
KM	Knowledge Management
LAC	Latin America and the Caribbean Division
M&E	Monitoring & Evaluation
MERCOSUR	Southern Cone Common Market
MTP	Medium-Term Plan
NEN	Near East and North Africa Division
NEPAD	New Partnership for Africa's Development
PaCFA	Partnership on Climate, Fisheries and Aquaculture
POW	Programme of Work
RB-COSOP	Results-Based Country Strategic Opportunities Programme
RMF	Results Measurement Framework
TICAD	International Conference on African Development
UNGA	United Nations General Assembly
WCA	West and Central Africa Division

## Executive Summary

1. The IFAD Medium-Term Plan for 2013-15 lays out the operational strategy, the activities, and the budgetary and human resource allocations to meet IFAD's objectives of: raising the smallholder capacity to respond to the food security challenge, increasing the resilience of rural livelihoods to climate change, and reducing rural poverty, on the one hand; and increasing institutional efficiency, on the other. The indicators and measures of how well IFAD performs against those objectives are articulated in its Results Measurement Framework.
2. In line with the expectations of Member's expressed in the report of the consultation on the ninth replenishment of IFAD's resources, IFAD plans to achieve an important increase (50 per cent) in the number of people its operations reach, and to help move a very large number of people (80 million) out of poverty. It will do so with a level of new loans and grants substantially the same as in 2010-12, and with minimal growth in the regular budget.
3. To achieve a major increase in impact with no increase in its own resources, IFAD will emphasize scaling up successful and innovative approaches to key issues in smallholder development, particularly in relation to environmentally sustainable intensification of production and insertion in modern agricultural value chains, through: focusing its own resources on replicating those approaches; and promoting the inclusion of the solutions it has tested and proven in the programmes and investments of other development partners (farmers themselves, governments, donors, and the private sector). Key elements in this strategy are strengthening policy dialogue (national, regional and global), knowledge management, partnership development, new approaches to resource mobilization to expand resource flows beyond conventional mechanisms, and stronger impact evaluation to provide the evidence base for focusing its own resources and those of its partners.
4. IFAD's efficiency objective will be achieved through raising average project size, realizing the potential savings arising from decentralization, raising the performance and productivity of staff and consultants, streamlining internal processes on the basis of modern approaches to risk management, application of information and communication technology, and a greater central monitoring of budget performance. Planning and monitoring for efficiency will be strengthened through application of a comprehensive new suite of cost tracking tools and process efficiency indicators, linked to the introduction of a resource allocation tracking tool for IFAD's major cost item, staff time.

## Overview of IFAD's Medium-Term Plan, 2013-15

### I. Introduction

1. IFAD's Medium-term Plan (MTP) for 2013-15 reflects both its institutional and global contexts. The institutional context is its Members' recognition that IFAD responded well to the challenges of the eighth replenishment period, and their call to do even more in IFAD9. The global context is the broad understanding that the food supply issues that contributed so much to the food price spikes of 2007-8 were not ephemeral. They reflected persistent structural issues arising from the global growth process itself: climate change; rapid urbanization; industrialization; and rising incomes.
2. A key element of the emergent understanding of the food and agriculture problem is that poor rural people and smallholders must be part of the structural supply solution, especially in the developing countries where the production of food, feed, fiber and fuel will be vital dimensions of inclusive and sustainable growth. Two key challenges have to be met: increasing sustainable smallholder production and productivity to serve the growing demand for agricultural products, as articulated through rapidly changing value chains; and doing this in a way that sustains rather than degrades natural resources in the context of, among other pressures, the growing impact of climate change.
3. Scaling up will be central to IFAD's impact strategy, embedding tested local solutions in broad national and international programmes mobilizing resources much greater than those at IFAD's own disposal – and achieving results far beyond the scope of classical projects. Scaling up requires supportive policy, institutional and resource allocation frameworks, hence IFAD's renewed emphasis on policy dialogue, on new partnerships, and on new forms of financial mobilization as core elements of its results model. It also requires evidence that local solutions really are successful and are scale-able. IFAD must become a strong knowledge organization, one that can mobilize measured and documented facts in support of the major decisions necessary to create comprehensive and effective responses to global, national and household level challenges.
4. The MTP lays out how IFAD intends to make its heightened contribution to the global response to food insecurity and rural poverty. It is also lays out how IFAD will meet the challenge of efficiency. Costs must be commensurate with the financial, environmental and social benefits: IFAD's *projects* must be efficient. In a context in which public resources are limited and public spending is under sharp scrutiny, IFAD's own internal resource management must be efficient. Only with success in both its projects and its own management will IFAD be able to play the sustained and expanding role that realizing the smallholder global potential will require.

### II. The planning framework and high level resource allocations

5. The MTP has been shaped by four factors: IFAD's Strategic Framework, 2011-2015<sup>1</sup>; the Results Measurement Framework (RMF) established by the Governing Council; the Agreed IFAD9 Commitments (the IFAD9 deliverables)<sup>2</sup>; and the corporate resource envelope. The Strategic Framework establishes the what and how of the main lines of IFAD's operations. The RMF establishes the performance criteria and levels for measuring its success. The IFAD9 deliverables stipulate institutional measures to enhance effectiveness. The resource envelope determines what can be spent.

<sup>1</sup> <http://www.ifad.org/qbdocs/eb/102/e/EB-2011-102-R-2-Rev-1.pdf>

<sup>2</sup> <https://webapps.ifad.org/members/gc/35/docs/GC-35-L-4.pdf>

6. The RMF stipulates that IFAD must further increase its outreach and impact to be successful in reaching its development objectives: it must reach 90 million people, and successfully help 80 million out of poverty. The comparable figure for outreach in IFAD8 was 60 million: the figure for IFAD9 is thus 50 per cent higher. There was no comparable target for helping people out of poverty in IFAD8, but there is little doubt that the IFAD9 target will be a challenge on two levels. IFAD will need to achieve more, possibly much more than in IFAD8, and it will have to do so with the same level of conventional resources as IFAD8. The level of resources for commitment for loans and grants will be approximately the same until the benefits of more effective resource mobilization through new partnerships and instruments become available; and, in order to meet efficiency targets and maximize resources for the loan and grant programme, the regular budget will be on a minimal growth basis throughout IFAD9.
7. The MTP brings three planning streams together: planning of development operations for impact; planning of resource allocations to sustain those operations (budget planning); and planning of human resource development and allocation in IFAD headquarters and its country offices (strategic workforce planning, SWP). In IFAD7, IFAD adopted a development results management system involving a comprehensive set of corporate management results (CMRs) and key indicators (KPIs) for performance monitoring and assessment. In the IFAD8 period it implemented a results based budgeting system and strategic workforce plan. This is the framework, embedded in the RMF, for the MTP. Ten corporate management results (and related activities) are organized in four results clusters (RCs): two results clusters are focused directly on development impact; one focuses on administration and management – corporate *support* and management functions; and the last focuses on support to members in their governance functions (see table 1).

