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IFAD Initiative for Mainstreaming Innovation

Tenth progress report on the main phase

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Abbreviations and acronyms

COSOP country strategy and opportunities programme
CPM country programme manager

ENC. Executive Management Committee

EMC Executive Management Committee
IMI Initiative for Mainstreaming Innovation

KM knowledge management

SSTC South-South and Triangular Cooperation

IFAD Initiative for Mainstreaming Innovation Tenth progress report on the main phase

- 1. The main phase of the Initiative for Mainstreaming Innovation (IMI) was approved by the Executive Board in December 2004 (EB 2004/83/R.2). Financed by a complementary contribution from the United Kingdom of 6.6 million British pounds sterling (amounting to US\$12.0 million), the IMI's goal is to enhance IFAD's capacity to promote innovations that will have a positive impact on rural poverty. Its expected outcomes were:
 - Innovation mainstreamed into IFAD operations;
 - Strengthened learning on innovation and sharing, and the application of such learning; and
 - A changed organizational culture and practices for supporting innovation.
- 2. This report updates the Executive Board on the progress made by the IMI during the period November 2014 to October 2015. It is the tenth in a series of progress reports presented to the Board annually since 2005.
- 3. The Government of the United Kingdom prepared its completion report for the IMI in 2014. IFAD is required to provide progress reports to the Executive Board until all funds are spent.

I. Background

- 4. During the main phase of the IMI, a total of 53 projects were approved, of which 52 have now closed. Seven rounds of competitive bidding were conducted during the period 2005-2008, and a final round was conducted in 2011, at which time 13 projects were approved.
- 5. The competitive funding window enabled IFAD staff members to sponsor and finance innovative projects and activities that, directly or indirectly, have a positive impact on rural poverty, are consistent with IFAD's Strategic Framework, and are expected to contribute to the achievement of the goal of the IMI programme and one or more of its three outcomes.
- 6. In 2012, IFAD developed a strategic approach for using part of the remaining IMI resources to mainstream innovation into IFAD operations and leverage systemic change in terms of IFAD's organizational culture and practices. Particular focus has been given to four closely linked non-lending priorities for the organization: scaling up, country-level policy dialogue, South-South Cooperation (all areas in which IFAD made commitments to its Membership in the Report of the Consultation on the Ninth Replenishment of IFAD's Resources [IFAD9]) and knowledge management.

II. Overview of implementation in 2015

- 7. During the reporting period, work has proceeded in four areas of activity:
 - (a) Mainstreaming the core IFAD9 priorities of scaling up, country-level policy engagement, South-South Cooperation and knowledge management into IFAD's business model;
 - (b) Implementation and finalization of the IMI projects approved in 2011;
 - (c) High-frequency data collection;
 - (d) Documentation and sharing of lessons.
- 8. Mainstreaming initiatives. IFAD's Executive Management Committee (EMC) agreed in December 2012 that US\$1.8 million of the unspent portion of IMI

