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Investing in rural people

Comments of the Independent Office of Evaluation of IFAD on the IFAD strategy for engagement in countries with fragile situations

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For: Review

Comments of the Independent Office of Evaluation of IFAD on the IFAD strategy for engagement in countries with fragile situations

I. General comments

1. The Independent Office of Evaluation of IFAD (IOE) welcomes the IFAD strategy for engagement in countries with fragile situations, to be presented to the Executive Board in December 2016. The strategy builds upon an earlier approach paper presented by IFAD Management to the Board in April 2016 and draws upon the corporate-level evaluation (CLE) on IFAD's engagement in fragile and conflict-affected states and situations, presented to the Board by IOE in April 2015. The strategy was updated further to the ninety-fourth session of the Evaluation Committee in October 2016, also taking into account IOE's comments presented at that session. This strategy is one of the commitments made by IFAD to Member States for the Tenth Replenishment of IFAD's Resources (IFAD10) period.
2. Management estimates that between IFAD8 and IFAD10 the share of IFAD financing to states with fragile situations fluctuated between 45 and 50 per cent of total IFAD financing (para. 24) which illustrates the importance of this topic for the Fund.
3. The strategy addresses the main recommendation areas of the CLE mentioned above, notably: (i) policy and strategy; (ii) project and programme design; (iii) project and programme implementation; (iv) empowerment of staff; and (v) results measurement.
4. As noted in the IOE comments on the approach paper presented to the Board in April 2016, the new definition of fragility was a positive step forward. The strategy introduces an even more comprehensive definition of fragility: "... a condition of high vulnerability to natural and man-made shocks, often associated with an elevated risk of violence and conflict". This definition stresses the notion of vulnerability, the potential link to conflict, weak governance and institutions, and the specific implications for food security and agriculture, which are highly relevant to IFAD's mandate.
5. Similarly, the introduction of an IFAD-specific classification of fragility and a narrower list of countries with the "most fragile situations" is an improvement on the past practice of compiling a long list of countries drawn from the classifications of other organizations. The above CLE found that such practice generated a highly heterogeneous group of countries with limited analytical and operational value added.
6. The strategy underlines the importance of analysing the context and the causes of fragility in country strategic opportunities programmes (COSOPs) and country strategy notes, as well as in project design. The strategy links the analysis of fragility with a focus on "trust-building institutions" such as farmers' and indigenous peoples' organizations, women's and other community-based associations and government-level institutions. The twin focus on state institutions and on grass-roots organizations (an entry point for many IFAD-funded projects) builds upon IFAD's experience and strengths. The strategy now recognizes the importance of fragility at the subnational level as well as at the regional level. Even in countries that do not match the definition at the national level, localized situations of fragility may exist that significantly affect IFAD-funded interventions.
7. In line with the above CLE, the new strategy underlines the connection between fragility, gender mainstreaming and targeting. The strategy recognizes that women are particularly exposed to fragility and are at higher risk of gender-based violence, crime and abuse. It proposes partnerships with inclusive institutions that can

enhance state legitimacy, foster security and unlock women's potential. Past evaluations, such as the recent country programme evaluation in India, have documented positive experiences from IFAD's projects in these domains on which it will be important to capitalize.

8. An "iterative" strategy. There is no doubt that dealing with fragility will require IFAD's follow-up not only in designing and managing country programmes and projects but also in rearranging internal procedures, reallocating financial resources and revising aspects of IFAD's business model, including decentralization. The strategy is likely to generate iterative effects for other corporate policies and processes, such as the programme of work and budget preparation. These may entail some revision to the strategy. The following section identifies areas where focus needs to be sharpened in the future.

II. Key aspects requiring attention

9. Operationalizing the strategy in the case of subnational sources of fragility. The strategy now explicitly recognizes subnational sources of fragility which have been identified as crucial issues by evaluations in the past. This is an improvement. In operational terms, the remaining question is whether and how the guiding principles (paras. 17-18); the strengthening of operational and organizational approaches (paras. 19-22); and the mobilization of resources for fragile situations (paras. 23-30) will be applied to subnational situations of fragility in countries that do not belong to the list of the "most fragile situations".
10. Strengthening linkages with existing and forthcoming IFAD strategies, policies and processes. Given that the document provides a broad orientation, implementation will largely rely on other IFAD-wide policies, strategies and processes. It may therefore have a cascading effect on such policies and processes (i.e. requiring an update or revision). While the strategy mentions the role of the Working Group on the Performance-Based Allocation System (PBAS), it would have been important to identify other IFAD policies and strategies (e.g. the IFAD Policy on Supervision and Implementation Support [2006], and the Corporate Decentralization Plan [to be presented to the Executive Board in December 2016]) or procedures (e.g. country strategic opportunities programme guidelines and project design guidelines) that may be affected or need to be reviewed after the approval of this strategy. Conversely, once the revised PBAS or the new corporate decentralization plan have been approved, a revision of the strategy may be required.
11. Monitoring and assessing results. The strategy states that IFAD will explore options to develop "monitoring and evaluation (M&E) processes and impact assessment methodologies that are simple and cost-effective yet capable of capturing coherent data on results". It goes on to state that "Specific M&E processes and indicators will be developed for fragile situations and will be reflected in IFAD's development effectiveness framework" (para. 18(g)). The CLE noted that, according to IFAD documentation, M&E systems were underperforming and showed no clear signs of improvement. Thus, the institutional track record in M&E has been traditionally weak, even in the non-fragile context. Fragile situations may pose additional challenges. For example, M&E systems may need to: (i) incorporate specific indicators dedicated to fragility (including geographic referencing, as required); (ii) be able to provide feedback in a relatively short amount of time; and (iii) be based on "non-invasive" data collection techniques so as to reduce the exposure of project staff and beneficiaries to risks. Consequently, M&E systems for fragile contexts will require special attention and efforts from IFAD Management.

III. Concluding remarks

12. IOE appreciates IFAD Management's efforts to prepare a strategy for engagement in fragile situations. Attention to fragility is justified by the high proportion of IFAD financing approved for Member States classified as having a situation of fragility. IOE encourages Management to take the above comments into consideration in future work and remains available for further discussion. In view of the iterative nature of the strategy, it may be advisable to establish an initial implementation period after which the strategy and any related policies and processes would be updated and revised with the oversight of the Executive Board.