**Table 1**  
Results management system - structure

<i>Results clusters</i>		<i>Corporate management results (CMRs)</i>
1	Effective national policy, harmonization, programming, institutional and investment frameworks for rural poverty reduction	CMR 1: Better country programme management CMR 2: Better project design (loans and grants) CMR 3: Better supervision and implementation support.
2	Supportive global resource mobilization and policy framework for rural poverty reduction	CMR 8: Better inputs into global policy dialogues for rural poverty reduction CMR 10: Increased mobilization of resources for rural poverty reduction
3	An effective and efficient management and institutional service platform at headquarters and in-country for achievement of operational results	CMR 4: Better financial resource management CMR 5: Better human resource management CMR 6: Better results and risk management CMR 7: Better administrative efficiency and an enabling work and ICT environment
4	IFAD's governing bodies function effectively and efficiently	CMR 9: Effective and efficient platform for Members' governance of IFAD

8. Table 2 presents the planned distribution of budget and human resources among the results clusters for 2013-15. The trajectories are clear: the percentage of human and budget resources in both of the results clusters bearing directly on IFAD's impact on poverty, which account for 68 per cent of budget resources and 66 per cent of human resources in 2013, will rise to 74 per cent and 70 per cent, respectively. The percentage of resources in administrative support and governance areas will fall. In a zero growth budget regime, that will probably result in an absolute reduction of expenditures in those areas.

**Table 2**  
Budget and staff allocations: 2013 and targets for 2015

<i>Results cluster</i>	<i>2013 budget allocation (USD millions)</i>	<i>2013 allocation as % of total budget</i>	<i>2015 allocation target as % of total budget</i>	<i>2013 staff allocation (FTEs)</i>	<i>2013 staff allocation as % of total FTEs</i>	<i>2015 staff allocation target as % of total FTEs</i>
1	85.10	59.0%	65%	319.26	56.7%	61%
2	12.56	8.7%	9%	52.09	9.2%	9%
3	34.90	24.2%	20%	145.47	25.8%	22%
4	8.62	6.0%	6%	46.92	8.3%	8%
Corporate	2.96	2.1%	0	0	0	0
Total	144.14	100.0%	100%	563.74	100.0%	100%

9. Figure 1 gives a high-level overview of the impact objectives that IFAD plans to achieve by 2015, some principal outputs that each RC will contribute to that achievement, the performance measures that IFAD will use to monitor its performance, and the planned financial and human resource allocations that will make it possible. IFAD will have a broad impact on smallholder development, helping move 80 million people out of poverty in the process. Most immediately, it will maximize the performance of over 250 projects world-wide (with an investment value of over USD13.3 billion), and mobilize commitment of an additional USD7.5-8.0 billion in about 130 new project financing operations developed with scaling-up in mind and within country programmes oriented to the partnerships (with farmers, with governments and with the private sector) that are essential for putting in place the policy, institutional and financial frameworks necessary for a major smallholder transformation. Work at the country level will be complemented by increased global policy dialogue and knowledge management, as well as exploration of new partnership and financing mechanisms, to improve the global framework for national and local development. This front-end development work will be underpinned by stronger results and risk management, by streamlined administration, and by Governing Bodies functioning not only as strategic guides, but as critical loci for partnership building and policy dialogue. Paragraphs 10-38 give an overview of the principal activities and activities in each results cluster contributing to the overall poverty reduction outcome. The Annex provides more detail on activities and outputs.

Figure 1. The corporate results-based planning framework

IMPACT	DEVELOPMENT OUTPUTS	INTERNAL SERVICE OUTPUTS	PERFORMANCE MEASURES	BUDGET ALLOCATION	STAFF ALLOCATION
80 MILLION PEOPLE MOVED OUT OF POVERTY BY 2015 90 MILLION PEOPLE REACHED BY IFAD PROJECTS	<p><b>Results cluster 1</b>                      POW: \$7.8 billion (POLG \$3.0 billion; co-financing \$4.8 billion)                      New RBCOSOPs: 28 - and intensified policy dialogue                      ICOs: 40                      New scaling-up focused project investments: 96 (includes ASAP)                      New grants (global and regional): 133 - in focused strategic frame                      Projects under implementation: 265 – with reduced projects at risk                      Project supervision missions: 340 (p.a.) – intensified for projects at risk                      Implementation support missions: 214 (p.a.)                      Strengthened KM and policy dialogues support for project cycle</p>		<p><b>Results measurement framework:</b>                      Outcome indicators (2.1-2.3)                      Country programme and project outputs indicators (3.1-3.15)                      Project operational effectiveness indicators (4.1-4.8)                      Institutional effectiveness and efficiency indicators (5.1-5.48)  <b>IFAD9 deliverables:</b>                      Aid effectiveness; scaling up; private sector; gender equality and women's empowerment; climate change and sustainable management of environmental resources; project efficiency; country-level decentralization; fragile states; national monitoring and evaluation system; South-South and triangular cooperation; partnership and advocacy; institutional efficiency; human resources reform;                      IFAD's financial model internal resource mobilization; new sovereign donors and alternative financing modalities; impact evaluation; results reporting</p>	2013: \$85.1 million 2013: 59.0% of corporate budget RMF (2015): 85% of corporate budget	2013: 319 staff FTEs 2013: 56.7% of corporate staff FTEs RMF (2015): 61% of corporate staff FTEs
	<p><b>Results cluster 2</b>                      Prioritized and learning-oriented policy engagement strategy                      Systematic engagement in: CFS, SDG, G20, G8; thematic fora and processes (e.g., gender, indigenous people, climate change); and regional fora and processes (e.g., NEPAD and TICAD)                      Strategic communications for policy influence                      Support for engagement of smallholder organizations in policy dialogue                      Mobilization of innovative financing                      Systematic partnership development for policy and investment                      Strengthened KM for global policy dialogue and resource mobilization</p>			2013: \$12.6 million 2013: 8.7% of corporate budget RMF (2015): 9% of corporate budget	2013: 52 staff FTEs 2013: 9.2% of corporate staff FTEs RMF (2015): 9% of corporate staff FTEs
	<p><b>Results cluster 3</b>                      Cash flow sustainability approach to financial planning and management                      Risk oriented asset and investment management                      Maximization of internal resource availability                      Proactive budget management and reallocation                      Cost measurement and benchmarking                      HRM focus on staff alignment and productivity (training and incentives)                      Streamlined administrative process                      MTP-focused performance management                      Materiality/probability risk management                      Increased ICT-based transaction work flows</p>			2013: \$34.9 million 2013: 24.2% of corporate budget RMF (2015): 20% of corporate budget	2013: 145.5 staff FTEs 2013: 25.8% of corporate staff FTEs RMF (2015): 22% of corporate staff FTEs
	<p><b>Results cluster 4</b>                      Facilitation of Governing Body focus on policy, performance and accountability                      Increased use of delegation mechanisms in project approvals                      Reduction of documentation and translation requirements for Governing Bodies                      Improved inter-sessional communication with members</p>			2013: \$8.6 million 2013: 6% of corporate budget RMF (2015): 6% of corporate budget	2013: 47 staff FTEs 2013: 8.3% of corporate staff FTEs RMF (2015): 8% of corporate staff FTEs