- resources be allocated to the four strategic priorities of: scaling up; country-level policy dialogue; South-South Cooperation; and knowledge management.
- 9. Progress in implementation of these initiatives is as follows:
 - Scaling up. During the IFAD10 Consultation, the Fund presented its methodology for scaling up results, building on earlier work done by the **Brookings Institution** (https://webapps.ifad.org/members/repl/10/3/docs/IFAD10-3-R-2.pdf). Operationalizing this agenda will require adjustments in how IFAD-supported projects are designed and implemented, including a shift from a projectcentric approach towards implementing country programmes that can better integrate project financing, policy engagement and knowledge management into a longer-term development view beyond the scope of projects. IFAD has prepared a set of documents to support implementation of this agenda (available at: www.ifad.org/events/scalingup/index.htm). The documents quide IFAD staff in systematically thinking through scaling up in the design and implementation of programmes and projects. They include: guidance notes on scaling up in key thematic areas; guidance notes on scaling up in specific country contexts; and an operational framework for embedding scaling up in key IFAD business processes, including COSOPs, project design, supervision, monitoring and evaluation, quality assurance and risk management. Training will be provided to IFAD country teams, starting with regional workshops in the last quarter of 2015 and continuing in 2016. IFAD has been invited by development partners to lead the Scaling Up Community of Practice Working Group on Agriculture and Rural Development. In this capacity, the Fund has developed a simple web-based platform to connect partners, share experiences and challenges, organize events and serve as a repository of information on scaling up in agriculture and rural development.
 - Country-level policy engagement. A total of US\$600,000 has been used to support a three-year programme aimed at mainstreaming country-level policy engagement into IFAD's operating model, to enable country programme managers (CPMs) to finance country-level policy-related activities in support of their country programmes. The first five were initiated in 2014: support to the National Assembly of the Lao People's Democratic Republic to develop an approach for public policy consultations; support for policy dialogue at the grass-roots level to promote sustainable development of the livestock sector in Tajikistan; analysis of the rice development strategy in Côte d'Ivoire, its implementation experience, and its implications for smallholder producers; support for public hearings in Kenya and Uganda around an East African Community Cooperative Societies Bill; and support to the Government of Mexico in the detailed design of a national programme for reducing rural poverty. In 2015 three more activities were initiated in: Indonesia, to conduct a review of government policies affecting irrigated agriculture; Tonga, to assist the Government in preparing and adopting the Agriculture Sector Plan, 2015-2020; and Viet Nam, to support the revision of the policy framework for the National Target Programme for New Rural Development. This brought the total number to eight, and all but the last one have been completed. The initiative confirms the demand within IFAD for funding policy-related activities at the country level. It demonstrates the wide range of activities that can contribute to strengthening national policies for agriculture and rural development, and it shows that relatively limited levels of funding can achieve much in terms of their policy impact. To maximize learning opportunities from the initiative, case studies on all the activities are being prepared and the first have been printed and distributed; seven of the eight will be completed by end-2015. The lessons learned will inform and the case

- studies be included in a toolkit on country-level policy engagement for CPMs and consultants, currently in preparation.
- (c) South-South and Triangular Cooperation. A total of US\$300,000 is being used to support the internalization of South-South and Triangular Cooperation (SSTC) within IFAD's operating model. During the reporting period, IFAD convened an international round-table discussion, "Leveraging South-South and Triangular Cooperation to Achieve Results". The aim of the meeting was to discuss and consider good practices when facilitating South-South Cooperation activities and state-of-the-art "triangular" mechanisms with a number of partners and stakeholders. External participants included representatives of: the World Bank, African Development Bank, International Cooperation Centre on Agrarian Research for Development, Brazilian Agricultural Research Enterprise, Overseas Development Institute, Food and Agriculture Organization of the United Nations, World Food Programme, Regional Programme for Rural Development Training, International Poverty Reduction Center in China, and United Nations Office for South-South Cooperation. The proceedings of the event have been published on IFAD's South-South Cooperation website. The conclusions of the discussion include: (a) strong validation that demand for South-South Cooperation and triangular arrangements is present and growing globally; (b) identification of areas in which IFAD interventions can add value (i.e. at project, research and policy levels); (c) affirmation of the centrality of knowledge and knowledge management as a primary building block of SSTC activities; (d) the need to incorporate mechanisms for capturing and documenting results into SSTC activities; (e) the need to make use of all relevant instruments and resource mobilization opportunities when developing an SSTC programme; and (f) unanimous recognition that a "global platform" for identifying, promoting and making southern-based rural development solutions available would be welcomed by development practitioners worldwide. A follow-up mission was conducted after the round-table discussion to investigate Brazil's experiences in managing, aggregating and brokering exchanges of rural development solutions at state, national and international levels.
- (d) Knowledge management. IFAD's Senior Management approved a proposal to use US\$300,000 for knowledge management activities. Specifically, three studies are planned based on rigorous analysis of IFAD's operational experiences in the priority thematic areas of transformative gender impact, rural youth and employment, and nutrition—sensitive agriculture. A preparatory scoping exercise for the youth study has been completed and a research note is being finalized. An initial methodology has been developed for the gender study, and a concept note has been developed for the study on nutrition-sensitive agriculture. The main deliverables will be high-quality publications and other products targeted at those involved in policy and strategy development in government and development organizations.
- 10. Implementation and finalization of IMI projects. During the period under review (November 2014 to October 2015), two of the 13 IMI projects approved in 2011 under the competitive funding window continued to implement activities. One of these has now closed.
- 11. A summary of the objectives and status of these two projects is provided in appendix II.
- 12. Additional activities. US\$90,000 was allocated to support an innovative pilot initiative in Ethiopia, linked to the IFAD9 commitment to conduct 30 impact assessments. IFAD is conducting 24 ex post impact evaluations and up to six randomized control trials in partnership with external research institutions. The core impact indicators to be measured as part of this broad research agenda are

