Regular Grants Policy

Note to Executive Board representatives

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Abbreviations and acronyms

4Ps  public-private-producer partnerships
CLE  corporate-level evaluation
COSOP country strategic opportunities programme
CSN  country strategy note
DELIVER Driving Delivery of Results in the Agriculture Sector
DSF  Debt Sustainability Framework
FOs  farmers’ organizations
HHM  household methodology
IFAD12 Twelfth Replenishment of IFAD’s Resources
IOE  Independent Office of Evaluation of IFAD
LIC  low-income country
LMIC lower-middle-income country
M&E  monitoring and evaluation
MOPAN  Multilateral Organisation Performance Assessment Network
NUS  neglected and underutilized species
PBAS performance-based allocation system
PoLG programme of loans and grants
SDG  Sustainable Development Goal
SFOAP Support to Farmers’ Organizations in Africa Programme
SO  strategic objective
SSTC South-South and Triangular Cooperation
Recommendation for approval
The Executive Board is invited to approve the Regular Grants Policy.

I. Introduction

1. The grants instrument has been at IFAD’s disposal since it was created as part of the 1976 Agreement Establishing IFAD. The Executive Board approved a dedicated grants policy in 2003 and a series of refinements have been made to the policy and its operational framework over the years. Specifically, the policy was revised in 2009 and, after a corporate-level evaluation (CLE) carried out in 2014 by the Independent Office of Evaluation of IFAD (IOE), was replaced by a new policy in 2015.

2. The three successive policies for grant financing (2003, 2009, and 2015) outline a series of objectives for the regular grants programme. These have evolved over time to adapt to the changing context of development assistance in general and to variations in IFAD’s priorities in particular. Innovation and technical approaches targeted to the rural poor, along with initiatives to strengthen institutions and smallholder farmers’ organizations (FOs), were confirmed among the objectives of IFAD’s grant funding over the years. The 2015 policy supplemented these with explicit reference to the use of grants to enhance policy engagement and to generate and disseminate knowledge for development impact.

3. IFAD is evolving towards offering a broader range of products to better respond to the different contexts in which it operates and the diverse needs of its developing Member States. Activities funded through regular grants are an integral component of IFAD’s enhanced business model, complementing and stimulating other development instruments and playing a critical role in furthering the Fund’s mandate. Grant-funded interventions have a number of characteristics that make them distinct from all the other instruments IFAD has at its disposal. However, as IFAD’s business model evolves, the need for a revised grants policy responding to a changing environment has become clear, particularly in view of the COVID-19 situation.

4. This document presents IFAD’s new Regular Grants Policy. It supersedes the 2015 grants policy and will contribute to ensuring the overall sustainability of the regular grants programme, as well as positioning a decentralized IFAD as a partner of choice in efforts to bring about rural transformation.

II. Relevance of regular grants and lessons learned

5. Performance of regular grants. An overview of the performance and results of IFAD activities funded by regular grants may be found in various evaluations and reviews carried out during the period 2014–2019. Besides the 2014 CLE, these include the 2013 CLE of IFAD’s Institutional Efficiency and Efficiency of IFAD-funded Operations, the 2019 assessment of the Multilateral Organisation

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5 It is important to highlight that, while both operate on grant terms, regular grants are fundamentally different from the grants provided by IFAD to Member States under the Debt Sustainability Framework (DSF) initiative. DSF grants provide grant support to highly indebted countries that are not able to access IFAD lending resources, and support the implementation of traditional investment projects that would normally be financed through loans. Regular grants operate in a different space to the core investment activities funded by IFAD. They are not used as a substitute for DSF, supplementary funds, regular loan resources, non-sovereign operations, reimbursable technical assistance or any other instrument.
Performance Assessment Network (MOPAN), the 2019 Annual Report on Results and Impact of IFAD Operations and Report on IFAD’s Development Effectiveness, and the 2020 CLE on IFAD’s Support to Innovations for Inclusive and Sustainable Smallholder Agriculture, as well as a number of dedicated evaluations and reviews of individual grant-funded activities.

6. The most recent of these, the 2020 CLE, concludes that regular grants have played a key role in the identification of relevant innovations for smallholder agriculture, and that they offer a more flexible way of addressing inclusiveness and IFAD’s mainstreaming priorities. The evaluation also found that all the grant-funded innovations it reviewed were relevant or very relevant.

7. **Unique characteristics.** Available evidence points to regular grants having some specific and unique characteristics:

   (i) **They provide indispensable support to strengthen the results of IFAD’s country programme delivery through the loan programme,** including by boosting the capacity of governments and other institutions at country level.

   (ii) **They are the only instrument that allows IFAD to have an increased risk appetite to test and pilot innovative approaches.** Such initiatives can then be scaled up through the loan programme, or other IFAD instruments, or by other partners.

   (iii) **They help IFAD to establish or strengthen partnerships beyond government agencies and leverage cofinancing opportunities.** As grant implementing agencies are selected on the basis of outreach and capacity, IFAD can leverage expertise and opportunities (including cofinancing) not normally found in government agencies alone.

   (iv) **They enable IFAD to provide a rapid response,** particularly during crises, and to engage in situations beyond the availability and remit of the Fund’s performance-based allocation system (PBAS) resources. IFAD tailors its support to avoid overlap with the humanitarian efforts of its partners. It adds value by addressing the relief-to-development process in terms of “building back better”.

   (v) **They can promote non-lending activities (in particular policy engagement) identified through country strategies,** allowing for a seamless integration of such activities in the broader country-level programme approach.

   (vi) **They can support IFAD’s participation in relevant global and regional initiatives, platforms and networks,** and advocate for the needs of poor rural people while contributing to the formulation of global policies, knowledge, standards and other related aspects.

   (vii) **Through regular grants IFAD can tackle rural development beyond the country level, from a regional and global perspective,** as they are the only tool for funding non-lending activities such as policy, South-South and Triangular Cooperation (SSTC) and knowledge-based initiatives beyond country level. Grants can also be used to facilitate the implementation and maximize the impact of other regional initiatives.

8. Over the years, regular grants have achieved tangible results in the above areas. Grants have provided specific opportunities for policy dialogue and strategic

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10 EC 2020/110/W.P.5.
positioning on critical themes at the national, regional and global levels; contributed to important knowledge products and related communities of practice; funded agriculture research targeting the poor for better food security; helped pilot innovations that have been scaled up through loan-funded operations; and supported capacity-building, e.g. by helping improve monitoring and evaluation (M&E) in IFAD-funded investment projects. Some success stories are presented in further detail in annex I and in boxes 1, 2 and 3.