### III. Effective national policy, harmonization, programming, institutional and investment frameworks for rural poverty reduction – results cluster 1

10. The principal tools that IFAD employs to achieve development impact are its lending and grant projects – and the knowledge embedded in (and derived from) them. They will be among the principal vehicles for scaling up, for addressing the particular issues of fragile states, for mobilizing new partnerships and forms of financing, and for measuring results. The total programme of new IFAD loans and grants (including grant finance from ASAP, DSF grants, global/regional grants and country grants) over the IFAD9 period is estimated at approximately USD3 billion. Taking into account the higher target for co-financing (a ratio of USD1.6 of co-financing for every USD1 committed by IFAD itself), which is an integral element of the scaling up strategy, the total programme of work is estimated at approximately USD7.8 billion (see table 3) – to be applied through an estimated 96 new loans and DSF grants, about 20 grants from ASAP and 133 global and regional grants.

**Table 3**

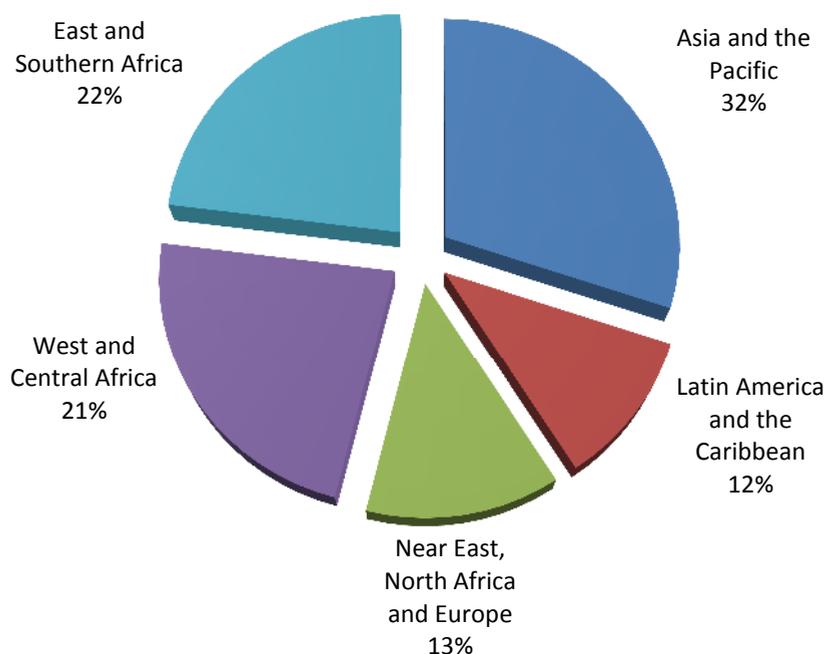
Programme of loans and grants (including co-financing), actual and projected – 2010-2015  
(Millions of United States dollars)

	<i>IFAD8</i>		<i>IFAD9</i>			<i>IFAD9 total</i>	
	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2013-2015</i>
IFAD Programme of loans and grants <sup>a/</sup>	845	998	1 040	953	1 026	1 021	3 000
Donor co-financing	736	603	456	441	430	430	1 301
Domestic contributions	934	832	598	1 160	1 160	1 160	3 480
<b>Total Programme of work</b>	<b>2 515</b>	<b>2 433</b>	<b>2 094</b>	<b>2 600+</b>	<b>2 600+</b>	<b>2 600+</b>	<b>7 800+</b>

<sup>a/</sup> Includes ASAP (from 2012 onwards), and Global/Regional grants.

11. Planned allocations for the East and Southern and Western and Central Africa operating regions account for 43 per cent of the total (see figure 2) – and Africa as a whole (including operations in North Africa) will account for more than 50 per cent.

**Figure 2**  
**Allocation of loan and grant resources for commitment among IFAD's regional divisions – planned for 2013-15**