economic mobility, poverty dynamics, nutritional outcomes and economic resilience. The study of economic resilience, defined as a set of capacities that prevents households and communities from falling into poverty, will be conducted as an add-on to an ex post evaluation that will be conducted in Ethiopia. The project selected is the Participatory Small-scale Irrigation Development Programme (PASIDP). The ex post impact evaluation activities will include three main components: (i) the main ex post impact evaluation; (ii) high-frequency data collection; and (iii) a macro study. The IMI is funding the high-frequency data collection in partnership with the International Institute for Applied Systems Analysis (IIASA). IIASA will develop a mobile application for the collection of highfrequency data on household expenditure and multiple shocks. The data will be collected for a total duration of six months starting 1 November 2015. The mobile devices proposed are Android tablets. Results of other studies reviewed show that voice interviews provided an acceptable rate of measurement error and rate of response, within their time and budget limitations. They find that short messaging service (SMS) should generally be discouraged because of the character limit on the majority of phones and the widespread illiteracy among poorer farmers. However, the use of mobile devices in self-administered surveys has yet to find an application in the context of impact evaluation. The limited evidence on the topic is both a challenge and an opportunity to evaluate the effectiveness of mobile devices in the collection of high-frequency data in the context of an impact evaluation.

13. Documentation and sharing of lessons. A draft report has been prepared on how the IMI has influenced IFAD, in particular its policies, institutional procedures and organizational culture. The report is based on interviews with IFAD staff and a desk review of IMI documentation. The purpose of the report is to prompt in-house discussion on new instruments that may be required to support innovation in IFAD's work.

III. Financial matters

14. The final instalment of the complementary contribution from the United Kingdom's Department for International Development was received in 2009, bringing the total resources received for the IMI programme to the equivalent of about US\$12.0 million, which is now fully committed. See appendix I for a detailed financial statement.

Summary of IMI financial statement (Thousands of United States dollars)

	As at 31 August 2015	As at 30 September 2014	Variation percentage
Resources (cash received)	12 002	12 002	0
Approved allocations	12 002	11 702	+0.03%
Allocations as percentage of resources	100%	98%	+2%
Actual expenditure	10 906	10 479	+4.01%
Expenditure as percentage of resources	91%	87%	+4%
Total number of projects approved	53	53	0

Financial statement of the IMI (as at 31 August 2015)

Financed by the Department for International Development (United Kingdom)

SUMMARY

Summary of resources	United States dollars	Liquidity status	United States dollars	
Resources (table 1)	12 001 881	Cash received	12 001 881	
		(table 1)		
Approved allocations (table 2)	(12 001 881)	Expenditures	(10 906 341)	
		(table 2)		
Resources available for commitment	0	Cash balance	1 095 540	

DETAILS

Table 1

Resources

	Pounds sterling	United States dollars	
13-Dec-03	400 000	689 440	
26-Mar-04	100 000	181 085	
09-Feb-05	1 000 000	1 857 800	
06-Sep-05	1 900 000	3 501 415	
28-Mar-06	1 100 000	1 924 560	
23-Mar-07	500 000	988 600	
30-Jan-08	569 000	1 131 457	
01-Apr-08	500 000	987 700	
06-Apr-09	500 000	739 825	
	6 569 000	12 001 881	

