![IFAD logo - Investing in rural people]

Operationalizing IFAD's scaling up agenda

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For: Information

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I.   Introduction

1.   IFAD and many of its development partners have found that innovative projects alone are not effective vehicles for eradicating poverty at scale. Confronted with the large-scale problem of reducing rural poverty, which IFAD is mandated to address, and the limited resources available from official development assistance, IFAD is determined to increase the impact of every dollar it invests in agriculture and rural development. For this reason, scaling up results is an overarching priority, which directly supports IFAD's mandate; it will be pursued in all of IFAD's interventions.

2.   To meet this goal, during the Consultation on the Tenth Replenishment of IFAD's Resources (IFAD10) IFAD committed to develop an operational framework and set of guidance tools for implementing the desired systemic changes in IFAD's operations to achieve impact at scale. Operationalizing the agenda for scaling up results will require a change in the way IFAD programmes are designed and implemented. The Fund will need to look beyond what its money can do to what its money can leverage and the partners it can mobilize to bring results to scale in a sustainable manner. This will require a shift from a project-focused approach towards country programmes that can better integrate IFAD's three main intervention instruments: (i) project financing; (ii) policy engagement; and (iii) knowledge management. This long-term development view extends beyond the scope of IFAD's current projects.

3.   The objective of this paper is to inform the Executive Board about progress made in this regard and share documents developed to guide IFAD staff during IFAD10. They include:

- The scaling-up results methodology presented at the Replenishment Consultations in December 2014 (https://webapps.ifad.org/members/repl/10/3/docs/IFAD10-3-R-2.pdf);

- The Operational Framework for Scaling-up Results (http://www.ifad.org/events/scalingup/index.htm);

- Nine thematic scaling-up notes on rural finance, pro-poor value chains, irrigation, land tenure, livestock, smallholder organizations, gender, climate and nutrition (http://www.ifad.org/knotes/scaling_up/index.htm); and

- Ten country scaling-up notes on Bangladesh, China, Egypt, Ethiopia, Ghana, Indonesia, Mauritania, Nigeria, Sudan and Peru (http://www.ifad.org/knotes/scaling_up/index.htm).

II.   The operational framework

4.   Typically, the concept of scaling up is associated with the capacity of projects to reach a greater number of beneficiaries through successive phases. While this approach is technically sound, it is constrained by the fact that IFAD resources allocated to particular countries are fixed and limited. Therefore, if scaling-up strategies are only measured by what IFAD can do with its money, their benefits will remain limited.

5.   Instead, evidence of results will be used to leverage additional resources and trigger systemic changes in governments, banks, the private sector, development partners and rural people themselves. These changes will occur if IFAD's programmes support the enablers of poverty eradication and sustainable development. For IFAD, this means: (i) engaging with countries to support policy changes that create opportunities and incentives for people to invest and interact;

(ii) supporting smallholder institutions so that they can reach scale and foster linkages with public- and private-sector players all along the value chain; and (iii) supporting promising innovations and managing knowledge to influence the decisions of policy makers, private-sector investors and public-sector programmes. In addition, links to sustainability will be made more explicit to ensure that activities and results can be continued beyond project lifespans and project financing.

6. Since scaling up is based on learning from innovation and success, it entails a two-pronged approach that systematically considers in the design of country strategies and operations: (i) lessons learned from past interventions – what works and what should be scaled up; and (ii) the pathways and drivers that will allow results to be brought to scale sustainably through the financial, policy and knowledge services that IFAD provides. In this approach, it is critical to view scaling up from the perspectives of IFAD's beneficiaries and stakeholders, and beyond the boundaries of its projects.

7. The operational framework provides guidance to IFAD's country teams on mainstreaming approaches to scaling up throughout its operations. It examines the major steps in the project cycle – including country strategic opportunities programmes (COSOPs), project design and supervision – and provides guidance on how to scale up operations in particular contexts. The framework is aimed at complementing – not substituting – IFAD's policies and procedures.

8. In the case of COSOPs: IFAD is in the process of revising the results-based COSOP guidelines, which will include the requirements of the scaling up methodology as it relates to country strategic programming. The basic principles for scaling up are founded on a thorough understanding of country context and lessons learned from past IFAD interventions. This will allow IFAD to define a vision for scaling up that justifies its strategic and programmatic choices. All scaling-up strategies should identify: (i) the main pathways and drivers of the proposed interventions (adopting a problem-solving approach that identifies and manages bottlenecks); (ii) the "spaces" where scaling up is likely to take place; and (iii) the risks that it entails. Approaches should be tailored to different country contexts (including middle-income countries, low-income countries and fragile situations).

9. In the case of project design: The main difference from past approaches is that project teams will need to build pathways for scaling up – and identify drivers – from the design stage and not when projects are already being implemented. The support leveraged from partners is critical to the success of scaling up; this includes governments, the private sector, international and domestic development partners, communities and their organizations. Project design teams need to determine the type of partnerships to nurture and the policy engagement and knowledge required to spur further investments or policy changes. To achieve this, project design must assess the opportunities and spaces for ensuring sustainability from the fiscal, financial, institutional and cultural points of view.