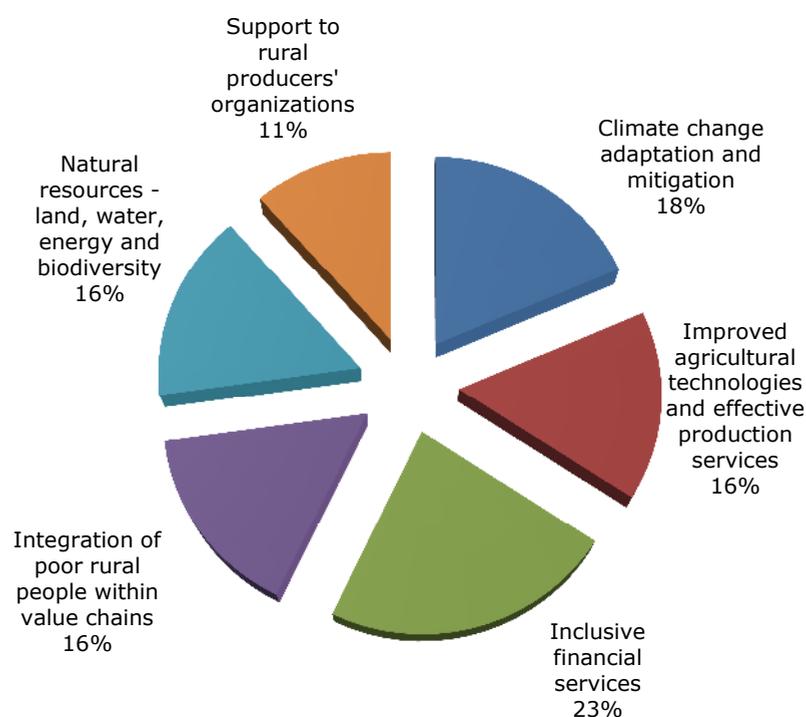


12. IFAD's instruments for planning, monitoring, and managing the full array of IFAD lending and non-lending operations (knowledge management, partnership building and policy dialogue) at the country level are Results-Based Country Strategic Opportunities Programmes (RB-COSOPs). They provide the framework for establishing strategic directions with governments and other stakeholders, and for opening lines of dialogue around critical policy, institutional and financial factors bearing on programme success and scaling up. IFAD will continue to improve RB-COSOP content to ensure integration of its corporate RMF targets, linking RB-COSOPs with in-country processes and planning, and aligning specific targeting objectives with government objectives.
13. IFAD plans to have an operative RB-COSOP in all countries with major IFAD programmes, plus a number of key fragile states. For 2013-2015, the projected number of new country strategies is eight per year. Country programmes will be reviewed during implementation and at completion. Much more attention will be given in RB-COSOP reviews to the number of people to be taken out of poverty, and the number of poor people to be taken out of poverty will be specified in each RB-COSOP.
14. In the IFAD9 period, more extensive and tightly managed country presence will raise responsiveness to country-level demand, participation in country-level policy and programming processes, and engagement of country actors in IFAD's own processes of country and project programming. IFAD country offices (ICOs) will play a critical role in achieving increased efficiency in development operations, achieving synergies among supervision activities, ensuring coherence of programmes and projects with the national priorities and raising implementation effectiveness. The effectiveness of ICOs will be increased by placing more and senior staff in ICOs, and through improved headquarters support for delegation of authority, performance management, adherence to the corporate code of conduct, and human, financial and asset management. Decentralized knowledge management and knowledge sharing will be strengthened, including through information technology solutions to ensure that ICO staff are integrated into

corporate knowledge management and corporate processes; and through development and implementation of country- and regional-level communication strategies.

15. For smaller countries with ICOs, the Country Programme Manager (CPM) is likely to remain in headquarters, and will handle several countries. For large countries, the CPM is to be out-posted, and the office will handle only the large country. Incentives for out-posting have been improved and limitations on size of country offices have also been established. In the long term, about one-half of the country offices will be managed by CPMs (i.e. 20). The other offices will be managed by locally-recruited CPOs, under the supervision of HQ-based CPMs.
16. RB-COSOPs are vital to establish overall direction of country operations. However, projects and programmes constitute the principal means for realizing the development results set out in country programmes. They are IFAD's operational platform to channel loan and grant resources, share knowledge and innovations, and engage in policy dialogue with governments and other partners. IFAD's priority is to ensure that its projects are designed to the highest quality and are based on best practices, adequately addressing strategic objectives set out in the Strategic Framework 2011-2015 and thematic focus areas identified by the IFAD9 Consultation on the Replenishment of IFAD's Resources, including: scaling up, private sector engagement, gender equality and women's empowerment, climate change and sustainable management of natural resources, project efficiency, monitoring and evaluation, and increased attention to the special requirements of fragile states.
17. During the IFAD9 period, and in line with its scaling up objectives, IFAD will provide more systematic support for broad country agriculture and rural development programmes, including interventions along commodity value chains. Since the value chain for most agricultural commodities involves the private sector (farm input supply, processing, marketing and retail), co-financing with the private sector will be a priority. An essential feature of IFAD9, including interventions along value chains, will be more attention to environmental impacts and climate resilience. The pace of environmental degradation, often driven by inappropriate agriculture practices, is one of the principal threats to smallholder farming. Climate change is accelerating this and, without urgent action to curb emissions, will transform the physical and social context for IFAD's work within the lifespan of many of the investments planned under IFAD9. IFAD will continue rapid implementation of its 2011 Environment and Natural Resource Management Policy and 2010 new Climate Change Strategy throughout IFAD9. ASAP will be a key instrument to drive internal integration of climate resilience in about one-third of IFAD9 projects, with anticipated spillover effects on all projects.
18. The results of these emphases can be seen in the projected allocation of IFAD funds by strategic objective. Figure 3 shows the projected allocation in 2013-2015.

**Figure 3**  
**Projected distribution of 2013-2015 lending, Adaptation for Smallholders Agriculture Programme grants and Debt Sustainability Framework grants by area of thematic engagement**



19. New projects will provide the basis for reaching higher impact and performance in the longer term. However, the projects starting in 2013-2015 will have outcomes mostly in replenishment periods beyond IFAD9. In practice, outcomes derived from IFAD's currently *ongoing* portfolio will be the primary basis for achievement of IFAD's impact in the IFAD9 period. Supervision of the ongoing portfolio, including through implementation support, is the major vehicle through which IFAD can achieve its poverty reduction targets. On average, at any given moment, about 265 projects will be under supervision – supported by over 1600 missions over the period as a whole (see table 4).

**Table 4**  
 Planned main inputs to project implementation, 2013-2105

	2013	2014	2015	Total
Number of projects under supervision	274	259	254	254-274
Number of supervision missions	356	336	331	1023
Number of implementation support missions	215	208	219	642

20. By 2012, slightly over 90 per cent of IFAD-financed projects were directly supervised by IFAD itself. During IFAD9, IFAD will improve its capacity to provide high quality supervision, implementation support and loan administration to achieve greater and more rapid project impact. It will reduce the gap between project approval and first disbursement, and reduce disbursement lags.
21. Supervision will be intensified in countries where project start-up delays are particularly long, and where project implementation problems are severe. Supervision efforts will increasingly be customized to the country and project situation by varying the frequency and intensity of supervision, as permitted by expanding capacity in ICOs. Staff training in supervision and procurement is key and such training will be provided to whomever requires it.