Table 2

Commitments and expenditures

	United States	United States	United States
	dollars	dollars	dollars
Description	approved ¹	expenditures	unspent
PREPARATORY PHASE			
Preparation work on the IFAD Initiative for Mainstreaming Innovation	8 689	(8 689)	-
Innovative monitoring of impact through the Microfinance Information eXchange (MIX)	71 146	(71 146)	-
Innovative targeting under community development funds	68 227	(68 227)	-
Rural Poverty Portal	78 901	(78 901)	-
Innovative strategies for land and water access to the poor	71 959	(71 959)	-
Scaling up of innovative small stock management practices developed by IFAD projects	68 856	(68 856)	-
Public-private partnership-building in IFAD	73 585	(73 585)	-
Market development support	74 574	(74 574)	-
Funding proposal for programmatic supplementary funds – consultation workshop on the framework	47 461	(47 461)	-
Role of institutional analysis in the successful scaling up of innovation	201 847	(201 847)	-
Regional economist	71 978	(71 978)	-
Total preparatory phase	837 223	(837 223)	

MAIN PHASE

(i) Innovative operations

Competitive bidding^a

Market access for small-scale rural producers	209 813	209 813)
MIX	197 248	(197 248)

¹ Where an activity is finalised, the approved amount indicates the disbursed amount.

Table 2 (cont.)

	United States dollars	United States dollars	United States dollars
Description	approved	expenditures	unspent ²
Mainstreaming new targeting framework	184 194	(184 194)	-
Rural Poverty Portal	199 084	(199 084)	-
Institutional analysis practitioner's guide	192 746	(192 746)	-
Rural outmigration, trafficking and HIV/AIDS	194 837	(194 837)	-
Financial services association model	86 723	(86 723)	-
Land tenure security of the rural poor	196 233	(196 233)	-
Innovation in water and rural poverty	197 914	(197 914)	-
Cross Regional South-South Cooperation ³	-	-	-
Biofuels farming systems	144 246	(144 246)	-
Participatory mapping	98 661	(98 661)	-
Model for private-sector payment	99 226	(99 226)	-
Client-financed agriculture services	171 079	(171 079)	-
Pilot for new supervision and implementation support	152 919	(152 919)	-
Lessons from innovations and young talents in the rural world	197 000	(197 000)	-
New design process for small investments	112 720	(112 720)	-
Innovation scouting and sharing	130 335	130 335)	-
Technical assistance for self-management	175 000	(175 000)	-
Country M&E and knowledge management system	168 120	(168 120)	-
Healthy alternatives to tobacco	135 000	(135 000)	-
Managing weather risk	200 000	(200 000)	-
Farmer participation in SWAp	200 000	(200 000)	-
Project design pilot	54 900	(54 900)	-
Mainstreaming value chains	192 849	(192 849)	-
Mainstreaming climate change	138 344	(138 344)	-
Leveraging migrants' remittances	162 000	(162 000)	-
Social performance management	200 000	(200 000)	-
Indigenous peoples' knowledge	80 399	(80 399)	-
Learning and sharing day	122 783	(122 783)	-
Participatory mapping pilot	116 362	(116 362)	-
Imaged-based monitoring	100 000	(100 000)	-
Thematic indicator	92 723	(92 723)	-
Brokering of natural resource management technical services	97 557	(97 557)	-
CLIMTRAIN project	67 086	(67 086)	-
Training and capacity-building	97 232	(97 232)	-
Security programme for women	24 000	(24 000)	-
Education for a sustainable future	73 803	(73 803)	-
Enterprise risk pilot	48 320	(48 320)	-
Benchmarking of international financing institutions	88 387	(88 387)	-
Investing in poor people	175 000	(175 000)	-
Making biogas portable	199 277	(199 277)	-
Fail Fair	89 992	(89 992)	-
Finalising the MPAT	90 525	(90 525)	-
Scaling up mobilisation of remittances	213 170	(213 170)	-
Improving weather risk management	186 789	(186 789)	-
Securing resource rights	180 587	(180 587)	-
Social return on investment for knowledge generation	197 264	(197 264)	-
Small-holder post-harvest innovations	204 832	(204 832)	_

Unspent balances represent commitments not yet disbursed.
 Project was cancelled after approval due to start up difficulties.

