

Document: EB 2014/113/R.12/Add.1
Agenda: 7(a)
Date: 17 November 2014
Distribution: Public
Original: English

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Investing in rural people

Comments of the Independent Office of Evaluation of IFAD on the country strategic opportunities programme for Madagascar

Note to Executive Board members

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Executive Board — 113th Session
Rome, 15-16 December 2014

For: Review

Comments of the Independent Office of Evaluation of IFAD on the country strategic opportunities programme for Madagascar

General comments

1. The Independent Office of Evaluation of IFAD (IOE) welcomes the new results-based country strategic opportunities programme (COSOP) for Madagascar. This document has been developed taking into account the findings and recommendations of the country programme evaluation (CPE) conducted by IOE and completed in 2013, including the corresponding agreement at completion point signed in September 2013. IOE supports the broad strategic directions contained in the COSOP. While the main text of the document is rather succinct, the annexes are well written and provide adequate information.
2. The evaluation process benefited from very good collaboration with and support from the Government of Madagascar and IFAD's East and Southern Africa Division (ESA). IOE wishes to emphasize the special efforts made by ESA to extract the main lessons from the CPE. In particular, IOE appreciated the timely organization of the COSOP start-up seminar held in Antananarivo in May 2013, the day after the CPE national round-table workshop. The COSOP seminar was well structured and linked to the CPE recommendations.
3. Overall, IOE finds that the RB-COSOP convincingly discusses the proposed follow-up to four of the five recommendations of the CPE, namely: (i) continuation and fine-tuning of support to devolution and decentralization, dissemination of agricultural techniques and value chain approaches; (ii) more attention to environmental protection and adaptation to climate change across the programme; (iii) placing long-term sustainability at the heart of the programme; and (iv) better definition of the respective roles of the IFAD Programme Support Unit (CAPFIDA) and the IFAD country office in Madagascar in supporting the portfolio, the non-lending activities and monitoring of the COSOP.
4. However, there is limited discussion in the COSOP of the envisaged follow-up to the (fifth) main CPE recommendation to dedicate special attention to two projects: the Support to Farmers' Professional Organizations and Agricultural Services Project (AROPA) and Vocational Training and Agricultural Productivity Improvement Programme (FORMAPROD). As recognized in the agreement at completion point and the introductory section of the COSOP (paragraph 20), these projects were characterized by a complex institutional set-up and lack of clarity in design. The COSOP would have benefited from clarification on the actual measures taken or planned for these two operations, given that addressing these issues will absorb substantial time and energy of the IFAD country team.
5. The country's political scenario has improved since the CPE was undertaken: Madagascar has a Government recognized by the international community and many donor organizations have resumed their activities. Nonetheless, there are reasons to adopt a prudent attitude, as the political crisis of 2009 generated serious gaps in the implementation of a number of development programmes as well as in the formulation and implementation of national policies that affect the rural sector. The choice of the Government and IFAD to fund the follow-up phase of ongoing projects (Project to Support Development in the Menabe and Melaky Regions [AD2M] and Support Programme for the Rural Microenterprise Poles and Regional Economies [PROSPERER]) through the allocation of the performance-based allocation system (PBAS) cycle for 2013-2015 (US\$53 million), and the additional allocation of US\$6 million from Adaptation for Smallholder Agriculture Programme (ASAP) funds, rather than embarking on entirely new projects is an advisable decision given: (i) the weakened country policy environment after the 2009 crisis;

(ii) the need to consolidate the results of previous successful interventions as recommended by the CPE; and (iii) the challenging task of addressing the performance of AROPA and supporting the implementation of FORMAPROD.

6. The tentative plan to dedicate the 2016-2018 PBAS allocation to value chain development through public-private partnership resonates well with the recommendations of the CPE, although the details will need to be specified.

Specific comments

7. **Learning from the CPE.** Overall, findings from the CPE have been adequately internalized (paras. 16-25) although a clearer distinction could have been made in the main document between the independent evaluation findings and IFAD Management's elaboration of past experiences. The CPE's recommendations on agricultural productivity support and value chain development are presented clearly in the main body of the COSOP, along with an outline of the key targeting approach. The annexes contain the concept note of two proposed operations (second phases of A2DM and PROSPERER), providing further illustration of the course of action that the COSOP intends to pursue. Of particular note are the efforts to support agricultural productivity according to geographical clusters of production (AD2M-2), the targeting of specific socio-economic groups (AD2M, PROSPERER), the development of value chains and partnership with the private sector (PROSPERER).
8. The COSOP addresses the CPE's recommendation on emphasizing sustainable natural resource management and climate change by planning use of ASAP funds for: (i) analytical work; (ii) capacity-building of the Government to manage environmental risks and support for the Government in elaborating a national strategy; and (iii) field-level activities. The envisaged measures and their rationale are covered in detail in annex III and there is a clear presentation of the proposed measures for working at the national, sectoral and regional level with existing national strategies.
9. **Geographical concentration and scaling up.** The proposal not to expand regional coverage (paragraph 41) but rather to strengthen complementarity of ongoing projects, and scale up interventions in the same regions with the support (technical and financial) of other partners such as the United Nations Rome-based agencies, Agence française de développement (AFD) and the African Development Bank seems appropriate. This approach will help concentrate interventions and achieve economies of scale.
10. **Instruments to support programme implementation.** The COSOP proposes to continue supporting CAPFIDA, which is established within the Ministry of Agriculture. This is a sound decision since the Madagascar CPE singled out CAPFIDA as an example of best practice to support the implementation of IFAD's portfolio, the monitoring of the COSOP and non-lending activities such as partnership development, policy dialogue and knowledge management. In relation to promoting non-lending activities, Madagascar emerged as one the most successful examples among the CPEs conducted in recent years.
11. The COSOP mentions the signature of the country office agreement with the Government in 2013 which will allow for the full functioning of the IFAD country office (ICO). It is not clear from the document (paragraph 47) whether a country programme manager will be outposted to Antananarivo. In addition, similar to other COSOPs, the document does not discuss the resource implications (estimated staffing and budget) of running a country office. In addition, the division of labour between the ICO and CAPFIDA could have been delineated more clearly.
12. **Identification of programme risks.** The COSOP cites three major risks (paragraphs 59-61) – governance, natural risks and locust invasion – and briefly explains mitigation measures. While the third risk is self-explanatory, the other two

would have benefited from more detailed examination: for example, which aspects of governance are most important and at what level (central, regional and communal). This would have provided a better understanding of the adequacy of the envisaged measures.

13. **Results management framework.** The COSOP results management framework (appendix III) is relatively simple. Some aspects that could have been further clarified are: (i) on p. 16 it is not clear whether the quantitative target refers to cooperation with IFAD only or to the broader national agricultural sectoral programme; (ii) on p. 17 some of the targets for the quantitative indicators for the IFAD COSOP are missing and it is not clear whether they have been excluded because of irrelevance or for other reasons. In addition, the framework does not explain what sources will be used to monitor target indicators (in particular those related to climate change resilience).

Final remarks

14. With the above qualifications, IOE wishes to reiterate its overall appreciation of the document and the efforts made to follow up on the 2013 CPE recommendations and agreement at completion point.