22. Two supervision missions (one of which could be a lighter follow-up if the project concerned is performing well) per year will be the norm, except where projects are operating smoothly, and expanding participation in missions to government and other donors will be a priority. IFAD will propose a multi-donor trust fund to finance more intensive support for managers of problem projects, particularly in fragile states.
23. A regime of more continuous supervision organized from country offices will allow the capture and dissemination of knowledge generated through direct supervision to inform new country strategies and project designs. It will provide information needed for IFAD to contribute to national policy dialogue. Finally, it will help build up a stock of good operational practices that contribute to effective and efficient project implementation in the future.
24. IFAD's country-level policy dialogue to address policy and institutional constraints, and to contribute to building the policy, partnership, financial and institutional spaces for taking successes to scale, will be improved. The quality of project level monitoring and evaluation will be improved, and IFAD's knowledge management system will be realigned to reflect decentralization and the growing importance of informed policy dialogue for impact and scaling up.

#### **IV. Supportive Global Resource Mobilization and Policy Framework for Rural Poverty Reduction – results cluster 2**

25. IFAD's impact will continue to be principally achieved through the project and activities it supports at the country level – along with the associated country-level policy, partnership and results management work. However, the extent of the impact will be affected by developments at the global level. There is growing effort to shape global policies with a better understanding of the interconnectivity between food security and other key global policy concerns, such as climate change or conflict resolution, and IFAD can add to that debate.
26. IFAD plans to increase its effectiveness in global policy dialogue that is: focused on policy change and global resource mobilization that relate to and support key areas of IFAD's operational engagement in smallholder development (as defined, for example, in IFAD's Strategic Framework); systematic in the sense of involvement in the entire process of policy development and follow-through, informed by IFAD's own knowledge and experience and oriented to bringing perspectives that would not otherwise be adequately represented; oriented to creating spaces for the direct engagement of the representatives of smallholders and the rural poor; distributed across IFAD with allocation of roles according to relevance and competence; and increasingly shaped by lessons learned from performance reviews and management.
27. IFAD's agenda, developed and implemented as much as possible in collaboration with the other United Nations Rome-based Agencies, will include important fora in which governments, civil society and the private sector address food security and poverty issues, including: processes linked to the regular functioning of UN system bodies and forums (e.g. UNGA committees, specialized commissions, UN Permanent Forum on indigenous Peoples, etc.); ad-hoc processes led by, or emerged within, the UN system (e.g. the post-2015 processes related to the Sustainable Development Goals and the post-Millennium Development Goals); inter-governmental processes without specific thematic focus (e.g. G20, G8); inter-governmental processes with a thematic focus directly relevant to IFAD's work (e.g. UNFCCC climate negotiations, Committee on World Food Security, Global Forum on Migration); inter-governmental and multi-stakeholder processes that influence development policy, financing, and practices (e.g. Global Partnership for Effective Development Cooperation); and inter-agency processes aiming to influence policy

through advocacy, practice, knowledge generation and sharing, and other (PaCFA, CGAP). Regional level engagements will include, inter alia, NEPAD, MERCOSUR, AGRA Forum and TICAD.

28. Partnerships will be critical to influence. In addition to its partnerships with governments and other development institutions, particularly the Rome-based United Nations agencies, maintaining and strengthening partnerships with farmers organizations, and promoting their own participation in policy dialogue, will remain a high priority. In the context of a more market-driven approach to smallholder development, and the emergence of very successful approaches to and experiences in smallholder development in developing countries, IFAD will build closer private sector engagement in smallholder development issues, and will support South-South and Triangular Cooperation. In addition, IFAD will seek to build more recognition of the importance of smallholders in responding to climate change. In partnership with the CGIAR system and others, this will include using IFAD's project portfolio (including ASAP and GEF-supported projects) as a source for building up a stronger evidence base on the high adaptation and mitigation benefits of investing climate and other finance in sustainable smallholder farming.
29. One of IFAD's objectives will be to grasp the opportunities presented by a rise in the economic importance of agricultural development and the changing profile of major actors (including a better organized and informed smallholder farming sector, a much more engaged private sector, and governments which see agricultural development as a balanced growth imperative). Among those opportunities is mobilization of investment beyond traditional ODA and government financing channels – including public-private partnerships, development corridor frameworks, attraction of remittances, public sector lending to multilateral development organizations, and investment by private foundations. IFAD will seek to pioneer such new modalities for investment in smallholder development, using its own resources and operations as a framework to provide effective and secure channels for other resources that are seeking entry points but lack the sectoral expertise and relationships.

## **V. An Effective and Efficient Management and Institutional Service Platform at Headquarters and In-Country for Achievement of Operational Results - results cluster 3**

30. Results clusters 1 and 2 processes are directed towards IFAD's external environment and factors bearing on poverty and food security within it. Results cluster 3 processes and results – comprised of the four corporate management results of better financial resource management, better human resource management; better results and risk management; and better administrative efficiency and an enabling work and information and communications technology (ICT) environment - are oriented towards ensuring that the front-line processes are provided with the required human and financial resources in the right form, place and time to achieve IFAD's development objectives within an effective and efficient managerial and administrative framework.
31. IFAD is a financial institution, and its long-term sustainability requires tight financial management. In order to preserve the long-term financial health of the Fund, measures to strengthen IFAD's financial model, through implementation of the sustainable cash flow approach, will be a major priority. Towards this, the asset and liability management function will be improved with a view to ensure the robustness and alignment of IFAD's financial model with that of other international financial institutions. Related initiatives to enhance internal resource mobilization will also be undertaken, particularly: the introduction of blend terms; more proactive follow-up on loan and contribution arrears; exploration of the possibility