Table 2 (cont.)

	United States dollars	United States dollars	United States dollars
Description	approved	expenditures	unspen
Country office immersion	24 495	(24 495)	-
Filling the inter-generational gap	191 534	(191 534)	-
Improved learning about IFAD projects	210 000	(152 956)	57 044
Public Private Partnership Approach	176 996	(176 996)	-
	7 540 301	(7 483 258)	57 044
(ii) IMI Screening Committee (ISC) costs			
ISC travel/fees	30 824	(30 824)	-
ISC miscellaneous	494	(494)	-
	31 318	(31 318)	_
(iii) Rapid Funding Facility		,	
San Salvador diaspora	19 950	(19 950)	-
·	19 950	(19 950)	-
Partnership development			
IFAD-IFPRI partnership	185 905	(185 905)	
IFAD-Center for Creative Leadership (CCL) partnership	25 668	(25 668)	
Innovation promotion	188 699	(188 699)	
Travel by organizations of the rural poor	102 133	(102 133)	
	502 405	(502 405)	-
Learning and sharing			
Scouting and regional fairs	90 573	(90 573)	-
KM and Innovation	326 818	(173 509)	153 309
Challenge map	46 078	(46 078)	-
Networks and communities of practice	207 978	(207 798)	-
Competitions	0	0	-
Web-based sharing	66 471	(66 471)	-
	737 917	(584 609)	153 309
Cultural and organizational change			
Learning tours/field immersion	166 532	(166 532)	-
Monitoring of on-going bids	-	· · · · · · · · · · · · · · · · · · ·	_
Innovation Strategy	81 900	(81 900)	_
Creative problem-solving training	237 522	(237 522)	-
Other training	23 866	(23 866)	-
Launching of innovation strategy	22 947	(22 947)	-
SPD scaling up	600 000	(336 402)	148 717
PTA country level policy engagement	600 000	(150 023)	300 865
South-south triangular co-operation	300 000	(139 751)	135 606
Research and Publishing Programme	300 000		300 000
	2 332 767	(1 447 579)	885 187
Total main phase	11 164 658	(10 069 118)	1 095 540
Grand total	12 001 881	(10 906 341)	1 095 540