Box 1
Results and lessons in promoting policies for inclusive and sustainable rural transformation

The specialized commission for family farming is a grant-funded policy dialogue platform for family farming in South America. It was originally implemented in Argentina, Brazil, Paraguay and Uruguay and then extended to most of the region. It contributed to a shared definition of the concept of family farming and created national registries as the basis for the development of targeted policies. Recommendations issued by the platform were adopted by several Common Market of the South (MERCOSUR) members and associate countries as the basis for promoting and strengthening family farmers and their production systems.

9. Lessons learned. A number of important lessons have emerged from available evaluations and reviews, suggesting that further steps could be taken to ensure greater value for money from regular grants and to fully capitalize on their potential to enhance development impact:

- **Strategic prioritization could benefit from more focused objectives.** The regular grants programme followed broad thematic areas in the past. This made it possible to include a wide range of topics and activities, but undermined focus and strategic prioritization efforts.

- **Enhanced integration with country programmes could increase impact.** This has been flagged in particular by IOE, which noted that more systematic integration would significantly enhance opportunities to leverage the grants programme for greater results and impact on the ground.

- **The knowledge generated could be leveraged more consistently.** The knowledge generated and disseminated by grant-funded activities has often remained untapped. This may have resulted in the design and approval of grants that had overlapping objectives and failed to capitalize on available knowledge and results.

- **M&E, reporting and learning could be consolidated at the corporate level.** Though individual grant-funded projects generally have adequate provisions for M&E and supervision, less attention has been paid to consolidated reporting and learning at the programme level.

- **Further streamlining of design and approval procedures might foster even swifter implementation.** Although regular grants are already faster to design, approve and implement than investment projects, the related internal procedures could be further simplified to ensure flexibility and responsiveness to evolving priorities.

III. Rationale for a new policy

10. While the grants programme continues to be a highly relevant and strategic instrument with unique scope, the lessons learned and the current evolution of IFAD’s business and operating models and financial architecture call for the adoption of a new policy to govern this programme. A new policy is also needed to provide a framework for the fundamental changes that are proposed to the programme, including in resource allocation mechanisms, as further detailed below. Annex II also provides an overview of the main changes introduced under this policy.
11. It is important that the new policy be adopted in good time in order to ensure alignment with the programmes being established in the transition towards the Twelfth Replenishment of IFAD’s Resources (IFAD12) and beyond.

12. The new policy\textsuperscript{11} ensures that the regular grants programme reflects IFAD’s vision for the future and commitment to expand and deepen its impact by 2030. The rationale for proposing a new policy at this stage rests on the following pillars:

- **Attaining an affordable programme and allocating resources where they are most needed.** The overall allocation to regular grants will be adjusted in support of IFAD’s financial sustainability. The sustainable replenishment baseline concept will be used to determine the maximum level of grant resources allocated in any replenishment cycle, linked to the level of core replenishment contributions. The notion of a fixed percentage allocation is discontinued and, within each replenishment scenario, the allocation to regular grants will be commensurate with the broad level of resources available on grant terms (DSF and regular grants). This will ensure that funding regular grants does not hinder the availability of DSF financing for countries eligible for debt sustainability support. Moreover, the notion of sub-allocations for country-specific and global/regional grants is also discontinued and regular grant resources are delinked from PBAS allocations. This will allow IFAD to direct grant resources towards activities with the greatest potential for impact (i.e. activities aimed at enhancing the broader impact of IFAD’s operations).

- **Deeper integration into IFAD’s business model.** The introduction of new instruments and initiatives such as the Rural Resilience Programme and non-sovereign operations (NSOs) with the private sector will allow IFAD to establish strong synergies between these programmes and regular grants. Country strategic opportunities programmes (COSOPs) and country strategy notes (CSNs) will provide the overarching framework for interventions funded by regular grants at the country level, and will also clarify how different instruments, including regular grants, will interact to achieve common long-term objectives. Innovations will be pursued in a broad range of topics, including not only new technologies but also institutional and knowledge approaches. Internal procedures will be put in place to ensure complementarity and avoid duplication.

- **Capitalizing on lessons learned.** The revision of the policy to institutionalize the important changes highlighted above also provides a valuable opportunity to address lessons learned through previous evaluations and assessments. Increased focus will be placed on the areas in which grants have shown stronger relevance, better results and greater leverage (e.g. capacity-building of in-country stakeholders for improved portfolio delivery). At the same time, areas requiring further attention will be tackled and robust mechanisms will be introduced to manage and share knowledge and make lessons learned accessible, thus maximizing effectiveness.

\textsuperscript{11} This policy solely applies to IFAD-funded grant resources that are not part of the DSF initiative. Nor does the policy cover grants provided through the enhanced Adaptation for Smallholder Agriculture Programme (ASAP+) and the Private Sector Financing Programme, with which regular grants will establish mutually reinforcing synergies. Supplementary contributions provided by donors for grants beyond the regular programme of loans and grants (PoLG) are also excluded from this policy, as their objectives, use and administration are defined through specific terms agreed with the respective donors.
Box 2
Results and lessons in promoting partnerships

Implemented between 2013 and 2018, the Support to Farmers’ Organizations in Africa Programme (SFOAP) is a successful example of partnership and resource mobilization through grant-funded resources. An IFAD-funded grant of EUR 1.9 million resulted in a total investment of almost EUR 20 million in support of stronger FOs, including through access to economic services and increased farmers’ participation in policymaking at the national and subregional level. Among the chief results achieved at farm level, SFOAP resulted in increased productivity and higher incomes and revenues. At the end of the implementation period, FOs supported by SFOAP were able to mobilize EUR 12 million from public sources and over EUR 4 million through partnership agreements or contract sales.

IV. The Regular Grants Policy

A. Overall goal and objectives

13. The overall goal of the regular grants programme is to contribute to further IFAD’s mandate of sustainable and inclusive rural transformation, and help achieve the Sustainable Development Goals (SDGs). The programme will have two mutually reinforcing strategic objectives (SOs), outlined below in order of priority and expected resource allocations. SO1 will receive a significantly larger amount of regular grant funding in any replenishment period.

(i) SO1: Leverage better impact on the ground for IFAD’s programme of work, including through improvement of in-country capacity for greater sustainability of benefits; and

(ii) SO2: Foster a more conducive policy and investment environment for smallholder agriculture and rural development, including at the regional and global level.