- for loan prepayments with interested borrowing Member States; and formulation of a proposal for compensation of foregone principal arising from adoption of the Debt Sustainability Framework (DSF). New financial products, terms, and investment strategies will be formulated in support of the IFAD9 commitment to identify and establish alternative financing modalities.
32. Continued effort will be made to improve the efficiency and effectiveness of existing financial, treasury and budget management and reporting policies, procedures and processes. Risk-based controls and other streamlining initiatives will be introduced on payments (particularly high volume low value ones), including paperless approvals and two-way matching to enhance efficiency. This is expected to yield major streamlining benefits. Other process improvements will be explored in the areas of investment management and reporting, asset and liability management, and in budget monitoring and the in-year budget review and reallocation process.
  33. Human resources reform was a major undertaking in the IFAD8 period, comprising a wide array of initiatives aimed at promoting a diverse workforce with a high level of engagement and performance, realigning IFAD's workforce with its evolving operational objectives through systematic strategic workforce planning, and creating a robust and innovative human resource management system and practices that are fair, inclusive and transparent. In IFAD9 attention will in large part shift to consolidating, calibrating and deepening the reforms, and ensuring that expected benefits are reaped: by improving the strategic alignment of the workforce (in terms of function, skills and location), and by raising its productivity (including through pay-for performance).
  34. Given the material bearing on the overall cost structure and efficiency of the Fund, innovation within the compensation and performance management system (including pay-for-performance) – in close collaboration with the International Civil Service Commission – will be a key area of focus for human resources reform in IFAD9. In view of the drive to strengthen country office management and coordination, the integration of decentralized staff into IFAD's regular management structures and adequate delegation of decision-making authority will be a high priority. Equipping IFAD with instruments and resources to promote gender competence and gender equality in its human resources management policies as well as gender balance and equitable geographical distribution in its staffing will represent a further priority.
  35. Effective results and risk management at the corporate and country level is pivotal to delivering improved results on the ground while ensuring efficient use of resources. IFAD has a well-articulated and dynamic planning and performance and risk management system in place. The system will be strengthened in the IFAD9 period, particularly with regard to improved management for outcomes. The RMF for the IFAD9 period introduces a series of important improvements to strengthen and better demonstrate the IFAD's achievements and performance. In particular, four new and key indicators have been included in the RMF: household asset ownership index, as a proxy for the income and assets of target group households; length of hungry season, and child malnutrition, as measures of food and nutrition security of target group households and individuals; and number of people moved out of poverty, as a measure of IFAD's contribution to poverty alleviation.
  36. These indicators will be measured by conducting impact surveys for completed projects with baseline surveys undertaken at the time of project start-up. With a view to better understanding the causal chain and strengthen attribution to IFAD, survey results will be complemented first, by undertaking qualitative studies and second, by surveying comparator groups on a selective basis. Thirty project impact surveys will be completed, synthesized and reported on to the Executive Board in the IFAD9 period – probably representing one of the most systematic efforts to provide a firm evidence base for managing impact to be found in any international

development institution.

37. Parallel to improved measurement of development effectiveness, IFAD will introduce a new suite of internal process efficiency indicators in addition to the high level corporate efficiency indicators incorporated in the RMF, and will introduce an appropriate staff time recording system to provide a better basis for monitoring actual human resource use against corporate priorities. These will support the planning and implementation of rationalization and streamlining of business processes to ensure that on the one hand, internal services are delivered more efficiently, and that the amount of time spent by staff on administrative tasks is reduced consistent with service quality and adequate risk management.
38. High priority will be placed on providing full administrative support to ensure prompt and successful integration of ICOs into IFAD's regular management structures. Efficiencies will be sought through business process reviews and by taking advantage of improved ICT. IFAD will continue the path of optimizing its ICT infrastructure to guarantee nonstop availability of corporate application systems and ICT services at HQ and ICOs, while enhancing its ICT business continuity and disaster recovery solutions. Opportunities to enhance efficiency through outsourcing, off-shoring, and sharing services with other Rome-based United Nations agencies will also be explored further.

## **VI. IFAD's Governing Bodies Function Effectively and Efficiently – results cluster 4**

39. The point of departure for IFAD's expanded partnership strategy is the fact that IFAD is, itself, a partnership among countries to reduce rural poverty and food insecurity. The countries that IFAD will work with in scaling up tested solutions, in developing south-south cooperation, and in mobilizing additional resources are already part of IFAD's global engagement. They are IFAD member states. The effective functioning of IFAD's Governing Bodies is, thus, essential not only to the management of the Fund, but is a significant platform in itself for policy dialogue, partnership and resource mobilization. The key objectives in support of operations of Governing Bodies are that they are enabled to increase their focus on results and the strategies/policies required to achieve them, and that the overall costs of their operation are reduced in line with the targets established by the Governing Council in the RMF, including through rationalization of the range of services and the consistent application of information technology.

## Appendix : Summary output tables for the results clusters

Table 5. Effective national policy, harmonization, programming, institutional and investment frameworks for rural poverty reduction – results cluster 1

Planned budget and human resource allocations						
	2013 budget allocation (USD millions)	2013 allocation as % of total budget	2015 allocation target as % of total budget	2013 staff allocation (FTEs)	2013 staff allocation as % of total FTEs	2015 staff allocation target as % of total FTEs
Results cluster 1	85.1	59%	65%	319.26	56.7%	61%

\*Co-financing includes domestic contributions and international co-financing

Corporate management result 1: Better country programme management											
Principal outputs and supporting activities	2013-15		2013		2014		2015		Lead	RMF indicator	IFAD9 deliverables
	No.	USD '000	No.	USD '000	No.	USD '000	No.	USD '000			
IFAD current portfolio incl. co-financing (estimate)*	281	13 344								4.1.1	Headings:  Aid effectiveness;, Scaling up; Private sector; Gender equality and women's empowerment; Climate change and sustainable management of environmental resources; Project efficiency; Country-level decentralization; Fragile states; National monitoring and evaluation systems; Impact evaluation
IFAD financing (estimate)	281	5 929								4.2.1	
Co-financing (estimate)	281	7 415								4.2.2	
										4.2.3	
IFAD9 Programme of work	96	7 800	36	2 553	30	2 626	30	2 621		4.2.4	
Loans and grants (including ASAP)		3 000		953		1 026		1 021		4.6.1	
Co-financing		4 800		1 600		1 600		1 600			
RBCOSOPs	24		8		8		8				
OSC reviews	24		8		8		8		SPD		
Technical inputs	24		8		8		8		PTA		
Inputs on scaling up/impact measurement	24		8		8		8		SPD+SSD		
RBCOSOP MTRs	23		10		8		5		RDs		
ICOs	38-40		38		39		40		RDs + CSD		
Country policy briefs	14		4		5		5		PTA		
Country communication strategies	tbd		tbd		tbd		Tbd		RDs + COM		

