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United Republic of Tanzania
Country Strategic Opportunities Programme
2022-2027

Addendum

**Management's Response to Member States'
Comments**

Executive Board — 135th Session
Rome, 25-27 April 2022

For: **Information**

Comments from the United Kingdom (UK)	Management response
<p>The UK welcomes IFAD's COSOP for Tanzania that is aligned in timing with the UNSDCF and its second outcome on increased productivity and incomes for the vulnerable communities with whom IFAD works. As the COSOP is implemented, supporting the Government to reach its objective towards achieving its transition of becoming a middle-income country by 2025, it would also be helpful to look at how IFAD can support the country's 'Pathways for sustainable food systems 2030'.</p>	<p>Management appreciates the overall positive feedback on the COSOP's focus and alignment with the United Nations Sustainable Development Cooperation Framework.</p> <p>In line with the vision 2030 to attain sustainable food systems, the COSOP is deliberate in its intention to support the Government's four pathways for sustainable food systems as follows:</p> <p>Pathway 1 - Sustainable improved food production and productivity. The country programme will transform agrifood systems to achieve higher productivity, better nutrition, higher income and improved resilience for rural households. This will be done by enhancing access to climate-resilient production systems and affordable digital agriculture solutions, and by ensuring sustainable water and land use management.</p> <p>Pathway 2 - Increase financing of agriculture and private sector involvement in food systems. The COSOP aims to scale up the Smallholder Credit Guarantee Scheme and community-based financial institutions such as savings and credit cooperative societies and village community banks, which were considered a breakthrough in increasing access to finance during the Marketing Infrastructure, Value Addition and Rural Finance Support Programme. In addition, IFAD is currently supporting the Government in its initiative to develop crop weather index insurance for rural producers. This COSOP focuses on digital agriculture and access to financial services, which are seen as key accelerators for impact at scale.</p> <p>Pathway 3 - Ensure nutritious, healthy diets and safe food diets for all. IFAD's unique pro-poor targeting strategies and mainstreaming priorities will be promoted through several nutrition-sensitive agriculture pathways including: (i) increased and diversified production of safe and nutritious food (dairy, fish, vegetables and fruits, edible oil, pulses and cereals); (ii) reduction of post-harvest losses; and (iii) nutrition education and behaviour change communication to promote diet diversification. The Agriculture and Fisheries Development Programme, approved by the Executive Board in December 2020, was designed using an inclusive food systems approach that promotes livelihood diversification strategies and</p>

Comments from the United Kingdom (UK)	Management response
	<p>resilience. As such, programme investments will not only be profitable, but will bring broad-based benefits for nutrition and social inclusion, and have positive or neutral impacts on natural resource management and biodiversity.</p> <p>Pathway 4 - Climate change adaptation and biodiversity protection. The COSOP is climate-focused and in line with the nationally determined contribution target of 30 to 35 per cent for mitigation and 100 per cent for adaptation. In supporting this pathway, IFAD will allocate at least 30 per cent of programme resources to climate change adaptation and mitigation interventions, and to technologies that sequester carbon or reduce greenhouse gas emissions. Doing so will promote climate-smart agriculture, including the use of renewable energy along the value chains, water use efficiency, renewable energy for production, and protection of marine and coastal resources.</p>
<p>We strongly support the strategic, targeted focus on priorities with two objectives on: enhancing climate-resilient production systems for increased productivity of smallholder producers; and improving smallholder producer access to markets and to micro, small and medium- sized enterprises.</p>	<p>Management appreciates the positive comment on the COSOP's strategic focus and objectives.</p>
<p>We also welcome the decision in this COSOP regarding greater geographic concentration. In line with evaluation findings, this focus, both geographic and thematic, is more likely to deliver increased impact in key areas that will make a significant, lasting difference. We appreciate IFAD taking on board lessons learnt and look forward to how the COSOP will facilitate the use of digital technology and access to financial services to help accelerate impact at scale.</p>	<p>This comment is well noted, with thanks.</p>
<p>We encourage IFAD, more broadly across the organisation, to draw on evaluation findings that "larger projects tend to achieve better development outcomes"</p>	<p>This comment is well noted. The gradual increase in average project size – from US\$28 million to US\$40 million in IFAD11 – is helping to improve results and increase cofinancing and beneficiary outreach. In an effort to</p>

Comments from the United Kingdom (UK)	Management response
and the approach set out in this COSOP in terms of ensuring rigorous prioritisation for incisive strategic focus to achieve the objective of delivering greater impact.	deliver greater impact, IFAD will continue to draw on evaluation findings, ensuring that the size of the investments is appropriate to the context and objectives of each project, with flexibility to pursue smaller projects where warranted.
As highlighted in a number of audit and evaluation reports, procurement remains a challenge and we appreciate the appendix that reflects these risks. We encourage IFAD in ensuring greater mitigation measures in implementation, particularly for procurement monitoring. As a minimum, projects should already be submitting their annual Procurement Plans for IFAD's No objection and strictly adhering to it when conducting procurement activities, but further action will be required to address general findings.	Management takes note of this recommendation. Analysis of problem projects has demonstrated that project performance is susceptible to several challenges, including high staff turnover, inadequate local capacity, weak disbursement and poor financial management, as well as procurement issues. Continuous implementation support will be provided to ensure that a robust procurement plan is in place, that procurement activities strictly adhere to the procurement plan that receives IFAD's no objection, and that the project has an effective monitoring and evaluation framework. Tailored and continuous capacity-building support to programme implementation units is essential to strengthen their capacities in procurement.
Finally, we note that the COSOP will leverage regional grants for capacity building to address persistent capacity gaps identified and we would like to clarify how that will be factored in to the use of IFAD grants and included in the allocation process of the new policy on grants.	The revised grants policy has the objectives of enhancing IFAD's impact on the ground (strategic objective [SO] 1), and fostering a more conducive policy and investment environment for rural development (SO2). In terms of SO1, this COSOP will strengthen the linkages between loans and grants to ensure that promising outcomes of grants are fully incorporated into the investment portfolio, including linkages and synergies with other grants. Moreover, Management expects strong proposals to be submitted for regional grants through this COSOP under SO1, aimed at enhancing capacity-building through the introduction of innovative approaches and technologies. This is a key pillar of SO1, for which priority areas include activities to leverage innovations to enhance impact, and capacity-building of institutions and organizations to improve the ownership and effectiveness of IFAD's work.