14. The SOs will be achieved through the following pathways, with which both SOs will be equally aligned:

- **Improving the policy and investment environment.** At the country level, this will include analytical work supporting non-lending activities, including those identified in country strategies, and alignment with the United Nations Sustainable Development Cooperation Framework and the work of United Nations Country Teams. At the regional and global level, this pathway will include support to higher-level policies for inclusive and sustainable rural and food systems transformation, fostering an enabling environment for investing in smallholder agriculture.

- **Leveraging strategic and operational partners’ expertise and resources to deepen the impact of IFAD’s programme of work.** Partnerships supported by regular grants will seek to empower the most vulnerable while strengthening local food supply systems/chains and local economies to maximize sustainable results. Through this pathway, regular grants will also build the capacities of institutions and organizations in developing countries to improve ownership, efficiency and sustainability of IFAD-funded operations. IFAD will also leverage financial resources from relevant partners through regular grants under this pathway. Operational partnerships with development organizations that have a comparative advantage in emergency response can be established in situations of crisis or fragility, when rapid response is required. Complementing the efforts of partners such as the Rome-based agencies with IFAD’s own expertise with smallholder farmers can enhance the impact of post-emergency and longer-term development interventions.

- **Improving the availability and uptake of relevant knowledge and innovation for enhanced impact and sustainability.** Relevant knowledge will include innovative pro-poor research and technology, and will focus in particular on testing, piloting and adapting innovations targeting the poor,
including for future scaling up by the concerned governments, through the IFAD programme of loans and grants (PoLG) or using resources from IFAD’s development partners.

15. The above priority areas will focus on strengthening PoLG delivery and results, in particular through IFAD country programmes. While not all grants will be expected to address all the above priorities, they are interrelated, interdependent and mutually reinforcing. Moreover, in the event that proposals potentially qualifying for funding under one or both SOs exceed the amount of resources available, a final decision on their submission for approval will be made by ranking and prioritizing all eligible proposals. Provisions to prioritize the allocation of resources within the programme are outlined in section C below.

Box 3
Results and lessons in promoting knowledge and innovation

The grant to Farm Radio International for the Upscaling Technologies in Agriculture through Knowledge Extension project in the United Republic of Tanzania is a successful example of how innovation and knowledge can be leveraged by grants to strengthen linkages between research, extension services and farmers through the power of ICT.

With this grant, two ICT-based innovations were developed: Uliza Answers, and the Knowledge Plus platform. Uliza Answers is an innovative mechanism, which enables the pooling of real-time feedback and insights from farmers using a blend of smart and traditional technologies. The Knowledge Plus platform is a digital tool that enables virtual extension services to reach champion farmers via web and mobile applications. These two innovations have already reached hundreds of thousands of smallholder farmers in the United Republic of Tanzania, with promising prospects for future replication.

B. Theory of change

16. The regular grant programme’s theory of change is informed by the lessons learned from IFAD grants implemented over the years, as well as by the current changes in IFAD’s strategic direction. Proposals will include catalytic interventions with leveraging potential to unlock broader opportunities for IFAD’s engagement through the PoLG and other programmes and instruments. This, in turn, will result in mutually reinforcing synergies between the menu of lending and non-lending instruments at IFAD’s disposal. It will lead to stronger engagement beyond the country level, help establish partnerships with potential for cofinancing, and improve the overall quality of IFAD policies and operations.

17. This theory of change is illustrated in annex III, which shows how the catalytic effect of grant-funded interventions will unlock opportunities to support IFAD in the delivery of its broader mandate. While the theory of change refers to the high-level vision and impact of the broader programme, individual initiatives are also expected to describe how they align with the principles of this policy.

C. Key principles

18. **Sustainable allocation of resources to the programme.** The application of a fixed percentage allocation for regular grants will be discontinued\(^{12}\) in favour of a predetermined figure agreed as part of replenishment consultations, in order to ensure that the amount of IFAD resources provided in the form of grants does not exceed IFAD’s financial sustainability as derived from replenishment outcomes.\(^{13}\) The estimated level of resources available in each replenishment period will be calculated at the beginning of each three-year cycle based on the commitments made by Members at the start of each replenishment and potentially adjusted annually in line with the updated resources available for commitment (RAC) calculation. They will be based on the concept of a sustainable replenishment baseline.\(^{14}\) Moreover, available resources will be calculated taking into account the

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\(^{12}\) Until IFAD11, the allocation of resources for the IFAD grants programme was calculated by applying a fixed percentage (6.5 per cent) to the overall PoLG figure for a given replenishment period.

\(^{13}\) For the IFAD12 period, an allocation of US$100 million has been agreed (GC 44/L.6/Rev.1).

\(^{14}\) As introduced by the Debt Sustainability Framework Reform (EB 2019/128/R.44).
broader availability of grant-based resources, which include both DSF and regular grants.

19. **Value addition.** The programme will focus on interventions where regular grant financing has a clear added value as compared to other instruments, as well as activities for which innovative approaches are required. Regular grants will complement other programmes and initiatives and help pursue opportunities under the three priorities described earlier (policy, partnership and knowledge), thus serving to broaden and deepen IFAD’s overall impact. Opportunities and entry points for complementary, value-adding action will be sought across IFAD’s instruments, including through the internal review of COSOPs and IFAD-funded operations. In addition to this, regular grants will not be used to finance any activity that could be funded through IFAD’s administrative budget.

20. **Prioritization of activities to be funded through regular grants.** All activities financed through regular grants will have to demonstrate alignment with the programme’s SOs and relevant IFAD replenishment commitments and priorities, and make a concrete contribution towards their achievement. It is expected that, within any given replenishment cycle, the majority of resources available will be allocated to activities focused on the achievement of SO1, those that strengthen IFAD’s results on the ground. A summary of priority replenishment commitments that could benefit from grant-funded activities will be presented for approval at the last Executive Board session preceding the start of each replenishment cycle.15 This will allow the Board and Management to make informed decisions on the prioritization of activities to be funded through grant resources, once the indicative financial size of the programme for a given replenishment is determined. Moreover, individual proposals will not be approved on a first-come-first-served basis but will be assessed by IFAD’s rigorous, arm’s length quality assurance processes to determine their suitability for funding.16 A scorecard for the arm’s length assessment and prioritization of proposals is included as annex IV.