Table 5. Effective national policy, harmonization, programming, institutional and investment frameworks for rural poverty reduction – results cluster 1 (continued)

Corporate management result 2: Better project design (loans and grants)											
Principal outputs and supporting activities	2013-15		2013		2014		2015		Lead	RMF indicator	IFAD9 deliverables
	No.	USD '000	No.	USD '000	No.	USD '000	No.	USD '000			
IFAD9 programme of loans and grants (including ASAP)	96	3 000	36	953	30	1 026	30	1 021		4.3.1 4.3.2 4.3.3 4.3.4 4.3.5	Headings: Aid effectiveness;; Scaling up; Private sector; Gender equality and women's empowerment; Climate change and sustainable management of environmental resources; Project efficiency; Country-level decentralization; Fragile states; National monitoring and evaluation systems; Impact evaluation
Asia and the Pacific	24	758	8	197	8	280	8	281	APR		
East and Southern Africa	22	590	10	235	6	180	6	175	ESA		
Latin America and the Caribbean	16	289	6	89	5	100	5	100	LAC		
Near East, North Africa and Europe	15	341	5	72	5	135	5	134	NEN		
West and Central Africa	19	580	7	204	6	188	6	188	WCA		
ASAP		313		113		100		100	ECD+RDs		
Global and regional grants		130		43		43		43	PMD+SKM		
QE reviews	96		32		32		32		PTA		
PTA engagement in project design									PTA		
QA reviews	108		38		50		20		QAG		
CPMs trained in project design									PTA+ECD		
Design inputs on ASAP issues	22		10		9		3		ECD		
Design inputs on legal issues	108		38		50		20		LEG		
Design inputs on financial issues	108		38		50		20		CFS		
Design inputs on scaling up	24		8		8		8		SPD		
Design inputs on impact measurement	24		8		8		8		SSD		
IFAD programme of grants											
Global and regional	133		46		44		43				
FFR	10		-		10		-				
AAF	24		8		8		8				

**Table 5. Effective national policy, harmonization, programming, institutional and investment frameworks for rural poverty reduction – results cluster 1 (continued)**

Corporate management result 3: Better supervision and implementation support											
Principal outputs and supporting activities	2013-15		2013		2014		2015		Lead	RMF indicator	IFAD9 deliverables
	No.	USD '000	No.	USD '000	No.	USD '000	No.	USD '000			
Disbursements (estimate)		2 165		687		721		757			
Projects under supervision			274		259		254			Portfolio management (4.4) Project monitoring and evaluation (4.5)	Headings: Aid effectiveness; Scaling up; Private sector; Gender equality and women's empowerment; Climate change and sustainable management of environmental resources; Project efficiency; Country-level decentralization; Fragile states; National monitoring and evaluation systems; Impact evaluation
Asia and the Pacific			71		71		68		APR		
East and Southern Africa			52		47		48		ESA		
Latin America and the Caribbean			42		41		40		LAC		
Near East and North Africa			49		47		43		NEN		
West and Central Africa			60		53		55		WCA		
Number of supervision missions	1023		356		336		331				
Asia and the Pacific	210		71		71		68		APR		
East and Southern Africa	294		104		94		96		ESA		
Latin America and the Caribbean	185		63		62		60		LAC		
Near East and North Africa	166		58		56		52		NEN		
West and Central Africa	168		60		53		55		WCA		
Number of implementation support missions	642		215		208		219				
Asia and the Pacific	210		71		71		68		APR		
East and Southern Africa	147		52		47		48		ESA		
Latin America and the Caribbean	62		21		21		20		LAC		
Near East and North Africa	55		11		16		28		NEN		
West and Central Africa	168		60		53		55		WCA		
Timely loan management and processing									CFS		
Legal support for supervision and implementation support									LEG		
Corporate technical inputs into missions									PTA		

Table 6. Supportive global resource mobilization and policy framework for rural poverty reduction - results cluster 2

Planned budget and human resource allocations						
	2013 budget allocation (USD millions)	2013 allocation as % of total budget	2015 allocation target as % of total budget	2013 staff allocation (FTEs)	2013 staff allocation as % of total FTEs	2015 staff allocation target as % of total FTEs
Results cluster 2	12.56	8.70%	9%	52.09	9.2%	9%

Development Result	Corporate management result	Principal outputs and supporting activities	Lead responsibility	RMF indicator	IFAD9 deliverables
Material improvement in the global policy environment specifically bearing on smallholder agriculture	Better inputs into global policy dialogues for rural poverty reduction -CMR 8	Annual corporate plan of IFAD engagement in international (global) policy processes	SKM	n.a.	Partnership and advocacy
		Quarterly reviews of progress in implementation of agenda, and revision of agenda as necessary	EMC		
		Engagement in global multilateral process: CFS, post-2015 SDGs, etc. in collaboration with relevant partners	SKM		
		Engagement in G8 and G20 processes in collaboration with relevant partners	SKM and OPV		
		Engagement in UN system processes bearing on smallholder development in collaboration with relevant partners	OPV, PRM, and SKM		
		Engage RBAs in development of common policy products and presentations	OPV, PMD, and SKM		
		Engagement in high-level private sector-linked fora (e.g., WEF)	OPV		
		Engagement in regional policy fora for smallholder development in collaboration with relevant partners	PMD regional divisions		
		Engagement in bilateral partnership building for global policy dialogue	OPV and PRM		
		Communications support for global policy dialogue projects	COM		
		Broad communications to position IFAD in global policy arena	COM		
		Promote SSTC with results and scaling up orientation in development architecture	SKM		

Table 6. Supportive global resource mobilization and policy framework for rural poverty reduction - result cluster 2 (continued)

