
Comments of the Independent Office of Evaluation of IFAD on the country strategic opportunities programme for the Republic of Malawi

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Action: The Executive Board is invited to review the comments of the Independent Office of Evaluation of IFAD on the country strategic opportunities programme for the Republic of Malawi.

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I. General comments

1. In 2021 the Independent Office of Evaluation of IFAD (IOE) conducted the first country strategy and programme evaluation (CSPE) in Malawi, covering the period from 2011 to 2021. The portfolio for this period included 7 loans totalling US\$437.3 million, 65 grants (global, regional and country grants) amounting to US\$160.2 million, and various non-lending activities (knowledge management, partnerships and policy engagement).
2. The CSPE found the overall achievement of IFAD's country strategy and programme to be moderately satisfactory. A consistent strength of the country programme was its focus on poor and marginalized communities and decentralized service delivery. The CSPE noted positive achievements, in particular, with regard to the relevance and coherence of the country programme, the enhanced focus of the lending programme on country strategic opportunities programme (COSOP) priority themes such as climate change adaptation and gender, and the increased attention to non-lending activities. Persistent challenges were posed by weak capacities on the part of implementing partners, which led to long delays and undermined the performance of the programme. The ambitious and complex nature of recent programme and project designs remains a challenge for implementation, given the existing capacities at national and local levels.
3. The CSPE made three recommendations, which were accepted in the Agreement at Completion Point signed by the Government and IFAD. These were: (1) adopt an explicit approach to addressing chronic food insecurity and malnutrition through diversified and sustainable production system as COSOP objective; (2) develop a strategic approach for enhancing the impact and scale of successful practices and initiatives; and (3) address implementation bottlenecks through targeting specific capacity constraints at various levels.
4. The 2023–2030 COSOP incorporates the findings, conclusions and recommendations of the CSPE. Its two strategic objectives (SOs) are: improved food and nutrition security, to be achieved through increased agricultural productivity and climate-resilience of smallholder farmers (SO1); and improved access to remunerative agricultural markets and services, notably for rural women and youth (SO2).

II. Specific comments

5. The COSOP is a well-presented document which draws upon extensive analyses and data (included in the appendices), in addition to the CSPE findings. IOE appreciates the fact that the COSOP makes extensive references to the CSPE in the main text and in the appendices. The COSOP incorporates key conclusions and recommendations from the CSPE, in particular with regard to addressing persistent food insecurity and malnutrition (SO1), enhancing the focus on climate change and environmental and natural resource management (para. 22), scaling up successful practices from ongoing projects (para. 21) and enhancing pro-poor, gender and youth targeting (para. 26). While the continued thematic focus in the portfolio and the deepening of achievements and impact are positive aspects of the COSOP, it remains vague with regard to some key challenges highlighted by the CSPE.
6. **Imperfect value chain architecture.** Previous IOE and World Bank evaluations of IFAD-supported projects in Malawi have consistently noted the weak achievements

with regard to smallholders' access to markets, a finding confirmed by a recent assessment conducted by IFAD's Research and Impact Assessment Division (see appendix V). IOE's project performance evaluation (PPE) of the Rural Livelihoods Economic Enhancement Programme (RLEEP), conducted in 2020, identified as main reasons unfavourable legislation, a weak private sector and insufficient empowerment of farmers' organizations. The COSOP includes investments in value chain facilities and support for value chain platforms, but it does not explain how the fundamental shortcomings of the value chain architecture will be addressed. The COSOP also commits to empowering smallholder organizations, and although the results management framework (RMF) includes related indicators under SO2 (see appendix I), it does not elaborate on how it will overcome previous limitations. The CSPE noted that the majority of farmers' organizations supported by the country programme still lack legal recognition and bargaining power in the marketplace, and this finding is reiterated in COSOP appendix VIII. The COSOP recognizes the important role of the private sector (para. 21); however, it does not specify the risks related to weakness of the private sector. The RLEEP PPE recommended strengthening the focus on farmers' empowerment through enhanced capacity-building, access to finance, access to information and institutional linkages. It also recommended mainstreaming social accountability and due diligence into the support provided to associations and cooperatives. Although Management agreed with the recommendation, it was not followed up on in the COSOP.

7. **Limited implementation and coordination capacity.** The CSPE highlighted insufficient government capacities for implementation and coordination at central and local levels. The CSPE recommended providing project coordination units with additional time and technical support and adopting a donor-coordinated approach to strengthen district councils' oversight and management functions. The COSOP states that it will "holistically address the need for efficient and effective programme implementation at three different levels, and ensure the sustainability of outputs and outcomes", mainly through training, exchange and learning. Additional grant financing from the African Agricultural Transformation Initiative (AATI) may help to mitigate technical shortfalls in staff capacities in the short-term, but will be insufficient to resolve the pertinent issues of government understaffing and weak functional decentralization, which have adversely affected programme performance for a long time. The CSPE therefore recommended that the COSOP identify mechanisms to support the Government in implementing decentralization.
8. **Weak monitoring and evaluation systems.** The CSPE acknowledged that the programme had invested heavily in monitoring and evaluation (M&E). However, it noted persistent weaknesses in M&E, such as insufficient focus on programme outcomes and impact indicators; insufficient feedback on implementation quality and performance of service providers; and insufficient use of innovative grant-financed M&E tools. M&E systems also need to track the extent to which farmers adopt or discontinue good agricultural practices promoted by the projects. The CSPE stated that IFAD needed to step up its technical assistance and to enhance the performance of the M&E systems (including data quality) and lesson-learning from successes and failures. The CSPE recommended that the reporting and impact measurement of climate-related interventions should follow international standards, such as those adopted by the Intergovernmental Panel on Climate Change, or focus on area coverage, which would enable a more accurate analysis of project impact on climate change adaptation. IOE notes that, despite the importance of climate change adaptation, no such indicators have been included in the RMF. In line with the above observations, IOE notes that the RMF does not provide baseline values even though four out of the five operations included in it have already passed the midterm point and three operations will be completed in 2023. The absence of baseline values limits the relevance of the RMF as a monitoring tool.

III. Final remarks

9. IOE appreciates the quality of the COSOP and its comprehensive reference to the CSPE findings, conclusions and recommendations. Issues of lagging performance and impact should receive Management's continued attention, and corrective action should be taken under the country programme. IOE recommends that the country programme address the important challenges outlined above through specific strategies and actions throughout the next programming cycle.