21. **Country eligibility.** This policy discontinues the practice of allocating a portion of regular grant resources to individual “green” countries17 as part of their PBAS allocations and excluding countries eligible for DSF support from country-specific support through regular grants. Resources under the regular grants programme are delinked from the PBAS, meaning that no pre-allocations will be made to countries or regions on the basis of the existence, size and financing terms of a lending programme through the PBAS, and no a priori exclusions will be made for countries that receive resources from IFAD through the DSF framework. In line with IFAD’s commitment to allocate its core resources to low-income countries (LICs) and lower-middle-income countries (LMICs), regular grant resources will be used in upper-middle-income countries only as part of broader initiatives covering more than one country, and explicitly including LICs and LMICs as part of their target.

22. **Catalytic approach and linkages to national and regional priorities.** Activities funded by the programme will mutually reinforce other IFAD development instruments and the catalytic approach of grant-funded projects will be integrated into IFAD’s enhanced business model. Given the inherently limited overall size of regular grants, and of the individual proposals funded by this programme in particular, all projects will be catalytic and supportive of other initiatives and programmes that form part of IFAD’s new business model and strategic direction. In this sense, grant-funded projects will aim to act as key enablers of IFAD’s

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15 E.g. in December 2021 for the IFAD12 period.
16 IFAD’s internal quality assurance function is already deployed to assess all IFAD-funded operations from an arm’s length perspective and to advise Senior Management on their approval. Given the inherently competitive nature of funding under the regular grants programme, the role of quality assurance within the programme will also include prioritization and ranking among competing proposals.
17 Defined as countries that do not receive support, in part or in total, from the DSF initiative.
programmes, policies, strategies and initiatives. In order to foster linkages with country programme delivery through the loan programme, COSOPs and CSNs are expected to play a key role in identifying entry points for funding through grants.

23. The catalytic effect of regular grants will be felt not only through the mobilization of additional financing, but also through the piloting of initiatives for larger-scale replication or for regional uptake. For example, initiatives funded with regular grants may, through their flexible and targeted interventions, enhance the offer of tailored non-lending support to situations of crisis, transition\(^{18}\) or fragility. Regular grants could also support IFAD’s engagement in small island developing states and regional activities, including support to regional policy dialogue, which is essential to the success of IFAD’s regional lending operations.\(^{19}\)

24. Moreover, the programme will initiate or strengthen partnerships, for example through the IFAD Private Sector Engagement Strategy 2019-2024, and contribute to the successful implementation of the IFAD Partnership Framework. In pursuing partnerships, Rome-based agency collaboration will be given particular attention. Regular grants will also serve to generate and share knowledge resources, thus contributing to the operationalization of IFAD’s Knowledge Management Strategy.

25. **Flexible but rigorous and transparent selection of implementation partners.** Competitive selection will be the norm in selecting grantees, with the exception of proposals valued at less than US$100,000 in IFAD resources, or in exceptional circumstances to be defined in the implementing procedures. Potential grantees include developing Member States, intergovernmental organizations (including United Nations agencies), civil society organizations, research and academic institutions, producers’ associations/organizations, and private sector foundations and companies (in the case of grantees from the private sector, more stringent cofinancing requirements will apply). Identified implementing agencies must have been legally constituted in an IFAD Member State.

26. Private sector entities will continue to be eligible to receive regular grants. This will not result in overlaps with operations implemented under IFAD’s private sector strategy and NSO framework. These are IFAD’s primary channel for engaging with the private sector and offer loan, equity-based and other risk mitigation financing instruments. In the case of regular grants, the selection of recipients will be informed by the nature of the activities proposed: private companies will be able to access resources when they are deemed to be the most suitable recipients.

27. **Value for money.** To strengthen the requirement that project proposals should be small yet catalytic, the implementing procedures relating to this policy will define a maximum ceiling for individual grant proposals. A flexible and fast-track process for the review and approval of grants responding to urgent situations will be defined as part of the development of implementing procedures to operationalize the policy, balancing the need for nimble processes with the need to continue ensuring rigorous oversight.\(^{20}\) IFAD will also mitigate the risks arising from an excessively high number of small proposals – e.g. undue transaction costs for the Fund – by introducing a minimum size or average number of grants per replenishment cycle, also to be determined as part of the policy’s implementing procedures. It is expected that the overall envelope for regular grants will be smaller than in the past (which will prevent a high number of grants being approved under a single replenishment cycle); however, efforts will be made to ensure that each proposal is sizeable enough to leverage a range of benefits, including the mobilization of cofinancing from implementing agencies and other partners.

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\(^{19}\) EB 2018/125/R.7/Add.2.

\(^{20}\) Lessons learned from the implementation projects under the RPSF will be considered in the preparation of the implementing procedures.
28. **Approval.** The President of IFAD has been delegated by the Executive Board to approve grant proposals of up to US$500,000 or equivalent, while proposals exceeding this amount will be subject to approval by the Board itself.\(^2\) This provision will be maintained under the new policy. All proposals awarded to private sector entities shall be discussed and approved by the Executive Board, regardless of the grant amount.

### D. Risk management

29. The regular grants programme is expected to finance activities that are often innovative and for which there may only be proof of concept. IFAD recognizes that this aspect of grant-funded activities is key to the programme’s role as a catalyst and an assembler of the different instruments at IFAD’s disposal. IFAD is therefore well aware that it may be exposed to some risks – for which corresponding mitigation measures are being envisaged. Given the nature of the activities foreseen, and in line with IFAD’s enterprise risk management framework, the following types of risks and mitigation measures will be considered:

- **Strategic risks.** These may occur in the event of insufficient institutional prioritization and lack of alignment with IFAD’s mission and vision. The main mitigation strategy will be a strong grants portfolio oversight function, ensuring strategic prioritization of proposals as a prerequisite to their entry into pipeline, and timely reporting through a dedicated results framework (see annex V).

- **Operational risks.** These result from use of funds for activities that are not eligible for regular grants financing, that are not aligned with the objectives agreed by the grantee and that fail to achieve intended results. Such risks will be mitigated through appropriate screening, due diligence and controls during implementation to ensure that resources are used appropriately and that expected results are delivered.

- **Fiduciary risks.** They relate to the failure to carry out project activities in accordance with IFAD’s financial regulations and to funding not being used for their intended purpose, or with scant regard for economy, efficiency and effectiveness. This risk will be mitigated through application of IFAD’s financial management and procurement procedures (which will be reassessed when the implementing procedures for the policy are developed), including external audit as well as upfront due diligence before grants are awarded.