Development Result	Corporate management result	Principal outputs and supporting activities	Lead responsibility	RMF indicator	IFAD9 deliverables
Material improvement in the global policy environment specifically bearing on smallholder agriculture	Increased mobilization of resources for rural poverty reduction - CMR 10	Assessments of resource requirements and priority areas of application	PRM, and PMD	RMF 4.6.1	New sovereign donors and alternative financing modalities
		Increase resources available from new (at least 3) and re-joining members in contributions to IFAD's regular resources	OPV, and PRM		
		Formulate and manage Executive Board approval for one or more new financing mechanisms	PRM, OPV, and FOD		
		Establish at least three new thematic multi-donor trust funds and at least two sovereign lending facilities	PRM, and PMD		
		Involve at least three major foundations and 3 private corporations in financing and co-financing IFAD programmes	PRM, and PMD		
		At least additional US\$ 1 billion are mobilised during IFAD9 period in the form of IFAD-administered single/multi-donor trust funds, donor co-financing, and Spanish-type loan	PRM		
		Streamline the management of supplementary funds within a tighter set of thematic focuses	PRM		
		Ensure compatibility of innovative financing instruments with IFAD's legal and governance framework	LEG, and SEC		
		Mobilize additional contributions to ASAP	ECD and PRM		
		Mobilize co-financing for project-level investment in CC and ENRM	ECD and PMD regional divisions		
		Increase project level co-financing, particularly in MICs	PMD regional divisions		

**Table 7. An effective and efficient management and institutional service platform at headquarters and in-country for achievement of operational results - results cluster 3**

Planned budget and human resource allocations						
	2013 budget allocation (USD millions)	2013 allocation as % of total budget	2015 allocation target as % of total budget	2013 staff allocation (FTEs)	2013 staff allocation as % of total FTEs	2015 staff allocation target as % of total FTEs
Results cluster 3	34.9	24.2%	20	145.47	25.8%	22%

Institutional effectiveness result	Corporate management result	Principal outputs and supporting activities	Lead responsibility	RMF indicator	IFAD9 deliverables	
An efficient and effective institutional platform for IFAD's development operations	Better human resource management – CMR 5	Develop and implement new Learning and Development Strategy to support IFAD's changing business model and needs	HRD	Improved human resource management (5.2)	Human resources reform	
		Launch revised reward and recognition framework	HRD			
		Implement full e-RPA system	HRD, ICT			
		Implement the pay-for-performance pilot	HRD			
		Review and implement succession planning policy	HRD			
		Finalize standardization of job descriptions for HQ and ICOs positions	HRD			
		Implement the Non-staff Handbook	HRD, LEG			
		HR transaction processes streamlined to liberate resources for HR support to all divisions	HRD			
	Better results and risk management – CMR6	Develop and implement methodologies to carry out impact surveys and measure new impact-level indicators introduced in the RMF 2013-2015	Conduct, synthesize and report on 30 impact assessments	SSD	Improved risk management (5.3)	Impact evaluation; Institutional efficiency; results reporting
			Annual corporate review and revision of the MTP	SSD, PMD divisions		
			Align divisional management plans and reports with MTP	SPD		
			Expand IFAD's Corporate Planning and Performance Management System to include RMF9 variables and new cost measurement dimensions	SPD		
			Annual assessment and quarterly review of IFAD's Corporate Risk Profile	SPD		
			Audit assignments selected on basis of risk assessments	SPD		
			Anti-corruption outreach and prompt response to allegations received	AUO		
			Manage business ethics education and training programme	AUO		
			Oversee the anti-harassment and misconduct programme	ETH		
			Implement Financial Disclosure programme and Code of Conduct certification	ETH		
			Revision of lending policies, financial regulations, and general conditions	LEG		
			Maintain and update the IFAD Delegation of Authority Framework and the IFAD Manual	LEG		

**Table 7. An effective and efficient management and institutional service platform at headquarters and in-country for achievement of operational results - results cluster 3 (continued)**

Institutional effectiveness result	Corporate management result	Principal outputs and supporting activities	Lead responsibility	RMF indicator	IFAD9 deliverables
An efficient and effective institutional platform for IFAD's development operations	Better administrative efficiency and an enabling work and information- and communications technology environment – CMR7	Streamline business processes through adoption of improved ICT	FCS, all Divisions	Improved administrative efficiency (5.4)	Institutional efficiency
		Implement suite of key business process cost indicators	SPD		
		Develop, pilot and introduce staff time recording system	FCS, FFO, all Divisions		
		ICT infrastructure services	ICT		
		Application development, support, hosting, and platform maintenance	ICT		
		Security of premises and business continuity to IFAD HQ	SEU		
		Remote technical security support to ICOs	SEU		
		Incident/crisis management in HQ and at field locations	SEU		
		HQ facilities management and logistical support for conferences and meetings	ADM		
		In-house printing, mail and distribution and records management services	ADM		
		Processing visas and related privileges and immunities of staff	ADM		
		Integration of IFAD's e-tendering system	ADM		
		Review/implement new contractual agreement for travel agent, and review travel process and implement efficiencies to reduce processing time	ADM		
		Implement various cost saving initiatives including the RBAs Preferred Hotel Programme, and negotiation of corporate rates from airlines	ADM		
Maintain LEED certification at Gold Level certification by 2015	ADM				

Table 8. IFAD's Governing Bodies function effectively and efficiently – results cluster 4

Planned budget and human resource allocations						
	2013 budget allocation (USD millions)	2013 allocation as % of total budget	2015 allocation target as % of total budget	2013 staff allocation (FTEs)	2013 staff allocation as % of total FTEs	2015 staff allocation target as % of total FTEs
Results cluster 4	8.62	6%	6%	46.92	8.3%	8%

Corporate management result	Principal outputs and supporting activities	Lead responsibility	RMF indicator	IFAD9 deliverables
Effective and efficient platform for Members' governance of IFAD – CMR9	Agreement on focusing Executive Board activities on performance, strategy and oversight issues	OPV, SEC and LEG	5.4.2 5.4.3	Results reporting
	Effective implementation of delegation arrangements for projects	SEC and PMD		
	Relevant and timely legal advice to the Executive Board (and its committees) and Governing Council on governance issues	LEG		
	Streamlining of documentation to the Governing Bodies	SEC		
	Consolidation of mechanisms for reporting	SPD		
	Reduction of translation requirements for Governing Body documents	OPV and SEC		
	Rationalization of interpretation	SEC		
	Rationalization of document production process (for Governing Bodies)	SEC		
	Cost effective facilities management in support of Governing Council and governance events	ADM		
	Planning and support for interactive segments of the Governing Council	COM		