Comments from Ireland	Management response
<p>Overall, Ireland welcomes this IFAD COSOP for Tanzania which presents a clear food systems approach informed by analysis of the Tanzanian context. It is encouraging to see how it outlines an intention to work with different groups at the national and local levels to influence food systems and build the capacities of national seed system actors.</p>	<p>Management appreciates the overall positive feedback on the COSOP's food systems approach.</p>
<p>It features a lot of moving pieces and presents the sense of complexity of food systems.</p> <p>We have a couple of additional points:</p> <p>Firstly, on gender; the COSOP provides a good analysis of gender issues in agriculture and provides a good mix of solutions on facilitating women's access to resources and building women's agency, it also mentions the influence of social norms on gender equality. However, the outlined approach is silent on addressing gender relations as a way to promote gender equality, thus, contrary to what is outlined in the document, it leaves an impression of the approach being gender sensitive rather than transformative.</p>	<p>The COSOP outlines a framework of gender transformative approaches to bring about gender equality and to promote equitable gender relations and social norms, participation in decision-making and access to productive resources. Specifically, through ongoing and future IFAD investments, the gender transformative framework will include the use of gender tools such as the Gender Action Learning System and other methodologies to facilitate gender transformation at all levels (individual, household, community and institutional) through various interventions. This methodology has had proven success in addressing gender relations across a range of IFAD projects. The COSOP's focus on the three accelerators (digital innovations, access to financial services and policy engagement) will allow IFAD to tackle different dimensions of gender inequality, leveraging the new momentum generated by the current conducive policy environment. However, it is worth noting that given the country context, the COSOP takes a gradual approach to achieving gender transformation.</p>
<p>Additionally, our experience has shown that issues do vary between agricultural sectors and geographically within and between regions, it would be useful to supplement the existing analysis with sector and location specific gender analyses during implementation. Overall, we got a sense that the COSOP's approach to climate</p>	<p>Indeed, gender issues, including gender relations and access to resources, vary greatly across locations and sectors. Gender issues along the central corridor are more patriarchal in nature compared to the north-east, where women have advanced in leadership and decision-making. However, they still remain restricted in terms of control of resources such as land and inheritance. In the case of livestock keepers, ownership of animals is usually with men, while milking is undertaken by women. In most cases, across the country, division of labour tends to follow along the lines of gender relations emanating from traditional practices, sociocultural</p>

Comments from Ireland	Management response
<p>action and nutrition came out more strongly than that on gender.</p>	<p>patterns and religious norms. This division of labour extends to activities related to food and cash crops.</p> <p>As part of the project design process, a thorough and focused sector- and location-specific gender analysis will be conducted. This analysis will inform the project's gender strategy and will lead to the development of the project's gender action plans early in implementation.</p>
<p>Secondly, it is very welcome to see that there are plans to build the capacity on food systems at the national level and the vision to coordinate multi-sectoral efforts at that level, however, given the known low appetite for cross sectoral collaboration in the country;</p> <ul style="list-style-type: none"> • How will IFAD ensure that this COSOP is delivered and that national capacities are strengthened to respond to the food system needs in the country? • How will IFAD use its close working relationship with the Ministry of Agriculture to create more awareness on the importance of adopting a food-systems approach, as well as, to influence cross-ministry coordination and collaboration? 	<p>IFAD works across sectors and notes the challenges of cross-sectoral collaboration, including inadequate coordination and harmonization of efforts across sector agencies, and misalignment of efforts between levels of government (central and local).</p> <p>Noting this challenge, and drawing upon lessons from previous IFAD programmes, the COSOP will address operational and technical gaps in implementing institutions, and make targeted efforts to enhance cross-sectoral coordination at all levels to support the implementation of the country programme. In order to address existing capacity gaps, the COSOP will promote capacity-building and institution-strengthening for policy analysis and implementation, and service delivery. It will also leverage regional grants and non-lending activities, including South-South and Triangular Cooperation partnership opportunities.</p> <p>Through sustained policy engagement, IFAD has maintained a close working relationship with the Ministry of Agriculture. As an incoming chair of the Agriculture Working Group, IFAD will leverage its position to advance high-level policy dialogue with the Ministry and its partners on adopting a food systems approach to implement the identified national food system pathways. As a step towards cross-sectoral collaboration, IFAD is currently working with the Ministry of Agriculture and the Ministry of Livestock and Fisheries to develop the first national agriculture insurance programme in the country.</p>