- **Reputational risks.** These relate to: (i) inefficient procedures resulting in prolonged uncertainty over approval of proposals, and (ii) failures of various kinds involving the recipients of grant-funded activities. Revised implementing procedures focusing on efficiency in grant reviews and approvals will be enforced, including for risks associated with subgrantees, contractors and service providers. Furthermore, due diligence and appropriate legal protection via the legal agreements signed by the grantees will be ensured. Enhanced due diligence will continue to be applied as concerns grantees from the private sector.

- **Financial risks** relate to financial losses arising from IFAD’s failure to manage its broader financial resources efficiently and economically, for example by overfunding grant-based programmes at the expense of overall financial sustainability. Mitigation of these risks is embedded in the resource allocation mechanism introduced by this policy. As a fixed percentage of resources will no longer be allocated to regular grants, financial commitments made through the programme will never exceed levels compatible with IFAD’s financial sustainability and will always be commensurate with replenishments.

• **Legal risks** will be offset by ensuring appropriate legal protection in the development and negotiation of the legal instruments that will govern initiatives funded through regular grants.

30. Besides these higher-level categories of risk applying to the regular grants instrument, risks will be identified and assessed at the level of individual proposals and appropriate mitigation measures put forward. The robustness of risk management will be among the review criteria for regular grants.

V. **Implementation of the policy**

31. **Implementing procedures.** This policy will supersede the previous grant financing policy22 and will become effective on 1 January 2022. During the transition period immediately following approval of the policy, its broad principles will be applied. Implementing procedures for the policy will be prepared immediately after its approval by the Executive Board and will include, inter alia, streamlined design and approval processes customized to specific situations, and indications for operationalizing the criteria for allocating resources through the programme, as identified in annex IV.

32. **Monitoring, reporting and learning function.** The revised procedures will strengthen accountability in the management of individual grant proposals, and will introduce mechanisms for improved monitoring, reporting and learning from projects across the programme. In addition, corporate oversight functions for grant-funded projects will be strengthened to enhance delivery, facilitate analytical work including in-house mapping of ongoing grant initiatives and avoid the proliferation of grants covering similar areas. Instead, it will promote capitalizing on experience, with ongoing grants feeding in-house discussions and leading to the possible replication and scaling up of activities. The corporate oversight function to be established will also play a key role in ensuring complementarities and avoiding overlaps between different initiatives and in identifying potential linkages, e.g. among regular grants and projects funded by the enhanced Adaptation for Smallholder Agriculture Programme (ASAP+) or the Private Sector Financing Programme. This function will be positioned within the existing organizational structure of IFAD, and will be determined as part of the implementing procedures. The grants portfolio will be included in corporate monitoring systems to enhance reporting and learning. Clear requirements will be set for more effective and efficient grant management by the sponsoring division or department.

33. Reporting on the implementation of the policy will be carried out every year through a dedicated, stand-alone progress report submitted to the Executive Board at its April session.23 The report will review operations in the previous year, also using the indicators included in the results framework. The progress report will provide information on the allocation of regular grant resources, as well as on results achieved and lessons learned. Moreover, as part of the midterm review report presented to each replenishment consultation, Management will include a dedicated section on the implementation of the Regular Grants Policy.

34. Annex V provides an indicative results framework, which will be further refined and finalized when the implementing procedures for the policy are developed. The final version of the framework will include targets and, where available, baseline indicators. It will be shared with the Board for information along with the first progress report.

35. **Evaluation of the policy.** A more comprehensive self-evaluation of the implementation of the policy and the results achieved through grant-funded projects will be carried out by Management after the policy’s approval and

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23 This dedicated report will complement any other information reported through the Report on IFAD’s Development Effectiveness (RIDE).
completion of two full replenishment cycles, with a midterm review. Management will seek the inputs of the Independent Office of Evaluation of IFAD on methodological aspects before embarking on the self-evaluation. The results of this self-assessment and of the midterm review, and related lessons learned, will be presented to the Executive Board. Revisions to the policy may be considered as an outcome of the midterm review.

36. **Communication and outreach.** Systematic efforts will be made to ensure a comprehensive and timely roll-out of this policy and its implementing procedures, as well as to train relevant staff. Efforts will also be made to sensitize potential grantees through a variety of communication instruments – for example, by systematically informing the development community of opportunities offered by the regular grants programme – as well as to enhance the communication aspects of individual proposals.

37. **Deviations from the policy.** Any material deviations from the present policy for exceptional reasons will be assessed on an ad hoc basis and submitted to the President of IFAD for approval.
Summary of findings, lessons learned and examples of successful grant-funded initiatives

I. Summary of findings and lessons learned

1. Grants are valuable instruments that complement IFAD’s efforts and further its mandate. Having a regular programme of grants fits in well with IFAD’s dual role as a financing institution and a specialized United Nations agency. Grants help to build partnerships, including within the United Nations system and with the private sector, as well as support research on poverty alleviation, foster innovation and generate knowledge. Furthermore, the grants programme can remain relevant even after the introduction of new programmes such as the enhanced Adaptation for Smallholder Agriculture Programme (ASAP+) and the Private Sector Financing Programme, and in the context of IFAD’s evolving business model, since there is scope for building synergies among different programmes through regular grants.

2. The objectives of the regular grants programme should be revised. Experience suggests that the objectives of previous grant policies, while usually relevant, may have been too generic, with insufficient attention paid to focus and prioritization. This has resulted in grant-funded activities being only loosely aligned with the overall goals of the respective policies and a lack of strategic vision. A revision and re-prioritization of the objectives of the grants policy can play a key role in ensuring the continued relevance of the programme.

3. Greater strategic prioritization of proposals will be needed. In light of IFAD’s evolving strategic vision, it is important that only the most strategic proposals, demonstrating a strong catalysing effect and synergies, are selected for the grants programme.

4. Greater efforts should be made to demonstrate the ability of grant-funded initiatives to generate impact. While attributing the impact of grant-funded initiatives may be complex due to the brief period of implementation, the high transaction costs of carrying out impact assessments on relatively small projects and the nature of the initiatives themselves, evidence suggests that greater impact could be achieved through strong alignment with other IFAD-funded initiatives and strategies.