Status of IMI projects financed in last round of competitive bidding

Project title	Description of project	Status of IMI Projects and progress report
		COMPLETED
Fail Fair: Making the impossible become reality	Organization of a FailFaire in 2013, an event which provided a 'safe space' where experiences of failure were shared across IFAD and provided fodder for collective brain-storming on how to overcome the challenges. The riskiest ideas were given awards. The event provided scope for learning and risk-taking, promoted innovation and ideally contributed to a change in organizational culture. As a follow-up to the FailFaire, the Environment and Climate Change (ECD) and Asia and Pacific (APR) division embarked on a pilot project using SenseMaker® methodology to address "failures" and adapt in a timely manner. The aim was to put in place a methodology to conduct real time monitoring of adaptive capacity among communities and institutions over time, which would feed back into the knowledge management and M&E capabilities. Cognitive Edge (CE) was recruited to deploy their SenseMaker approach and software for the initiative.	Project implementation – Activities The project conducted an initial narrative capture training workshop to introduce the SenseMaker® methodology to students and lecturers from Tra Vinh University, as well as representatives from Provincial Coordination Unit (PCU) and Department of Agriculture and Rural Development (DARD). During a field visit to two nearby villages the team was able to test the signification instrument (series of questions) with the local community in Long Hoa commune and to train the students and teachers in the data gathering process. The signification instrument is designed in collaboration with IFAD Environment and Climate Division and Tra Vinh university and has gone through several iterations before it was finalised for the pre-test. Through this capacity-building training workshop, Tra Vinh university took the lead in the data gathering process by training their students and teachers to conduct the interviews in ten villages both Tra Vinh and Ben Tre provinces with different levels along the salinity gradient. April 2015 - SenseMaker® Analysis training workshop The narrative capture workshop resulted in a total of 500 stories from both Tra Vinh and Ben Tre provinces. The team conducted a preliminary analysis to identify prominent trends and patterns. The findings were shared with the participants at the workshop and a comprehensive training session was conducted to equip the participants with the necessary skills to use SenseMaker® for analysis. Through the session, it became apparent that there was a need to have more detailed and complete stories from farmers in order to make better sense of the data. Thus, it was agreed that 100 farmers from the 500 who had been initially interviewed would be identified for follow-up calls to gather more complete data. Jul - Aug 2015 - Data gathering The team from Tra Vinh University called 100 farmers over a period of about two months. This had its share of challenges, as the farmers were not always available and at times were reluctant to provi

assigned and identified for execution.

mproved learning from IFADsupported projects.

The Improved Learning Initiative is intended to develop a proof of concept of an innovative approach that can help IFAD to measure, explain and debate with partners and stakeholders how it contributes to impact on rural poverty. Ultimately, it seeks to influence impact evaluation practice in IFAD and the broader development sector by demonstrating a different, more inclusive and systemic approach for assessing the impact trajectories of large and complex development projects.

To achieve this, it was to: (i) to design and test a cost-effective approach – the so-called Participatory Impact Assessment & Learning Approach (PIALA) – aimed at generating rigorous qualitative and quantitative data on project outcomes and impacts; (ii) measure, understand and show the nature and extent of the development impact of two selected IFAD-financed projects; and (iii) facilitate dialogue at field, country and global levels around both the validation of findings and reflections on utility and feasibility of the PIALA proof of concept.

IMPLEMENTATION TO BE COMPLETED IN 2015

During 2013 the Participatory Impact Assessment and Learning Approach (PIALA) was developed, and a research strategy was designed and reviewed both within IFAD and by an external reference group of world-class experts. As a result of this early work, co-financing from the Bill and Melinda Gates Foundation was leveraged, to expand the scope of the initiative. The first case study was conducted in Viet Nam, on the Developing Business with the Rural Poor project (DBRP) in Ben Tre Province; and during 2014 the two main outputs from that exercise – the reflection on the methodology and the impact study itself – were finalised, reviewed and published. After considerable delays, it was decided to conduct the second case study in Ghana, on the nationwide Roots and Tubers Improvement Project (RTIMP); and given the considerable interest of the RTIMP management team in the exercise, additional project resources were made available to support the case study. The case study itself, which was carried out in early 2015, drew on a systemic perspective of impact, a dynamic Theory of Change approach, purposively selected nested and participatory mixed methods, a participatory sense-making model for extensive cross-validation with stakeholders at different levels, and a configuration analysis approach for assessing contributions to impact. In the third quarter 2015 the two main outputs - the reflection on the methodology and the impact study itself – were finalised.

During the second semester 2015 the focus of the initiative turned to knowledge management. A number of presentations on PIALA have already been made to the international development community and communities of evaluation experts, and additional presentations are planned; a learning event in IFAD is scheduled to take place the last quarter 2015; and a set of guidelines (financed by the NGO Comic Relief) and a peer reviewed article are also planned.

At this stage, there is a real sense that PIALA as it has emerged offers something new and different, and that it can make a valuable contribution to our emerging understanding of impact assessment. At the same time, there is growing interest in these sorts of approaches in the evaluation community at large, and PIALA has already generated much interest from academics and development professionals. The key challenge remaining is to capitalize on this interest.