10. This approach has important implications for the project design process and management arrangements, particularly monitoring and evaluation. Monitoring of a scaling-up pathway differs from monitoring traditional IFAD projects: it not only focuses on what is achievable from a project perspective, but emphasizes outcomes that extend beyond the project lifespan and cannot be measured in terms of specific project results. Intermediate results may be considered to assess whether the required spaces and processes are in place to achieve scale.

11. In the case of supervision: Monitoring the results expected from projects will remain a critical objective. However, teams will also need to focus on: whether these results will be sustainable after projects are completed; the validity of the assumptions behind scaling-up pathways; the engagement of other parties; and the likelihood that the project will be able to mobilize additional financing or policy

changes for taking results to scale. Project supervision needs to go beyond a conventional fiduciary risk approach and assess other risks, including conflicts and fragility, institutional weaknesses and lack of fiscal space. Implementation support should aim to build enduring partnerships with smallholder institutions that may eventually become the main stakeholders and drivers of scaling-up strategies.

12. IFAD quality processes: Bodies such as the Operational Strategy and Policy Guidance Committee, and country programme management teams, and processes such as quality enhancement and quality assurance will use "framing questions" to assess the alignment IFAD interventions with scaling-up strategies. The design of COSOPs and projects will include reviews to ascertain the extent by which the key elements of scaling-up approaches are in place. Quality assurance reviewers will provide a scaling-up rating, as required in the results measurement framework, based on responses to framing questions. In some contexts, the scaling-up approach may not be applicable (i.e. responses to emergencies, post-conflict interventions, pilot projects); in these cases, projects will not be rated. However, attention will still be given to accumulating knowledge and learning.

III. Thematic scaling up

13. The nine thematic scaling up notes prepared on smallholder institutions, rural finance, agricultural value chains, land tenure, irrigation, livestock, nutrition, gender and climate change are meant to illustrate how scaling-up approaches may need to be tailored to different lines of businesses. These notes provide guidance on determining: (i) what is to be scaled up and whether there are successful models; (ii) what scaling-up pathways can be built through IFAD's main instruments; (iii) what key drivers and spaces are needed for scaling up to take place; and (iv) what monitoring and evaluation tools are needed.

14. Different lines of business can have very different approaches to identifying scaling-up pathways. Some are more private-sector oriented (such as rural finance and value chain development) while others have stronger public good components (including climate change, irrigation and land tenure). Others have a stronger policy orientation (such as land tenure and rural finance). For gender, nutrition and climate change, which are cross-cutting themes, the scaling-up approach is based on their ability to be mainstreamed into IFAD's portfolio. These hands-on guidance tools will help country teams identify policy and institutional barriers to be addressed, opportunities for investment and critical knowledge needed to bring results to scale in particular thematic interventions.

IV. Country-based scaling up

15. The ten country notes illustrate how scaling-up approaches can be adapted to different countries. They examine the local context, past interventions and successes, but they mostly look ahead with a vision of supporting the pathways and drivers that will bring about results on a larger scale.

16. IFAD's capacity to effect change at scale depends on country situations. In middle-income countries, where IFAD resources are often modest, IFAD's role in scaling up is likely to involve facilitating innovation, sharing knowledge and influencing policies. These may have a greater impact than IFAD financing alone provided that they can leverage further replication and mainstreaming into government programmes, and can mobilize cofinancing and private-sector involvement. In low-income countries, scaling up is likely to focus more on expanding successful pilots, institutional development and capacity-building so that national partners and stakeholders are able to sustain previous efforts. IFAD might partially finance project scale up, but should actively search for public-private-producer partnerships, cofinancing and community-level ownership. In fragile situations, IFAD's comparative advantage may be to focus on community-level institutional

development and capacity-building to strengthen the resilience of stakeholders and facilitate access to markets and financing.

V. Way forward

17. Now that IFAD has a series of guidance tools and an operational framework, it will pursue staff training throughout IFAD10. Mainstreaming scaling up into operations will require the active participation of country teams and a new way of looking at IFAD's engagement with local stakeholders, partners and beneficiaries.

18. IFAD will aim to participate in a cross-sector community of practice involving a broad range of donors, foundations, think tanks and others exchanging views on innovative approaches to scaling up. IFAD will also lead the working group on Scaling up in Agricultural and Rural Development,[1] which serves as a global platform for networking, sharing knowledge and learning related to scaling for impact.

19. The Independent Office of Evaluation of IFAD will produce an evaluation synthesis report on scaling up in 2016 to: (i) assess IFAD's performance in scaling up results; and (ii) generate findings and recommendations to enhance future activities in this area.

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[1] Members include IFAD, the International Food Policy Research Institute, Heifer International, the Results for Development Institute, TechnoServe, Management Systems International, the World Bank and the Brookings Institution.