5. There is ample evidence of results achieved through grant-funded activities, but reporting and dissemination of lessons learned has not been consistently successful. In spite of the good performance of numerous proposals, the effectiveness of the grants programme as a whole could have been greater had more attention been devoted to best practices in the management of the grants portfolio. For example, grant-funded activities have generated a significant body of knowledge, but its dissemination – including in house – has not always been consistent. The same applies to M&E, supervision and reporting. Virtually all of the highlighted shortcomings could be addressed through improved management during implementation and after completion. There is a need to address the issue of language barriers among different regions – which in the past has posed challenges due to a lack of resources to make lessons learned available in English at the corporate level.

6. Lack of centralized oversight, monitoring and extraction of lessons has undermined the effectiveness of grant-funded initiatives. Responsibilities for corporate-level oversight, monitoring and extraction of lessons and results from the grants programme at the portfolio level should be introduced, with specific roles and responsibilities to be defined in the development of revised implementing procedures.
7. **Efficiency of the grants programme could be improved.** This could be done by streamlining the review and approval processes, with a view to reducing both their duration and the transaction costs incurred by grant-sponsoring divisions and departments.

**II. Examples of successful grant-funded initiatives**

8. **Medium-term Cooperation Programme with Farmers’ Organizations in Asia and the Pacific.** The objective of this programme is to strengthen FOs at the national, subregional and regional levels. This grant embodies a strong knowledge-sharing and management agenda covering 20 countries. It is increasingly becoming linked with, or integrated into, IFAD country programmes. The grant’s knowledge-sharing programme culminates in the annual knowledge management fairs, which serve as platforms for documenting and sharing good practices promoted by FOs. During knowledge management fairs, participants are able to vote for what they consider the best-showcased practice, and winners are awarded small monetary prizes to be used towards learning visits or scaling up activities. Some of these practices have also been featured in the publications and online platforms of partners such as the Association of Southeast Asian Nations, the European Union and the Food and Agriculture Organization of United Nations. During the COVID-19 pandemic, the networks and outreach mechanisms established under this programme were used to channel resources from the Rural Poor Stimulus Facility (RPSF) resources, thus enabling many smallholder farmers to benefit from limited RPSF funding.

9. **Upscaling Technologies in Agriculture through Knowledge Extension project in the United Republic of Tanzania.** This project took up the challenge of strengthening links between research, extension services and farmers through the power of ICTs. To this effect, the recipient Farm Radio International developed two ICT-based tools, namely Uliza Answers and the Knowledge Plus platform. Uliza Answers is an innovative mechanism that uses a blend of smart and traditional technologies to pool real-time feedback and insights from farmers. The Knowledge Plus platform enables virtual extension services to reach champion farmers via web and mobile apps. These two innovations have already reached hundreds of thousands of smallholder farmers in the United Republic of Tanzania, with promising prospects for future expansion.

10. **IFAD-Biodiversity International partnership on neglected and underutilized species.** This includes several grants supporting investments in neglected and underutilized species (NUS) through the "IFAD NUS approach". It recognizes these resources as an engine of economic growth and a means of empowering vulnerable people. The approach proposes a novel value chain framework based on multi-stakeholder, participatory interventions. The programme has implemented a wide range of interventions for the conservation of local grains and indigenous knowledge concerning their utilization, thus reinforcing the resilience of poor rural communities. NUS brands such as Kolli Hills Natural Foods in Tamil Nadu (India) have been established, generating consistent income for millet farmers. Successful experiences have been publicized through tourist guidebooks and agritourism. Activities were mainstreamed through national multi-stakeholder platforms and in collaboration with the private sector. The programme’s integrated livelihood approach was showcased at local, national and international forums, contributing to an enabling policy environment for nutritious millets. At the global level, findings emerging from the different phases of the NUS programme were shared with policymakers and other stakeholders through books and scientific articles, and through a series of international events. The latter included the international seminar “Crops for the XXI Century” held in Cordoba, Spain in December 2012 and the NUS 2013 Conference held in Accra, Ghana in September 2013.
11. **Cameroon Aquaculture Entrepreneurship Promotion Project.** This project established three aquaculture stations to produce fry and train young fish farmers. It helped establish 300 fish farms with over 1,000 ponds, thereby creating 1,500 jobs and producing 637,000 tonnes of fish, benefiting 7,525 rural people.

12. **Partnering for Value: Promoting Public-Private-Producer Partnerships (4Ps) in IFAD-funded Value Chain Development Projects.** This grant supported the establishment of 4Ps in IFAD-funded loan projects and worked with both government and project staff and with producers’ organizations. Some of the 4Ps successfully demonstrated the potential for long-term agreements among stakeholders in value chains such as coffee, dairy, aquaculture and staple crops. The grant also supported the development of viable business plans by smallholders, and offered capacity-building activities for both project staff and beneficiaries on value chain integration.

13. **Scale up Empowerment through Household Methodologies: from Thousands to Millions.** This regional grant to Oxfam Novib of the Netherlands covers multiple countries in the East and Southern Africa and West and Central Africa regions. The project is making a significant contribution to the poverty-alleviating and gender-transformational impact of IFAD’s activities, by testing and setting up mechanisms for promoting and scaling up household methodologies (HHMs). HHMs position marginalized rural women, men and young people as drivers of change, introducing a more demand-driven and participatory way of working with target groups. The project is reaching out to selected loan-financed programmes in the IFAD portfolio through the empowerment learning communities and back offices of the regional hubs currently under development. By March 2020, a total number of 3,230 households or 6,490 individuals (55 per cent women, 45 per cent men) had been involved. Out of these, 577 households (1,947 individuals) were part of IFAD projects reached directly with HHM capacity-building activities, and 2,653 households or 4,543 individuals (54 per cent women, 46 per cent men) involved directly through the development and strengthening of the empowerment learning communities.

14. **Support to Farmers’ Organizations in Africa Programme.** Implemented between 2013 and 2018, SFOAP is a successful example of partnership and resource mobilization through grant-funded resources. An IFAD-funded grant of EUR 1.9 million leveraged a total investment of almost EUR 20 million in support of stronger FOs in Africa, including through access to economic services and increased participation in policymaking at the national and subregional levels. Among the principal results achieved, SFOAP resulted in increased productivity and higher income and revenues. At the end of the implementation period, FOs supported by SFOAP had mobilized EUR 12 million from public sources and over EUR 4 million through partnership agreements or contract sales.

15. **Reunión Especializada en Agricultura Familiar.** This grant, for the Specialized Meeting on Family Farming (REAF), was originally implemented in Argentina, Brazil, Paraguay and Uruguay but was later extended to most of the Latin America and the Caribbean region. It contributed to a shared definition of the concept of family farming and created national registries as the basis for the development of targeted policies. Recommendations issued by the platform were adopted by several Common Market of the South (MERCOSUR) members and associate countries as the basis for promoting and strengthening family farmers and their production systems.

16. **Rural Development for Rural Youth, Territories and Opportunities: A Policy Engagement Strategy.** This knowledge-sharing and policy dialogue project established national rural development groups in Colombia, Ecuador, Mexico and Peru. The project contributed to drafting 14 project documents and seven policy
briefs, and greatly influenced national youth and rural development policies in all four countries.

17. **Training and Global Certification Framework for Monitoring and Evaluation and Impact Assessment in Rural Development.** This grant addressed the issue of recurrent weaknesses in M&E in the IFAD portfolio, often due to scarce human resources in borrowing countries. The Programme in Rural M&E (PRiME) was the first capacity-building programme of its kind to focus specifically on rural development projects. The programme not only proposed training but also certification and professionalization, and it specifically targeted project management unit staff, rather than development cooperation and finance professionals. As of end-September 2019, more than 190 participants from 82 countries and 140 IFAD projects had successfully completed the "Fundamentals on M&E" module under PRiME. The programme also attracted participants on a self-paying basis from other development partners, including the World Bank and World Food Programme. While a second phase of the grant was launched in 2019, the model is already being replicated, e.g. for financial management and procurement.

18. **Driving Delivery of Results in the Agriculture Sector (DELIVER).** The goal of this grant is to improve the advancement of critical government priorities in agricultural and related sectors while also contributing to SDGs 1 and 2. The project is helping to develop capacities and improve performance in ministries of agriculture and other implementing agencies in the target countries (Ecuador, Ghana, Madagascar, Samoa and Togo) by setting clear priorities, improving institutional capacities and enhancing the delivery of rural development strategies. The DELIVER grant is establishing high-level partnerships with senior management and high-level officials in beneficiary countries. DELIVER is directly linked to the improvement of delivery in the National Rural Entrepreneurship Project in Togo, as well as the Samoa Agriculture and Fisheries Productivity and Marketing Project.

19. **South-South and Triangular Cooperation IFAD-Morocco-Madagascar.** This grant has led to an institutional breakthrough with the creation of the Ifrane Centre of Excellence for Agricultural South-South Cooperation. The centre is now a fully-fledged institution for implementing the strategic vision of the Government of Morocco for SSTC in agriculture. Under IFAD’s brokerage, Morocco and Madagascar have joined together in this flagship SSTC programme, an innovative partnership marking a first for Morocco.

20. **Agricultural Bank of Sudan Microfinance Initiative.** IFAD committed grant resources in support of the drive by the Agricultural Bank of Sudan (ABS) to improve rural entrepreneurs’ access to microfinance services, in close collaboration with the Microfinance Unit of the Central Bank of Sudan and IFAD. The tailored technical assistance funded through the grant helped scale up ABS’s Microfinance Initiative in conjunction with other IFAD-financed projects. This successful intervention covered around 900 communities in nine Sudanese states. It turned 30,000 rural women into successful entrepreneurs, encouraging them to set up savings and credit clubs numbering between 10 and 20 members. Group members obtained 70,000 small loans totalling US$7.4 million, mostly used to start or expand small businesses. The repayment rate was close to 100 per cent.

21. **Association for Collaborative Unified Aims Foundation (ACUA Foundation).** The ACUA Foundation was established in 2007 as the result of an IFAD grant. Its objective is to empower populations of African descent by recovering and developing their traditional practices, and also to improve their social and political status. In 2018, ACUA’s grant-funded Regional Programme for Economic, Social and Political Empowerment with Cultural Identity was approved. Its aim is to help improve the social, economic and political inclusion of Afro-descendant populations in selected poor areas of Colombia, Ecuador and Peru, with a special focus on women (50 per cent) and youth (30 per cent). In 2019, the programme
established close to 70 partnerships with government entities, the private sector, international organizations, grass-roots organizations and universities. In addition, ACUA signed an agreement with the Colombia International Corporation and the Ministry of Agriculture and Rural Development in the framework of the IFAD-financed Building Rural Entrepreneurial Capacities Programme: Trust and Opportunity. Since the agreement was signed, the programme has directly supported and strengthened a group of initiatives showing commercial promise and potential for scaling up in Colombia. It has also helped with the design of 134 business plans in nine Afro-descendant municipalities prioritized by the project in the Colombian Pacific region.
Main changes introduced by the new policy

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<thead>
<tr>
<th>2015 policy</th>
<th>New policy</th>
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<tbody>
<tr>
<td>Allocation of resources to the programme</td>
<td>Variable amount calculated according to a sustainable baseline concept, determining the maximum level of grant resources allocated in any replenishment cycle, directly linked to the level of core replenishment contributions and potentially adjusted annually in line with updated resources available for commitment (RAC) calculation.</td>
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<tr>
<td>Country eligibility</td>
<td>Grant resources are delinked from the PBAS and provided over and above PBAS allocations. Moreover, sub-allocations to global, regional and country grants are also discontinued. This will allow further prioritization based on overall strategic relevance and potential to realize the programme’s catalytic effects. The discontinuation of a fixed allocation for country-specific grants to countries borrowing on ordinary terms will enable IFAD to direct available grant resources where they are most needed. Following the principle of universality, it will be possible to implement grant-supported activities targeting all developing Member States. Furthermore, in line with IFAD’s evolving business model, grant resources will only be used in upper-middle-income countries as part of broader initiatives, i.e. activities being implemented in more than one target country, and explicitly as part of an agenda benefitting lower-middle-income countries and low-income countries.</td>
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<tr>
<td>Catalytic approach</td>
<td>Given the inherently limited size of the grants programme in general, and of the individual proposals funded by this programme in particular, all efforts will be catalytic and supportive of other initiatives and programmes under IFAD’s new business model and strategic orientation. In this sense, grant-funded projects will act as key enablers of the Fund’s programmes, policies and strategies.</td>
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<tr>
<td>Overall goal</td>
<td>The overall goal of the regular grants programme is to contribute to further IFAD’s mandate of sustainable and inclusive rural transformation, and help achieve the Sustainable Development Goals.</td>
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<td>Objectives</td>
<td>The programme will have two strategic objectives (SOs), in order of priority and expected level of resource allocation: (i) SO1: Leverage better impact on the ground for IFAD’s programme of work, including through improvement of in-country capacity for greater sustainability of benefits; and (ii) SO2: Foster a more conducive policy and investment environment for smallholder agriculture and rural development, including at the regional and global level. The overall goal and SOs will be achieved through three pathways – policy and investment, partnerships and knowledge.</td>
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<tr>
<td>Thematic focus</td>
<td>All activities financed through regular grants will have to demonstrate alignment with the programme’s SOs and relevant IFAD replenishment commitments and priorities, and make a concrete contribution towards their achievement. A summary of priority replenishment commitments that could benefit from grant-funded activities will be presented for approval at the last Executive Board session preceding the start of each replenishment cycle.</td>
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<tr>
<td>Linkages to IFAD-funded initiatives</td>
<td>Extended to include all the programmes at IFAD’s disposal, including those to be implemented in the transition towards IFAD12 and beyond.</td>
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<tr>
<td>Risk management framework</td>
<td>Risk management for individual proposals is retained. In addition, a broader risk management framework with corresponding mitigation measures is provided for the overall programme.</td>
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<td>Portfolio-level oversight function</td>
<td>A corporate portfolio monitoring function will be established, to enhance reporting of results through implementation and at completion, and to enforce provisions for capturing and disseminating knowledge gained from the implementation of the policy and of individual proposals.</td>
</tr>
<tr>
<td>Reporting</td>
<td>The Results Management Framework was enhanced with the addition of output indicators monitoring progress against specific objectives, both during implementation and at completion.</td>
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Theory of change

**Impact**
- IFAD’s mandate of sustainable and inclusive rural and food system transformation is advanced
- Results and impact of activities funded by IFAD through different instruments are enhanced
- IFAD’s commitment to broadening and deepening its impact by 2030 is supported
- IFAD’s visibility and positioning are promoted

**Outcomes**
- Lending and non-lending instruments act in synergy
- IFAD’s country/regional/global engagement is strengthened
- Partnerships are unlocked and cofinancing is boosted
- Knowledge is used to strengthen quality of programmes and policies
- Enabling environment for policy and investment is fostered

**Key outputs**
- Innovation, research and technologies targeting the poor are piloted for scaling up through PoLG and other instruments
- Partnerships are initiated, including for crowding in resources under the private sector strategy
- Integrated packages of solutions are available for countries in transition and countries in fragile situations
- Regional public goods and regional activities in support of regional lending operations are funded
- Knowledge is shared and disseminated to the benefit of IFAD’s lending and non-lending instruments

**Action areas and inputs**
- Inclusive and sustainable rural and food system transformation policies
- Knowledge, evidence, innovation and research targeting the poor
- Strategic and operational partnerships, including for rapid response to crises and fragility

**CHALLENGES**
- Attain an affordable programme
- Direct grant resources where they are most needed
- Provide mutual reinforcement among IFAD’s instruments
- Capitalize on lessons learned
Scorecard for the assessment of the strategic relevance of grant-funded proposals

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<tr>
<th>Criteria</th>
<th>Score</th>
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<tr>
<td><strong>Alignment.</strong> The proposal concretely contributes to at least one strategic objective and IFAD replenishment commitment identified as potentially benefiting from regular grant resources, as approved by the Executive Board.</td>
<td>XX/20</td>
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<tr>
<td><strong>Ownership and priority focus.</strong> The proposal is aligned with at least one priority area of the programme (policy, partnership and knowledge) and with the sustainable rural development priorities of the countries in which activities will take place, as articulated in regional and national strategies and/or the COSOP/CSN.</td>
<td>XX/20</td>
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<tr>
<td><strong>Synergies.</strong> Proposed activities will enhance delivery and impact of other initiatives and programmes forming part of the IFAD business model, including the PoLG.</td>
<td>XX/20</td>
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<td><strong>Value addition and comparative advantage.</strong> Regular grant financing has a clear value added and the comparative advantage of using grants as opposed to investment projects or other instruments is evident.</td>
<td>XX/10</td>
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<tr>
<td><strong>Innovation and scaling up potential.</strong> The proposal includes innovative approaches and will pilot activities suitable for larger-scale replication beyond the IFAD regular grants programme or uptake at the policy level.</td>
<td>XX/10</td>
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<td><strong>Cofinancing.</strong> The proposal foresees the mobilization of additional resources through cofinancing.</td>
<td>XX/10</td>
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<tr>
<td><strong>Implementing capacity.</strong> The implementing agency has the required capacity to deliver grant activities. Ideally, implementing agencies are selected on a competitive basis.</td>
<td>XX/10</td>
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<tr>
<td><strong>Total</strong></td>
<td>XX/100</td>
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## Indicative results framework

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<tr>
<th>Expected results</th>
<th>Performance indicators</th>
<th>Means of verification</th>
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| **Relevance and alignment with the Regular Grants Policy** | - Number and percentage of new grant projects rated 4 or better (5 or better) at entry for overall quality of design  
- Number and percentage of new grant projects aligned to each SO and priority replenishment commitment identified by the Executive Board  
- Number and percentage of new grant projects rated 4 or better (5 or better) at entry for ownership and priority focus  
- Number and percentage of new grant projects rated 4 or better (5 or better) at entry for synergies  
- Number and percentage of new grant projects rated 4 or better (5 or better) at entry for knowledge management  
- Number and percentage of new grant projects rated 5 or better at entry for innovation and scaling up | - Quality Assurance Group ratings |
| **Implementation effectiveness** | - Number and percentage of ongoing grant projects rated 4 or better (5 or better) for overall implementation progress  
- Percentage of grant projects under each pathway rated 4 or better (5 or better) for policy, partnerships, or knowledge (according to the corresponding pathway during implementation and at completion)  
- Number and percentage of grant projects rated 4 or better (5 or better) for effectiveness at completion  
- Number of grant projects leading to at least one policy being formulated (ongoing)  
- Number of grant projects leading to at least one operational partnership being formulated (ongoing)  
- Number of grant projects piloting research, innovations and technologies targeting the IFAD target groups with plans for scaling up through the PoLG or other resources (ongoing) | - Grant status reports  
- Progress reports  
- Supervision reports  
- Completion reports |
| **Efficiency in grant management** | - Average number of working days required to process new grant proposals from entry into pipeline to approval  
- Disbursement ratio (grants)  
- Cofinancing mobilized by grant projects (per United States dollar invested by IFAD) | - Quality Assurance Group data  
- Grants and Investment Projects System |